The Midas Spółka Akcyjna
Capital Group

Consolidated quarterly report
for the 3-month and 9-month period ended 30 September 2013

QSr 3/2013

Place and date of publication: Warsaw, 14 November 2013

CONTENT OF THE REPORT:

SELECTED FINANCIAL DATA OF THE MIDAS GROUP

	9-month period ended 30 September 2013 in PLN '000	9-month period ended 30 September 2012 in PLN '000	9-month period ended 30 September 2013 in EUR '000	9-month period ended 30 September 2012 in EUR '000
Revenue from sales	148,972	61,306	35,275	14,615
Profit (loss) on operating activities	(151,706)	(130,738)	(35,923)	(31,166)
Profit (loss) before tax	(160,146)	(130,890)	(37,921)	(31,203)
Net profit (loss) from continuing operations attributable to shareholders of the parent	(141,291)	(124,747)	(33,457)	(29,738)
Net cash flow from operating activities	(162,977)	9,553	(38,592)	2,277
Net cash flow from investing activities	(83,078)	(63,504)	(19,672)	(15,139)
Net cash flow from financing activities	230,067	170,918	54,478	40,745
Average weighted number of shares	1,479,664,900	1,138,366,354	1,479,664,900	1,138,366,354
Basic profit (loss) from continuing operations per ordinary share	(0.10)	(0.11)	(0.02)	(0.03)

	As at 30 September 2013 in PLN '000	As at 31 December 2012 in PLN '000	As at 30 September 2013 in EUR '000	As at 31 December 2012 in EUR '000
Total assets	1,451,612	1,418,992	344,286	347,095
Total liabilities	625,537	451,630	148,362	110,472
Non-current liabilities	421,483	169,067	99,965	41,355
Current liabilities	204,054	282,563	48,396	69,117
Equity attributable to shareholders of the parent	826,075	967,362	195,924	236,623
Share capital	147,967	147,967	35,094	36,194

SELECTED FINANCIAL DATA OF MIDAS S.A.

	9-month period ended 30 September 2013 in PLN '000	9-month period ended 30 September 2012 in PLN '000	9-month period ended 30 September 2013 in EUR '000	9-month period ended 30 September 2012 in EUR '000
Revenue from sales	-	-	-	-
Profit (loss) on operating activities	(2,185)	(1,262)	(517)	(301)
Profit (loss) before tax	1,282	5,244	304	1,250
Net profit (loss) from continuing operations attributable to shareholders of the Company	1,282	5,244	304	1,250
Net cash flow from operating activities	1,482	4,271	351	1,018
Net cash flow from investing activities	(205,602)	(91,027)	(48,685)	(21,700)
Net cash flow from financing activities	171,177	217,090	40,533	51,752
Average weighted number of shares	1,479,664,900	1,138,366,354	1,479,664,900	1,138,366,354
Basic profit (loss) from continuing operations per ordinary share	0.0009	0.0046	0.0002	0.0011

	As at 30 September 2013 in PLN '000	As at 31 December 2012 in PLN '000	As at 30 September 2013 in EUR '000	As at 31 December 2012 in EUR '000
Total assets	1,464,689	1,238,270	347,387	302,889
Total liabilities	251,472	26,339	59,643	6,443
Non-current liabilities	251,229	-	59,585	-
Current liabilities	243	26,339	58	6,443
Equity attributable to shareholders of the Company	1,213,217	1,211,931	287,744	296,446
Share capital	147,967	147,967	35,094	36,194

Selected items from the interim condensed consolidated and interim condensed separate statements of financial position presented in EUR were converted using the average EUR exchange rate announced by the National Bank of Poland on 30 September 2013: 4.2163 PLN/EUR, and on 31 December 2012: 4.0882 PLN/EUR.

Selected items from the interim condensed consolidated and interim condensed separate statement of comprehensive income and from the interim condensed consolidated and the interim condensed separate statement of cash flows 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 9-month period ended 30 September 2013 and the 9-month period ended 30 September 2012 (4.2231 PLN/EUR and 4.1948 PLN/EUR respectively).

MIDAS Spółka Akcyjna
Capital Group

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3-MONTH AND 9-MONTH PERIOD ENDED 30 SEPTEMBER 2013

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 9-month period ended 30 September 2013

	Note	3-month period ended 30 September 2013 in PLN '000 *(unaudited)*	9-month period ended 30 September 2013 in PLN '000 *(unaudited)*	3-month period ended 30 September 2012 in PLN '000 *(unaudited)*	9-month period ended 30 September 2012 in PLN '000 *(unaudited)*
Continuing operations					
Revenue from the sale of goods and services	7	56,411	148,972	22,388	61,306
Depreciation and amortisation	8	(27,739)	(81,860)	(26,079)	(78,309)
Wages and salaries	8	(2,097)	(4,959)	(1,170)	(3,832)
Other costs by type	8	(83,801)	(215,725)	(41,964)	(111,614)
Other operating revenue	9	2,280	4,613	1,060	2,748
Other operating expenses	10	(901)	(2,747)	(171)	(1,037)
Loss on operating activities		**(55,847)**	**(151,706)**	**(45,936)**	**(130,738)**
Finance income	11	1,248	4,923	3,093	7,918
Finance costs	12	(7,153)	(13,363)	(1,775)	(8,070)
Profit/ (loss) on financing activities		**(5,905)**	**(8,440)**	**1,318**	**(152)**
Loss before tax		**(61,752)**	**(160,146)**	**(44,618)**	**(130,890)**
Current income tax		-	-	-	-
Deferred tax	13	332	18,855	2,049	6,143
Total income tax		**332**	**18,855**	**2,049**	**6,143**
Net loss from continuing operations		**(61,420)**	**(141,291)**	**(42,569)**	**(124,747)**
Net profit/ (loss) from discontinued operations		-	-	-	-
Net loss		**(61,420)**	**(141,291)**	**(42,569)**	**(124,747)**
Other comprehensive income		-	-	-	-
COMPREHENSIVE LOSS		**(61,420)**	**(141,291)**	**(42,569)**	**(124,747)**
Attributable to:					
ownership interests of shareholders of the parent		(61,420)	(141,291)	(42,754)	(124,890)
non-controlling interests		-	-	185	143
Average weighted number of ordinary shares		1,479,666,750	1,479,664,900	1,138,366,354	1,138,366,354
Net loss from continuing operations per 1 share attributable to shareholders of the parent (in PLN)		(0.04)	(0.10)	(0.04)	(0.11)

Supplementary explanatory notes included on pages 12 to 25 are an integral part of the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 September 2013

	Note	30 September 2013 in PLN '000 *(unaudited)*	31 December 2012 in PLN '000 *(restated)*	1 January 2012 in PLN '000 *(restated)*
ASSETS				
Non-current assets				
Property, plant and equipment	14	368,996	309,518	298,412
Intangible assets	15	799,103	856,334	933,003
goodwill of subsidiaries		41,231	41,231	41,231
value of frequency reservations		753,163	809,015	883,470
other intangible assets		4,709	6,088	8,302
Other financial assets	17	14,488	14,020	39,564
Other non-financial assets	17	3,513	8,885	33,161
Deferred income tax assets	13	12,711	-	-
Total non-current assets		**1,198,811**	**1,188,757**	**1,304,140**
Current assets				
Inventories	18	1,515	190	258
Trade and other receivables	17	99,805	63,176	29,441
Cash and cash equivalents		149,901	165,889	37,623
Other prepayments		1,580	980	2,178
Total current assets		**252,801**	**230,235**	**69,500**
Total assets		**1,451,612**	**1,418,992**	**1,373,640**

LIABILITIES	Note	30 September 2013 in PLN ‘000 *(unaudited)*	31 December 2012 in PLN ‘000 *(restated)*	1 January 2012 in PLN ‘000 *(restated)*
Equity				
attributable to shareholders of the Company, of which:				
Share capital		147,967	147,967	29,593
Share premium		1,140,765	1,140,911	435,560
Treasury shares	31	-	(150)	(150)
Supplementary capital		-	-	-
Retained earnings/ accumulated losses		(462,657)	(321,366)	(144,143)
Retained profit / (loss)		(321,366)	(144,143)	(230,872)
Net profit / (loss) for the current period		(141,291)	(177,223)	86,729
Non-controlling interests		-	-	19,974
Total equity		**826,075**	**967,362**	**340,834**
Non-current liabilities				
Borrowings	20	82,462	33,352	44,185
Other financial liabilities	22	212,368	-	-
Deferred income	21	38,450	41,537	35,358
Provisions	19	3,519	3,350	2,840
Deferred tax liability		84,684	90,828	99,017
Total non-current liabilities		**421,483**	**169,067**	**181,400**
Current liabilities				
Trade and other payables	26	67,230	45,326	588,542
Deferred income	21	135,168	220,117	100,181
Borrowings and other financial liabilities	20	-	16,249	161,919
Provisions for other liabilities	19	1,656	871	764
Total current liabilities		**204,054**	**282,563**	**851,406**
Total equity and liabilities		**1,451,612**	**1,418,992**	**1,373,640**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the 9-month period ended 30 September 2013

	Note	9-month period ended 30 September 2013 in PLN '000 *(unaudited)*	9-month period ended 30 September 2012 in PLN '000 *(unaudited)*
Gross profit (loss)		**(160,146)**	**(130,890)**
Adjustments of items:			
Depreciation of fixed and intangible assets		81,860	78,309
Interest expense and income		(275)	5,784
Exchange rate differences		(10)	5
(Gain)/ loss from investing activities		2,000	589
Change in the balance of assets and liabilities related to operating activities:			
- Trade and other receivables		(36,618)	(41,622)
- Inventories		(1,325)	3
- Trade and other payables		25,977	606
- Deferred income		(88,036)	96,354
- Provisions		954	153
- Other prepayments/ accruals		(323)	(342)
Cost of issue of debt securities		-	392
Cost of interest on bonds	22	12,720	-
Other adjustments		245	212
Net cash flow from operating activities		**(162,977)**	**9,553**
Proceeds from sale of property, plant and equipment and intangible assets		6	-
Purchase of property, plant and equipment and intangible assets		(83,084)	(62,368)
Acquisition of subsidiary – deferred payment		-	(1,136)
Net cash flow from investing activities		**(83,078)**	**(63,504)**
Proceeds from share issuance		-	278,150
Proceeds from sale of treasury shares	31	4	-
Proceeds from issuance of debt securities	22	200,099	20,000
Repayment of debt securities		-	(71,500)
Interest paid on bonds issued		-	(1,730)
Outlays on issue of commercial papers		-	(297)
Repayment of finance lease liabilities (related to fixed assets used)		-	(39,965)
Proceeds from bank loans	20	41,000	-
Commissions paid (related to issuing bonds and obtaining bank loans)	20, 22	(2,867)	-
Repayment of borrowings		(6,000)	(12,418)
Interest paid on bank loans		(2,169)	(3,323)
Other		-	2,001
Net cash flow from financing activities		**230,067**	**170,918**
Net increase (decrease) in cash and cash equivalents		(15,988)	116,967
Cash at beginning of period		**165,889**	**37,623**
Cash at end of period	16	**149,901**	**154,590**

INTERIM CONDENSED CONSOLIDATED SUMMARY OF CHANGES IN EQUITY
for the 9-month period ended 30 September 2013

(in PLN '000)

	Note	Share capital	Share premium	Treasury shares	Retained earnings/ accumulated losses	Total	Non-controlling interests	Total equity
		Equity attributable to shareholders of the parent						
As at 1 January 2013		**147,967**	**1,140,911**	**(150)**	**(319,056)**	**969,672**	**-**	**969,672**
Correction of a prior period error		-	-	-	(2,310)	**(2,310)**	-	**(2,310)**
As at 1 January 2013		**147,967**	**1,140,911**	**(150)**	**(321,366)**	**967,362**	**-**	**967,362**
Proceeds from sale of treasury shares	31	-	(146)	150	-	4	-	4
Net loss for the financial year		-	-	-	*(141,291)*	*(141,291)*	-	*(141,291)*
Total comprehensive loss for the financial year		-	-	-	(141,291)	(141,291)	-	(141,291)
As at 30 September 2013 *(unaudited)*		**147,967**	**1,140,765**	**-**	**(462,657)**	**826,075**	**-**	**826,075**

	Note	Share capital	Share premium	Treasury shares	Retained earnings/ accumulated losses	Total	Non-controlling interests	Total equity
As at 1 January 2012		**29,593**	**435,560**	**(150)**	**(143,436)**	**321,567**	**19,974**	**341,541**
Correction of a prior period error		-	-	-	(707)	**(707)**	-	**(707)**
As at 1 January 2012		**29,593**	**435,560**	**(150)**	**(144,143)**	**320,860**	**19,974**	**340,834**
Issue of shares		118,374	710,240	-	-	828,614	-	**828,614**
Share issuance costs		-	(4,524)	-	-	(4,524)	-	**(4,524)**
Net profit for the financial year		-	-	-	*(124,890)*	(124,890)	***143***	*(124,747)*
Total comprehensive income for the financial year		-	-	-	(124,890)	(124,890)	143	(124,747)
As at 30 September 2012 *(restated, unaudited)*		**147,967**	**1,141,276**	**(150)**	**(269,033)**	**1,020,060**	**20,117**	**1,040,177**

SUPPLEMENTARY EXPLANATORY NOTES

The interim condensed consolidated financial statements of the Group have been drawn up for the 3-month and 9-month period ended 30 September 2013 and contain comparative data as required by the International Financial Reporting Standards (the "IFRS").

The interim condensed consolidated statement of comprehensive income and notes to the interim condensed consolidated statement of comprehensive income include data for the 9-month period ended 30 September 2013, the 3-month period ended 30 September 2013, and comparative data for the 9-month period ended 30 September 2012 and the 3-month period ended 30 September 2012. The data for the 3-month and 9-month period ended 30 September 2013 and the comparative data for the 3-month and 9-month period ended 30 September 2012 were not subject to a review or an audit by an independent auditor.

On 14 November 2013, these interim condensed consolidated financial statements of the Group for the 3-month and 9-month period ended 30 September 2013 were approved for publication by the Management Board.

1. General disclosure

The Midas S.A. Capital Group (the "Group", the "Midas 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, 12th Commercial Division 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 for an unlimited time.

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.

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

Entity	Registered office	Scope of activity	Percentage share of the Group in capital	
			30 September 2013	**31 December 2012**
CenterNet S.A.	Warsaw	telecommunications	100%	100%
Mobyland Sp. z o.o.	Warsaw	telecommunications	100%	100%
Conpidon Ltd*	Nicosia	no operating activities	100%	100%
Aero2 Sp. z o.o.	Warsaw	telecommunications	100%	100%
Nova Capital Sp. z o.o.**	Warsaw	no operating activities	-	85.2%

* information on the proposed merger between Conpidon and Midas is set forth in Note 30 hereto.

** information on the merger between Nova Capital and Aero2, which was registered in the NCR, is set forth in Note 30 hereto.

As at 30 September 2013 and as at 31 December 2012, 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. An exception is Nova Capital Sp. z o.o., in which the Group held 85.2 per cent of the share capital and 100 per cent of the votes as at 31 December 2012.

The Company notes that 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 have been prepared in accordance with the International Financial Reporting Standards (the “IFRS”) adopted by the EU, 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 Group, in the context of the accounting principles applied by the Group, the accounting principles of the IFRS differ from those of the IFRS approved by the EU. The Company has made use of the opportunity arising when applying the International Financial Reporting Standards adopted by the EU, of applying IFRS 10, IFRS 11 and IFRS 12, the amended IAS 27 and IAS 28 only from annual periods beginning from 1 January 2014.

The IFRS comprise standards and interpretations accepted by the International Accounting Standards Board (the “IASB”) and the International Financial Reporting Interpretations Committee (the “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. As at the day on which these financial statements were approved, no circumstances were found which 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 consolidated financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2012, published on 21 March 2013.

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 2012, except for the following new or amended standards and interpretations in force for annual periods beginning on or after 1 January 2013.

- Amendments to IAS 19 *Employee Benefits* – which apply to financial years beginning on or after 1 January 2013,

The application of such amendments had no impact on the financial position or comprehensive income of the Group.

- Amendments to IAS 1 *Presentation of financial statements: presentation of items of other comprehensive income* – which apply to annual periods beginning on or after 1 July 2012,

Amendments concerning the grouping of other items from comprehensive income. Other items of comprehensive income subject to reclassification in the future to profit or loss are presented separately from items which will not be reclassified to profit or loss.

The application of these changes had no effect on the financial position or the value of the comprehensive income of the Group, or on the scope of information presented in the Group’s financial statements.

- Amendments of IAS 12 *Income taxes: Tax Realisation of Assets* – which apply to annual periods beginning on or after 1 January 2012 – in the EU, applicable at the latest to annual periods beginning on or after 1 January 2013,

The application of these changes had no effect on the financial position or operating results of the Group, or on the scope of information presented in the Group’s financial statements.

- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* – which apply to annual periods beginning on or after 1 July 2011 – in the EU, applicable at the latest to annual periods beginning on or after 1 January 2013,

Amendments to IFRS 1 did not concern the Group.

- IFRS 13 *Fair Value Measurement* – which applies to annual periods beginning on or after 1 January 2013,

IFRS 13 leads to a single set of rules concerning the manner of determining the fair value of financial and non-financial assets and liabilities, where such valuation is required or allowed by the IFRS. IFRS 13 does not affect when the Group is obliged to make a valuation according to fair value. The regulations of IFRS 13 apply to both initial valuations and valuations made after initial disclosure.

This requires new disclosure in the area of techniques (methods) of valuation and initial information/data to determine fair value, as well as the impact of certain initial information on valuation at fair value.

The application of IFRS 13 had no effect on the financial position or operating results of the Group, or on the scope of information presented in the Group's financial statements.

- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Min*e – which apply for annual periods beginning on or after 1 January 2013,

The interpretation does not apply to the Group.

- Amendments of IFRS 7 *Financial Instruments: Disclosures: Compensation of Financial Assets and Financial Liabilities* - which apply to annual periods beginning on or after 1 January 2013,

The amendments introduce additional quantitative and qualitative disclosures concerning transfers/assignments of financial assets, if:

- the financial assets are totally removed from the balance sheet but the entity remains involved in those assets (e.g. through options or guarantees concerning the assets transferred)
- the financial assets are not entirely removed from the balance sheet

The application of these changes had no effect on the financial position or operating results of the Group.

- Amendments of IFRS 1 *First-time Adoption of International Financial Reporting Standards: Government loans* – which apply to annual periods beginning on or after 1 January 2013,

Amendments to IFRS 1 did not concern the Group.

- Amendments resulting from an IFRS review (issued in May 2012) – effective for financial years beginning on or after 1 January 2013,

IAS 1 – the amendment clarifies differences between voluntarily presented supplementary comparative data and the minimum comparative data required,

IAS 16 – the amendment explains that main replacement parts and servicing equipment which meet the criteria for being defined as property, plant and equipment are not inventories,

IAS 32 – the amendment removes existing requirements concerning disclosing tax from IAS 32, and requires the application of IAS 12 for income tax resulting from distribution to owners of financial instruments,

IAS 34 – the amendment clarifies the requirements of IAS 34 concerning information on the subject of the total value of assets and liabilities for each reporting segment, in order to strengthen consistency with the requirements of IFRS 8 Operating segments. In accordance with the amendment, the total value of assets and liabilities of a given reporting segment must be disclosed only if: those values are regularly reported to the main operational decision-maker of the entity, and there has been a significant change in the total value of assets and liabilities disclosed in the previous annual financial statements for that segment.

The application of these changes had no effect on the financial position or operating results of the Group, or on the scope of information presented in the Group's 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. Adjustment of comparative data

Upon receiving and issuing adjustment invoices for the years 2011-2012, appropriate adjustments were made of comparative data in the consolidated statement of financial position, the statement of cash flows, and the statement of changes in equity.

A description of the adjustments is provided below:

As at 31 December 2011:

a) Adjustment reducing revenues from sales of services in 2011 by PLN 275,000
b) Adjustment increasing the cost of external services in 2011 by PLN 432,000

As at 31 December 2012:

a) Adjustment reducing revenues from sales of services in 2012 by PLN 1,042,000
b) Adjustment increasing the cost of external services in 2012 by PLN 561,000

Presented below is the impact of the above adjustments on the 2011 and 2012 net profit:

Description of adjustment	Impact on result for 2012	Impact on result for 2011
Historical data (audited)	**(175,620)**	**87,436**
Adjustment of revenues from sales of goods and services	(1,042)	(275)
Adjustment of other costs by type	561	432
Restated data	**(177,223)**	**86,729**

The above adjustments had no significant impact on the profit/loss per share.

Presented below is the impact of the above adjustments on the items disclosed in the consolidated statement of financial position as at 31 December 2012:

	31 December 2011 in PLN '000	Adjustments	1 January 2012 in PLN '000
	(audited)		*(restated)*
ASSETS			
Current assets			
Trade and other receivables	29,716	(275)	29,441
Total current assets	**69,775**	**(275)**	**69,500**
Total assets	**1,373,915**	**(275)**	**1,373,640**

	31 December 2011 in PLN '000 *(audited)*	Adjustments	1 January 2012 in PLN '000 *(restated)*
LIABILITIES			
Equity			
attributable to shareholders of the Company, of which:			
Accumulated losses	(144,143)		(144,143)
Retained loss	(230,872)		(230,872)
Net profit for the current period	87,436	(707)	86,729
Total equity	**340,834**	**(707)**	**340,834**
Current liabilities			
Trade and other payables	588,110	432	588,542
Total current liabilities	**850,974**	**432**	**851,406**
Total equity and liabilities	**1,373,915**	**(275)**	**1,373,640**

Presented below is the impact of the above adjustments on the items disclosed in the consolidated statement of financial position as at 31 December 2012:

	31 December 2012 in PLN '000 *(audited)*	Adjustments	31 December 2012 in PLN '000 *(restated)*
ASSETS			
Current assets			
Trade and other receivables	64,493	(1,317)	63,176
Total current assets	**231,552**	**(1,317)**	**230,235**
Total assets	**1,420,309**	**(1,317)**	**1,418,992**

	31 December 2012 in PLN '000 *(audited)*	Adjustments	31 December 2012 in PLN '000 *(restated)*
LIABILITIES			
Equity			
attributable to shareholders of the Company, of which:			
Accumulated losses	(319,056)	(2,310)	(321,366)
Retained loss	(143,436)	(707)	(144,143)
Loss for the current period	(175,620)	(1,603)	(177,223)
Total equity	**969,672**	**(2,310)**	**967,362**
Current liabilities			
Trade and other payables	44,333	993	45,326
Total current liabilities	**281,570**	**993**	**282,563**
Total equity and liabilities	**1,420,309**	**(1,317)**	**1,418,992**

The impact of the adjustments on equity is presented in the statement of changes in equity.

5. Segments of activities

The Group's activities are treated by the management as a single coherent operating segment covering wholesale telecommunications activities. 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.

6. Seasonality of activities

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

7. Revenue

	6-month period ended 30 June 2013 in PLN '000	**9-month period ended 30 September 2013 in PLN '000**	**6-month period ended 30 June 2012 in PLN '000**	**9-month period ended 30 September 2012 in PLN '000**
Sales of telecommunications services	92,534	148,927	35,059	57,423
Sales of goods	27	45	3,859	3,883
Total	**92,561**	**148,972**	**38,918**	**61,306**

During the 9-month period ended 30 September 2013, revenues increased by PLN 87,666,000 in comparison to the corresponding period of the previous year. This was mainly due to the increased usage of data transmission services ordered by wholesale customers of the Midas Group, largely due to increasing popularity of LTE technology and to the consistently expanding coverage of the telecommunications network utilised by the Midas Group. The Management Board of the Company emphasises that revenue in the third quarter of 2013 increased by approximately 13.7 per cent compared to the revenue achieved in the second quarter of 2013.

8. Costs by type

During the 9-month period ended 30 September 2013, costs by type increased by PLN 108,789,000 in comparison to the corresponding period of the previous year. This change results from an increase in depreciation costs and in the costs of maintaining and operating a telecommunications network, which change (increase) in line with the growth in the number of base stations.

9. Other operating revenue

During the 9-month period ended 30 September 2013, other operating revenue increased by PLN 1,865,000 in comparison to the corresponding period of the previous year. For the purposes of the interim condensed consolidated statement of comprehensive income, other operating revenue comprises the following:

	9-month period ended 30 September 2013	9-month period ended 30 September 2012
	in PLN '000	in PLN '000
Subsidies	1,812	1,317
Postal charges	1,495	709
Write-off of overdue liabilities	1,098	-
Release of provisions	122	44
Received compensation and similar benefits	3	362
Write-downs of receivables and inventories	64	70
Other	19	246
Total	**4,613**	**2,748**

10. Other operating expenses

During the 9-month period ended 30 September 2013, other operating expenses increased by PLN 1,710,000 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:

	9-month period ended 30 September 2013	9-month period ended 30 September 2012
	in PLN '000	in PLN '000
Revaluation write-down of the value of fixed assets under construction	1,999	589
Revaluation write-down of receivables	-	196
Write-off of bad debts	342	-
Cost of court fees	130	-
Compensation and penalties	25	6
Other	251	246
Total	**2,747**	**1,037**

11. Finance income

During the 9-month period ended 30 September 2013, finance income decreased by PLN 2,995,000 in comparison to the corresponding period of the previous year. This change results from a decrease in the amount of interest on cash invested in interest-bearing bank deposits, caused by a reduction in bank deposit interest rates.

12. Finance costs

During the 9-month period ended 30 September 2013, the value of financial costs increased by PLN 5,293,000 in comparison to the corresponding period of the previous year. This change is due to discount costs of issued series A bonds. In the last quarter of 2013, an increase in financial costs is expected due to the drawdown of the loan granted by Alior Bank (interest).

13. Income tax

As at 30 September 2013, the Group recognised deferred tax assets counted as tax losses of the company CenterNet in connection with the strong likelihood of those assets being attained. As at 30 September 2013, the Group recognised assets of PLN 12,711,000 (PLN 0 as at 31 December 2012).

The total value of deferred income tax disclosed in the statement of comprehensive income for the first 9 months of 2013 was PLN 18,855,000 (PLN 6,143,000 in the corresponding period of the previous year).

14. Property, plant and equipment

14.1. Purchases and disposals

During the 9-month period ended 30 September 2013, the Group acquired property, plant and equipment with a value of PLN 83,837,000 (mainly telecommunications infrastructure from Nokia Solutions and Networks, previously known as Nokia Siemens Networks, Ericsson and IT Polpager).

During the 9-month period ended 30 September 2012, the Group acquired property, plant and equipment with a value of PLN 38,332,000.

During the 9-month period ended 30 September 2013 and the 9-month period ended 30 September 2012, the Group did not dispose of any items of property, plant and equipment with a significant value.

14.2. Impairment write-downs

During the period ended 30 September 2013, the Group made an impairment write-down of PLN 1,999,000, and in the corresponding period of the previous year, the Group made impairment write-downs of non-current assets in the amount of PLN 589,000.

15. Intangible assets

15.1. Purchases and disposals

During the 9-month period ended 30 September 2013, the Group did not acquire or dispose of any intangible assets with a significant value. The change in value results from amortisation.

During the 9-month period ended 30 September 2012, [the Group] did not acquire or dispose of any intangible assets with a significant value.

15.2. Impairment write-downs

During the period ended 30 September 2013 and the corresponding period of the previous year, the Group did not recognise any significant impairment of intangible assets.

16. Cash and cash equivalents

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

	30 September 2013 in PLN '000	**30 September 2012 in PLN '000**
Cash at bank and on hand	10,313	21,885
Short-term bank deposits	139,256	132,301
Interest accrued on bank deposits	327	404
Other	5	-
Cash and cash equivalents	**149,901**	**154,590**

17. Trade and other receivablesand other assets

During the 9-month period ended 30 September 2013, receivables of the Group increased by PLN 36,629,000 in comparison to the balance as at 31 December 2012. That change results mainly from an increase in receivables from VAT in companies of the Group.

During the 9-month period ended 30 September 2013, other financial assets of the Group increased by PLN 468,000 in comparison to the balance as at 31 December 2012. That change results mainly from an increase in receivables from long-term loans granted (accrued interest).

During the 9-month period ended 30 September 2013, other non-current assets of the Group decreased by PLN 5,372,000. That change results mainly from settlement of advances designated for purchases of non-current assets.

18. Inventories

During the 9-month period ended 30 September 2013, inventories of the Group increased by PLN 1,325,000 in comparison to the balance as at 31 December 2012.

19. Provisions

During the 9-month period ended 30 September 2013, the Group did not recognise any significant movements in the balance of provisions in comparison to those described in the annual consolidated financial statements for 2012.

20. Interest-bearing bank credit and loans

On 31 January 2013, Aero2 and Invest Bank signed annexes to the loan agreements amending the form of repayment of the principal. The balance of the principal will be paid off as lump sums of PLN 29,431,000 by 26 September 2015 and PLN 20,170,000 by 30 September 2015, respectively. In connection with this operation, a commission of PLN 232,000 has been paid.

On 23 August 2013, the subsidiary Aero2 made partial repayment of a loan granted to it by Invest Bank. The value of the repayment was PLN 6,000,000. As at the date of publication of these condensed consolidated financial statements, the principal balance remaining to be repaid is PLN 43,601,000.

As at 30 September 2013, the Group held the following collateral under loan agreements with Invest Bank SA:

- transfer of ownership of assets for a total amount of at least 150 per cent of the current value of debt;
- a blank promissory note issued by the Borrower together with a promissory note declaration;
- the borrower's declaration of submission to enforcement up to PLN 76,433,000;
- authorisation to manage the borrower's bank accounts.

On 28 February 2013, the Company concluded with Alior Bank Spółka Akcyjna ("Alior Bank") a loan agreement for investment credit of PLN 150 million to finance the expansion of a network of relay stations by companies belonging to the Midas Group. Under the Agreement, the Company can use the Credit after meeting the specific conditions of use of the Credit, specified in the Agreement, but no later than by 31 March 2015. The Credit will be repaid in 12 quarterly capital instalments in the following amounts: PLN 1.5 million for the first three instalments; PLN 16.2 million for the next 8 instalments, and PLN 15.9 million for the last instalment. Capital instalments will be paid on the day on which each quarter ends, beginning with 30 June 2015 until 31 March 2018. The interest, calculated on the basis of the 1M WIBOR rate increased by the Bank's margin, will be repaid in monthly periods. The security for the Credit is: a power of attorney to the account of the Company in the Bank, a contractual mortgage up to PLN 225 million on the real property of Inwestycje Polskie Sp. z o.o. situated in Warsaw at ul. Ostrobramska 77 together with an assignment of rights from the all-risks insurance policy on the real property in an amount of not less than PLN 150 million, a suretyship under civil law by Inwestycje Polskie Sp. z o.o. granted for a period of one year from the date of a legally binding establishment of the mortgage together with a declaration on submission to enforcement under the suretyship granted up to the amount of the mortgage, a confirmed assignment of rights resulting from lease agreements for the premises on the real property concluded by Inwestycje Polskie Sp. z o.o. with tenants up to the amount not greater than PLN 15 million, a suretyship under civil law by the guarantor together with the above-mentioned declarations on submission to enforcement from the suretyship granted up to the amount of PLN 300 million, together with the above declaration of the Company on submission to enforcement under the above procedure up to the amount of PLN 300 million. The Management Board of the Company reported on the conclusion of the Agreement, including on the conditions for the use and security of the Credit, in Current Report No. 4/2013. The Management Board of the Company reported on the fulfilment of specific conditions precedent in Current Reports No. 23/2013, 26/2013, 31/2013 and 33/2013. On 1 August 2013, the companies Aero2, CenterNet and Mobyland (the "Guarantors") concluded with Alior Bank S.A. a guarantee agreement for the joint security of the Company's liabilities from an Investment Credit Agreement in the amount of PLN 150 million, for the duration of the Credit as set forth in the Credit Agreement, i.e. until 31 March 2018. The amount of each of the above joint guarantees was set at PLN 300 million. The Company points out that each of the Guarantors is an entity which is a 100-per cent subsidiary of the Company, whereas no ties exist between the Guarantors and Alior Bank or between the Company and Alior Bank. The Company published information on this event in Current Report No. 31/2013. By 30 September 2013, the Company drew down a portion of the credit in the amount of PLN 41 million. Funds obtained under the credit were transferred directly to the bank account of subsidiary Aero2, in accordance with the agreement entered into between Midas and Aero2 on 13 September 2013. The value of liabilities under the credit is disclosed in the statement of financial position upon deducting the incurred cost of the credit settled over time.

21. Deferred income

As at 30 September 2013, the Group recognised a deferred income of PLN 173,618,000 (PLN 261,654,000 as at 31 December 2012). This amount consists of non-current deferred income of PLN 38,450,000 and the current portion of deferred income of PLN 135,168,000 (as at 31 December 2012: PLN 41,537,000 and PLN 220,117,000, respectively).

In the 9-month period ended 30 September 2013, the decrease seen in the value of non-current deferred income results from the use of orders under agreements placed with Mobyland, on the basis of which Mobyland provides data transmission services on the basis of LTE and HSPA+ technologies for the benefit of Polkomtel Sp. z o.o. and Cyfrowy Polsat S.A. Each order placed to date is payable in instalments (in accordance with the schedules published in Current Reports: No. 56/2012 – for Polkomtel's payment, and No. 41/2012 – for Cyfrowy Polsat's payment), on the basis of invoices issued by Mobyland, and this is reflected in the value of non-current deferred income. In turn, in line with the usage of the data transmission packets ordered, in the statement of comprehensive income, under revenues from sales proportionally, a result proportional to the number of gigabytes (GB) actually used within a given order is disclosed. As at 30 September 2013, the value of paid instalments remaining to be settled, resulting from the orders placed under the agreement with Cyfrowy Polsat, amounted to PLN 120,419,000. In turn, the corresponding value of instalments paid under the agreement with Polkomtel amounted to PLN 8,714,000.

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 2012, decreased by PLN 2,220,000 and amounted to PLN 18,733,000 as at 30 September 2013.

The remaining amount of deferred income comprises EU grants of PLN 25,172,000 and settlements of sales of telecommunications services (prepaid) of PLN 580,000.

22. Other financial liabilities

During the 9-month period ended 30 September 2013, other financial liabilities increased by PLN 212,368,000. That change results from the issue of series A bonds.

On 16 April 2013, the Management Board of the Company assigned a total of 583,772 zero-coupon secured series A bearer bonds issued by the Company, with a par value of PLN 1,000 per bond (the "Bonds"). The Bonds were subscribed by the following entities:

1) Sferia S.A., with its registered office in Warsaw – 583,481 Bonds,

2) Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna, Oddział – Dom Maklerski PKO Banku Polskiego w Warszawie – 291 Bonds.
The total issue price of the Bonds assigned was PLN 200,099,528.44. The discount rate was set at 14.31 per cent. The bonds maturity date is 16 April 2021. As at 30 September 2013, in the statement of comprehensive income, the Group disclosed finance costs related to the issue of bonds (i.e. the discount and issue costs) in the amount of PLN 12,720,000. Outlays related to the bonds issue were PLN 483,000. Information on the above issue of bonds was provided in Current Reports No. 5/2013, 6/2013, 8/2013, 11/2013, 12/2013, 13/2013 and 16/2013.

The data presented below are information on the level of selected financial indicators as at 30 September 2013:

consolidated financial debt: PLN 294,830,000, leverage ratio: 0.263.

In April and May 2013, the Company received a total of three decisions by the District Court for the City of Warsaw in Warsaw, 11th Commercial Division – Pledge Register (the "Court"), regarding an entry made in the Pledge Register of a pledge over:

a) 204,200 interests in Mobyland with a par value of PLN 500 each interest and a total par value of PLN 102,100,000, owned by the Company, giving entitlement to 204,200 votes at the Shareholders Meeting of Mobyland, and constituting 100 per cent of the share capital of Mobyland and valued as at 23 November 2012 at the total amount of PLN 262,011,000.

b) 221,000 interests in Aero2 with a par value of PLN 50 each interest and a total par value of PLN 11,050,000, owned by Conpidon, giving entitlement to 221,000 votes at the Shareholders Meeting of Aero2, and constituting 100 per cent of the share capital of Aero2 and valued as at 23 November 2012 at the total amount of PLN 973,182,000.

c) 4,264,860 shares in CenterNet with a par value of PLN 17.30 each share and a total par value of PLN 73,782,078, owned by the Company, giving entitlement to 4,264,860 votes at the Shareholders Meeting of CenterNet, and constituting 100 per cent of the share capital of CenterNet and valued as at 23 November 2012 at the total amount of PLN 262,011,000.

23. Financial risk management objectives and policies

During the 9-month period ended 30 September 2013, 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 2012.

24. Capital management

During the 9-month period ended 30 September 2013, the Group did not change its goals, principles or procedures for capital management compared to those disclosed in the annual consolidated financial statements for 2012.

25. Contingent liabilities and contingent assets

In the 9-month period ended 30 September 2013, other than the changes described in Notes 20 and 22 (security of bank loans and pledges on interests and shares in subsidiaries related to the bonds issue), there were changes in contingent liabilities compared with the data disclosed in the annual consolidated financial statements for 2012, which consisted in reducing the amount of the bank guarantee of which the beneficiary is PTK Centertel Sp. z o.o. (from PLN 90,000 to PLN 32,000) and increasing the bank guarantee of which the beneficiary is T-Mobile Polska S.A. (formerly Polska Telefonia Cyfrowa S.A., from PLN 140,000 to PLN 147,000).

In the assessment of the Management Board concerning proceedings relating to frequency reservations pending in relation to subsidiaries of Midas S.A., there has been no change in comparison with the assessment presented in Note 32.1 of the consolidated financial statements for the year ended 31 December 2012. The balance sheet amount of the above concessions granted to CenterNet and Mobyland, disclosed in the consolidated statement of financial position as at 30 September 2013 was PLN 214,779,000.

26. Trade and other payables

During the 9-month period ended 30 September 2013, liabilities of the Group increased by PLN 21,904,000 in comparison to the balance as at 31 December 2012. The change results primarily from an increase in the Group's liabilities towards Polkomtel due to providing services using the telecommunications infrastructure.

27. Capex liabilities

As at 30 September 2013 and as at 31 December 2012, the Company did not have any current, material capex liabilities that have not been disclosed in these financial statements.

The Management Board of the Company points out, however, that as at 30 September 2013, the value of investment orders of the Group was approximately PLN 28,300,000.

28. Transactions with related parties

During the 9-month period ended 30 September 2013, the Group did not enter into any material transactions with related parties on non-market terms.

The table below presents the total values of transactions with related parties entered into during the 9-month periods ended 30 September 2013 and 30 September 2012, respectively, and the balances of receivables and liabilities as at 30 September 2013 and 31 December 2012:

		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.	2013	149,469	147,624	469	1,376
	2012	57,188	54,378	1,659	1,151

		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.	2013	155,333	12,683	2,344*	140,306
	2012	30,331	-	3,176	27,155

		Receivables from related parties, of which:	**trade receivables**	**loans**	**other**
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	2013	47,073	29,526	14,488	3,059
	2012	63,782	46,271	14,020	3,491

		Liabilities towards related parties, of which:	trade receivables	loans	issue of bonds	other
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	2013	446,740	40,997	43,601	212,683***	149,459**
	2012	298,227	13,333	49,601	-	235,293**

* Part of the interest paid presented above in the amount of PLN 1,976,000 was capitalised on fixed assets in progress.

** Amounts recognised as deferred income

*** Amount of liability in the Interim condensed consolidated statement of financial position reduced by issue costs.

29. Remuneration of the senior management staff of the Group

29.1. 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.

	9-month period ended 30 September 2013	9-month period ended 30 September 2012
	in PLN '000	in PLN '000
Management Board of the parent		
Current employee benefits or similar (wages and salaries and bonuses)	904	679
Supervisory Board of the parent		
Current employee benefits or similar (wages and salaries and bonuses)	57	-
Total	**961**	**679**

29.2. 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.

	9-month period ended 30 September 2013	9-month period ended 30 September 2012
	in PLN '000	in PLN '000
Management Board of the parent		
Current employee benefits (wages and salaries and bonuses)	303	252
Supervisory Board of the parent		
Current employee benefits (wages and salaries and bonuses)	9	44
Total	**312**	**296**

30. Business combinations

On 24 April 2013, the Management Board of the Company resolved to carry out a cross-border merger (the "Merger") of the Company and Conpidon Limited, in which the Company has 100 per cent of the shares in the share capital. The decision to conduct the Merger of the Company and Conpidon reflects the belief of the Management Board of the Company that the Merger is the fastest and most effective way to streamline the structure of the Midas Group. The long-term goal for the Merger is for the Company to directly hold 100 per cent of the shares in the share capital of Aero2, which is in line with the strategy of the Midas Group. The Merger of the Company with Conpidon will be effected by way of: (i) transferring to the Company, as the sole shareholder of Conpidon, all of the assets of Conpidon, via universal succession, and (ii) dissolving Conpidon without liquidating it, in accordance with the provisions of the Commercial Companies Code (the "CCC"), the Companies Law of Cyprus and the provisions of Directive 2005/56/EC of the European Parliament and of the Council. Following the Merger, the Company will, as of the date of the merger, enter into any and all rights, obligations, assets and liabilities of Conpidon. Pursuant to the Commercial Companies Code, due to the fact that the Company holds all of the shares in Conpidon, the merger would occur without increasing the Company's share capital, and the merger plan would not be evaluated by an expert. Detailed information about the proposed merger was published in Current Reports No. 14/2013 and 15/2013. On 17 May 2013, the Management Board of the Company prepared and published (Current Report No. 20/2013) a Report of the Management Board justifying the Merger. On 21 June 2013, the OGM passed resolution No. 21/2013, pursuant to which it approved the Merger and authorised the Management Board of the Company to execute all actions required to perform the merger procedure.

On 25 April 2013, a plan was agreed and signed for a merger by takeover between the companies Aero2 (as the acquiring company) and Nova Capital (as the target company), in which Aero2 held a 100-per cent interest in the share capital. The decision to merge the two companies resulted from the desire to optimise and streamline the ownership structure of the Group. It was decided that the merger of Aero2 and Nova Capital would be made on the basis of the provisions of the CCC, in consequence of which: (i) Nova Capital was wound up without liquidation, and (ii) all of the assets and liabilities of Nova Capital were transferred to or taken over by Aero2 under universal succession, and (iii) Aero2 entered into all the rights and obligations of Nova Capital. On 4 June 2013, the Extraordinary General Meeting of Shareholders of Aero2 and the Extraordinary General Meeting of Shareholders of Nova Capital adopted resolutions on the merger of those companies as set out in the above merger plan. On 31 July 2013, the District Court for the City of Warsaw, 12th Commercial Division of the National Court Register, handed down a decision to register the merger of Aero2 as the acquiring company with Nova – the target company, by way of transferring all of the assets of the target to the acquiring company.

31. Treasury shares

On 8 April 2013, Midas S.A. sold 5,000 treasury shares in an ordinary session transaction on the regulated market of Giełda Papierów Wartościowych S.A. in Warsaw. Information about the above transaction was published in Current Report No. 9/2013.

32. Events occurring after the balance sheet date

On 13 November 2013, Aero2 placed, and Polkomtel accepted, an order for the "SITE Transmission" service (the "Order"), the value of which, calculated on the basis of a five-year service provision period covered by that order, is PLN 85.9 million. The above order was submitted as part of implementing a cooperation agreement on mutual provision of telecommunications infrastructure services (the "Agreement") concluded by Aero2 on 30 March 2012 with Polkomtel, about which the Company reported in Current Report No. 22/2012 of 30 March 2012. As a result of placing the Order, the total value of orders placed since (and including) 8 August 2013 by any Party as part of performing the Agreement was PLN 124.2 million and exceeded 10 per cent of the Company's equity. The Company provided information on this event in Current Report No. 35/2013.

MIDAS Spółka Akcyjna

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE 3-MONTH AND 9-MONTH PERIOD ENDED 30 SEPTEMBER 2013

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the 9-month period ended 30 September 2013

	Note	3-month period ended 30 September 2013 in PLN '000 *(unaudited)*	9-month period ended 30 September 2013 in PLN '000 *(unaudited)*	3-month period ended 30 September 2012 in PLN '000 *(unaudited)*	9-month period ended 30 September 2012 in PLN '000 *(unaudited)*
Continuing operations					
Depreciation and amortisation		(11)	(21)	(2)	(7)
Wages and salaries		(611)	(1,233)	(125)	(388)
Other costs by type		(282)	(930)	(195)	(867)
Other operating expenses		(1)	(1)	-	-
Loss on operating activities		**(905)**	**(2,185)**	**(322)**	**(1,262)**
Finance income	6	7,936	16,595	3,932	9,889
Finance costs	7	(7,141)	(13,128)	(476)	(3,383)
Profit on financing activities		**795**	**3,467**	**3,456**	**6,506**
Profit/ (loss) before tax		**(110)**	**1,282**	**3,134**	**5,244**
Current income tax		-	-	-	-
Deferred tax		-	-	-	-
Total income tax		-	-	-	-
Net profit/ (loss) from continuing operations		**(110)**	**1,282**	**3,134**	**5,244**
Net profit/ (loss)		**(110)**	**1,282**	**3,134**	**5,244**
TOTAL COMPREHENSIVE INCOME (LOSS)		**(110)**	**1,282**	**3,134**	**5,244**
Average weighted number of ordinary shares		1,479,666,750	1,479,664,900	1,138,366,354	1,138,366,354
Net profit (loss) from continued operations per share attributable to shareholders of the parent (in PLN)		(0.0001)	0.0009	0.0028	0.0046

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

as at 30 September 2013

	Note	30 September 2013 in PLN '000 *(unaudited)*	31 December 2012 in PLN '000 *(audited)*
ASSETS			
Non-current assets			
Property, plant and equipment	8	142	21
Intangible assets	9	-	-
Other financial assets (non-current)	10	1,179,743	966,203
Total non-current assets		**1,179,885**	**966,224**
Current assets			
Inventories		1	-
Trade and other receivables	14	183,653	138,004
Cash and cash equivalents		101,093	134,036
Other prepayments		57	6
Total current assets		**284,804**	**272,046**
Total assets		**1,464,689**	**1,238,270**

LIABILITIES	**Note**	30 September 2013 in PLN '000 *(unaudited)*	31 December 2012 in PLN '000 *(audited)*
Equity			
attributable to shareholders of the Company, of which:			
Share capital		147,967	147,967
Share premium		1,140,860	1,141,006
Treasury shares	16	-	(150)
Retained earnings/ accumulated losses		(75,610)	(76,892)
Retained profit / (loss)		(76,892)	(83,879)
Net profit / (loss) for the current period		1,282	6,987
Total equity		**1,213,217**	**1,211,931**
Non-current liabilities			
Borrowings	13	38,861	-
Other financial liabilities	13	212,368	-
Total non-current liabilities		**251,229**	**-**
Current liabilities			
Trade and other payables	15	165	346
Other financial liabilities	13	-	25,897
Accruals		78	96
Total current liabilities		**243**	**26,339**
Total equity and liabilities		**1,464,689**	**1,238,270**

INTERIM CONDENSED STATEMENT OF CASH FLOWS

for the 9-month period ended 30 September 2013

	Note	9-month period ended 30 September 2013 in PLN '000 *(unaudited)*	9-month period ended 30 September 2012 in PLN '000 *(unaudited)*
Gross profit		**1,282**	**5,244**
Depreciation of fixed and intangible assets		21	7
Interest expense		394	2,986
Exchange rate differences		(11)	6
Change in the balance of assets and liabilities related to operating activities:			
– Trade and other receivables		9	265
– Inventories		(1)	(17)
– Trade and other payables		(181)	(95)
– Deferred income		-	(54)
– Accruals		(37)	(35)
Interest income	14	(12,727)	(4,651)
Cost of issue of debt securities		-	392
Cost of interest on bonds	13	12,720	-
Other adjustments		13	223
Net cash flow from operating activities		**1,482**	**4,271**
Acquisition of subsidiary – deferred payment		-	(1,136)
Purchase of property, plant and equipment and intangible assets	8, 9	(142)	-
Proceeds from sale of property, plant and equipment and intangible assets		-	9
Loans granted	14	(211,000)	(90,315)
Repayment of loans granted	14	5,000	-
Interest received		540	320
Other		-	95
Net cash flow from investing activities		**(205,602)**	**(91,027)**
Proceeds from sale of treasury shares		4	-
Loans repaid		-	(7,010)
Interest paid on loans		-	(523)
Proceeds from issuance of debt securities	13	200,099	20,000
Repayment of debt securities	13	(22,250)	(71,500)
Interest paid on debt securities	13	(3,984)	(1,730)
Expenses from bonds issuance		-	(297)
Proceeds from share issuance		-	278,150
Commissions and interest paid (related to issuing bonds and the bank loan)		(2,692)	-
Net cash flow from financing activities		**171,177**	**217,090**
Net increase/ (decrease) in cash and cash equivalents		**(32,943)**	**130,334**
Cash and cash equivalents at the beginning of the period		**134,036**	**3,244**
Cash and cash equivalents at the end of the period	11	**101,093**	**133,578**

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

for the 9-month period ended 30 September 2013

(in PLN '000)	Note	Share capital	Share premium	Treasury shares	Retained earnings/ accumulated losses	Total equity
As at 1 January 2013		**147,967**	**1,141,006**	**(150)**	**(76,892)**	**1,211,931**
Issue of shares		-	-	-	-	-
Share issuance costs		-	-	-	-	-
Proceeds from sale of treasury shares	16	-	(146)	150	-	4
Net profit for the financial year		-	-	-	*1,282*	*1,282*
Total comprehensive income for the financial year		-	-	-	1,282	1,282
As at 30 September 2013 (unaudited)		**147,967**	**1,140,860**	**-**	**(75,610)**	**1,213,217**

	Share capital	Share premium	Treasury shares	Retained earnings/ accumulated losses	Total equity
As at 1 January 2012	**29,593**	**435,655**	**(150)**	**(83,879)**	**381,219**
Issue of shares	118,374	710,240	-	-	828,614
Share issuance costs	-	(4,524)	-	-	(4,524)
Net loss for the financial year	-	-	-	*5,244*	*5,244*
Total comprehensive income for the financial year	-	-	-	5,244	5,244
As at 30 September 2012 (unaudited)	**147,967**	**1,141,371**	**(150)**	**(78,635)**	**1,210,553**

SUPPLEMENTARY EXPLANATORY NOTES

The interim condensed financial statements of the Company cover the 3-month period and 9-month period ended 30 September 2013 and contain comparative data as required by the International Financial Reporting Standards (the "IFRS").

The interim condensed statement of comprehensive income includes data for the 9-month period ended 30 September 2013, the 3-month period ended 30 September 2013, and comparative data for the 9-month period ended 30 September 2012 and the 3-month period ended 30 September 2012. The data for the 3-month and 9-month period ended 30 September 2013 and the comparative data for the 3-month and 9-month period ended 30 September 2012 were not subject to a review or an audit by an independent auditor.

On 14 November 2013, these interim condensed financial statements of Midas S.A. for the 3-month period and 9-month period ended 30 September 2013 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 3-month period and 9-month period ended 30 September 2013, which were approved by the Management Board of Midas S.A. for publication on 14 November 2013.

1. General disclosure

MIDAS S.A. (the "Company", "Midas") is a joint stock company with its registered office in Warsaw at ul. 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, 12th Commercial Division of the National Court Register, under KRS 0000025704. The Company was granted statistical number REGON 010974600.

The Company has an unlimited period of operation.

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 (the "IFRS") adopted by the EU, 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 accounting principles of the IFRS differ from those of the IFRS approved by the EU. The Company has made use of the opportunity arising when applying the International Financial Reporting Standards adopted by the EU, of applying IFRS 10, IFRS 11 and IFRS 12, the amended IAS 27 and IAS 28 only from annual periods beginning from 1 January 2014.

The IFRS comprise standards and interpretations accepted by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee (the "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 authorisation of these interim condensed financial statements, the Company's Management Board is not aware of any facts or circumstances that would indicate 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 as at 31 December 2012 published on 21 March 2013.

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 consolidated financial statements are consistent with those adopted in preparing the annual financial statements of the Company for the year ended 31 December 2012, except for the following new or amended standards and interpretations in force for annual periods beginning on or after 1 January 2013.

- Amendments to IAS 19 *Employee Benefits* – which apply to financial years beginning on or after 1 January 2013,

The application of such amendments had no impact on the financial position or comprehensive income of the Company.

- Amendments to IAS 1 *Presentation of financial statements: presentation of items of other comprehensive income* – which apply to annual periods beginning on or after 1 July 2012,

Amendments concerning the grouping of other items from comprehensive income. Other items of comprehensive income subject to reclassification in the future to profit or loss are presented separately from items which will not be reclassified to profit or loss.

The application of these changes had no effect on the financial position or the value of the comprehensive income of the Company, or on the scope of information presented in the Company's financial statements.

- Amendments of IAS 12 *Income taxes: Tax Realisation of Assets* – which apply to annual periods beginning on or after 1 January 2012 – in the EU, applicable at the latest to annual periods beginning on or after 1 January 2013,

The application of these changes had no effect on the financial position or operating result of the Company, or on the scope of information presented in the Company's financial statements.

- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* – which apply to annual periods beginning on or after 1 July 2011 – in the EU, applicable at the latest to annual periods beginning on or after 1 January 2013,

Amendments to IFRS 1 did not concern the Company.

- IFRS 13 *Fair Value Measurement* – which applies to annual periods beginning on or after 1 January 2013,

IFRS 13 leads to a single set of rules concerning the manner of determining the fair value of financial and non-financial assets and liabilities, where such valuation is required or allowed by the IFRS. IFRS 13 does not affect when the Company is obliged to make a valuation according to fair value. The regulations of IFRS 13 apply to both initial valuations and valuations made after initial disclosure.

This requires new disclosure in the area of techniques (methods) of valuation and initial information/data to determine fair value, as well as the impact of certain initial information on valuation at fair value.

The application of IFRS 13 had no effect on financial position or operating results, or on the scope of information presented in the Company's financial statements.

- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Min*e – which apply for annual periods beginning on or after 1 January 2013,

The interpretation does not apply to the Company.

- Amendments of IFRS 7 *Financial Instruments: Disclosures: Compensation of Financial Assets and Financial Liabilities* - which apply to annual periods beginning on or after 1 January 2013, The amendments introduce additional quantitative and qualitative disclosures concerning transfers/assignments of financial assets, if:

- the financial assets are totally removed from the balance sheet but the entity remains involved in those assets (e.g. through options or guarantees concerning the assets transferred)
- the financial assets are not entirely removed from the balance sheet

The application of these changes had no effect on the financial position or operating results of the Company.

- Amendments of IFRS 1 *First-time Adoption of International Financial Reporting Standards: Government loans* – which apply to annual periods beginning on or after 1 January 2013,

Amendments to IFRS 1 did not concern the Company.

- Amendments resulting from an IFRS review (issued in May 2012) – effective for financial years beginning on or after 1 January 2013,

IAS 1 – the amendment clarifies differences between voluntarily presented supplementary comparative data and the minimum comparative data required,
IAS 16 – the amendment explains that main replacement parts and servicing equipment which meet the criteria for being defined as property, plant and equipment are not inventories,

IAS 32 – the amendment removes existing requirements concerning disclosing tax from IAS 32, and requires the application of IAS 12 for income tax resulting from distribution to owners of financial instruments,

IAS 34 – the amendment clarifies the requirements of IAS 34 concerning information on the subject of the total value of assets and liabilities for each reporting segment, in order to strengthen consistency with the requirements of IFRS 8 Operating segments. In accordance with the amendment, the total value of assets and liabilities of a given reporting segment must be disclosed only if: those values are regularly reported to the main operational decision-maker of the entity, and there has been a significant change in the total value of assets and liabilities disclosed in the previous annual financial statements for that segment.

The application of these changes had no effect on the financial position or operating result of the Company, or on the scope of information presented in the Company's financial statements.

The Company decided against the early application of any other standard, interpretation or amendment which has been published but has not entered into force.

4. Segment information

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.

5. 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.

6. Finance income

During the 9-month period ended 30 September 2013, finance income increased by PLN 6,706,000 in comparison to the corresponding period of the previous year. This change results from an increase in the amount of interest receivable on short- and long-term loans granted (including loans granted in 2013 as described in Note 14) as well as interest receivable on cash invested in interest-bearing bank deposits, derived from the issue of bonds.

7. Finance costs

During the 9-month period ended 30 September 2013, the value of financial costs increased by PLN 9,745,000 in comparison to the corresponding period of the previous year. That growth results mainly from the settlements of a discount on long-term bonds issued in April 2013.

8. Property, plant and equipment

8.1. Purchases and disposals

During the 9-month period ended 30 September 2013, the Company made investments into property, plant and equipment of PLN 140,000 (during the 9-month period ended 30 September 2012, it did not make investments into property, plant and equipment). During the 9-month period ended 30 September 2013, the Company did not sell any items of property, plant and equipment (as was the case in the corresponding period of the previous year).

8.2. Impairment write-downs

During the 9-month period ended 30 September 2013, 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).

9. Intangible assets

9.1. Purchases and disposals

During the 9-month period ended 30 September 2013, the Company did not incur any significant expenditures for intangible assets (as was the case in the corresponding period of the previous year). During the 9-month period ended 30 September 2013, the Company did not sell any components of intangible assets (as was the case in the corresponding period of the previous year).

9.2. Impairment write-downs

During the 9-month period ended 30 September 2013, the Company did not recognise any significant impairment on the value of intangible assets (as it was the case in the corresponding period of the previous year).

10. Other non-current and current assets

During the 9-month period ended 30 September 2013, there was a change in the value of other (non-current) financial assets in comparison to the balance as at 31 December 2012. Other non-current financial assets comprise the following items:

	30 September 2013 in PLN '000	**31 December 2012 in PLN '000**
Non-current		
Ownership interests or shares, including:		
- CenterNet S.A.	238,989	238,989
- Mobyland Sp. z o.o.	178,770	178,770
- Conpidon Ltd	548,444	548,444
Loans granted (including interest)*	213,540	-
Total	**1,179,743**	**966,203**

*details concerning long-term loans granted in 2013 are described in Note 14.

11. Cash and cash equivalents

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

	30 September 2013 in PLN '000	30 September 2012 in PLN '000
Cash at bank and on hand	226	873
Short-term bank deposits	100,540	132,301
Interest accrued on bank deposits	327	404
Other	-	-
Cash and cash equivalents	**101,093**	**133,578**

12. Provisions

During the 9-month period ended 30 September 2013, there were no movements in the level of provisions created.

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

In the 9-month period ended 30 September 2013, the Company redeemed early debt papers, of which:

- on 17 January 2013, the Company redeemed early debt papers series MID0611C, held by CenterNet, for a total value of PLN 3,171,000, including interest for a total of PLN 922,000.
- on 11 March 2013, the Company redeemed early debt papers series MID0611B, held by Mobyland, for a total value of PLN 23,062,000, including interest for a total of PLN 3,062,000.

In connection with the above transactions, as at the date of publishing these statements, the Company has no liabilities under the debt papers. The subsidiaries will apply the proceeds from the early redemption of the debt papers towards expanding the telecommunications network of the Midas Group.

On 28 February 2013, the Company concluded with Alior Bank Spółka Akcyjna ("Alior Bank") a loan agreement for investment credit of PLN 150 million to finance the expansion of a network of relay stations by companies belonging to the Midas Group. Under the Agreement, the Company can use the Credit after meeting the specific conditions of use of the Credit, specified in the Agreement, but no later than by 31 March 2015. The Credit will be repaid in 12 quarterly capital instalments in the following amounts: PLN 1.5 million for the first three instalments; PLN 16.2 million for the next 8 instalments, and PLN 15.9 million for the last instalment. Capital instalments will be paid on the day on which each quarter ends, beginning with 30 June 2015 until 31 March 2018. The interest, calculated on the basis of the 1M WIBOR rate increased by the Bank's margin, will be repaid in monthly periods. The security for the Credit is: a power of attorney to the account of the Company in the Bank, a contractual mortgage up to PLN 225 million on the real property of Inwestycje Polskie Sp. z o.o. situated in Warsaw at ul. Ostrobramska 77 together with an assignment of rights from the all-risks insurance policy on the real property in an amount of not less than PLN 150 million, a suretyship under civil law by Inwestycje Polskie Sp. z o.o. granted for a period of one year from the date of a legally binding establishment of the mortgage together with a declaration on submission to enforcement under the suretyship granted up to the amount of the mortgage, a confirmed assignment of rights resulting from lease agreements for the premises on the real property concluded by Inwestycje Polskie Sp. z o.o. with tenants up to the amount not greater than PLN 15 million, a suretyship under civil law by the guarantor together with the above-mentioned declarations on submission to enforcement from the suretyship granted up to the amount of PLN 300 million, together with the above declaration of the Company on submission to enforcement under the above procedure up to the amount of PLN 300 million. The Management Board of the Company reported on the conclusion of the Agreement, including on the conditions for the use and security of the Credit, in Current Report No. 4/2013. The Management Board of the Company reported on the fulfilment of specific conditions precedent in Current Reports No. 23/2013, 26/2013, 31/2013 and 33/2013. On 1 August 2013, the companies Aero2, CenterNet and

Mobyland (the "Guarantors") concluded with Alior Bank S.A. a guarantee agreement for the joint security of the Company's liabilities from an Investment Credit Agreement in the amount of PLN 150 million, for the duration of the Credit as set forth in the Credit Agreement, i.e. until 31 March 2018. The amount of each of the above joint guarantees was set at PLN 300 million. The Company points out that each of the Guarantors is an entity which is a 100-per cent subsidiary of the Company, whereas no ties exist between the Guarantors and Alior Bank or between the Company and Alior Bank. The Company published information on this event in Current Report No. 31/2013. By 30 September 2013, the Company drew down a portion of the credit in the amount of PLN 41 million. Funds obtained under the credit were transferred directly to the bank account of subsidiary Aero2, in accordance with the agreement entered into between Midas and Aero2 on 13 September 2013. The value of liabilities under the credit is disclosed in the statement of financial position upon deducting the incurred cost of the credit settled over time.

On 16 April 2013, the Management Board of the Company assigned a total of 583,772 zero-coupon secured series A bearer bonds issued by the Company, with a par value of PLN 1,000 per bond (the "Bonds"). The Bonds were subscribed by the following entities:

1) Sferia S.A., with its registered office in Warsaw – 583,481 Bonds,

2) Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna, Oddział – Dom Maklerski PKO Banku Polskiego w Warszawie – 291 Bonds.

The total issue price of the Bonds assigned was PLN 200,099,528.44. The discount rate was set at 14.31 per cent. The bonds maturity date is 16 April 2021. As at 30 September 2013, in the statement of comprehensive income, the Company disclosed finance costs related to the issue of bonds (i.e. the discount and issue costs) in the amount of PLN 12,720,000. Outlays related to the bonds issue were PLN 483,000. Information on the above issue of bonds was provided in Current Reports No. 5/2013, 6/2013, 8/2013, 11/2013, 12/2013, 13/2013 and 16/2013.

In April and May 2013, the Company received a total of three decisions by the District Court for the City of Warsaw in Warsaw, 11th Commercial Division – Pledge Register (the "Court") regarding an entry made in the Pledge Register of a pledge over:

a) 204,200 interests in Mobyland with a par value of PLN 500 each interest and a total par value of PLN 102,100,000, owned by the Company, giving entitlement to 204,200 votes at the Shareholders Meeting of Mobyland, and constituting 100 per cent of the share capital of Mobyland and valued as at 23 November 2012 at the total amount of PLN 262,011,000.

b) 221,000 interests in Aero2 with a par value of PLN 50 each interest and a total par value of PLN 11,050,000, owned by Conpidon, giving entitlement to 221,000 votes at the Shareholders Meeting of Aero2, and constituting 100 per cent of the share capital of Aero2 and valued as at 23 November 2012 at the total amount of PLN 973,182,000.

c) 4,264,860 shares in CenterNet with a par value of PLN 17.30 each share and a total par value of PLN 73,782,078, owned by the Company, giving entitlement to 4,264,860 votes at the Shareholders Meeting of CenterNet, and constituting 100 per cent of the share capital of CenterNet and valued as at 23 November 2012 at the total amount of PLN 262,011,000.

14. Trade and other receivables

During the 9-month period ended 30 September 2013, the Company granted loans with a total value of PLN 252,000,000, of which:

- to Aero2 Sp. z o.o., short-term loans in the amount of PLN 45,000,000 and long-term loans in the amount of PLN 114,000,000,
- to Mobyland Sp. z o.o., long-term loans in the amount of PLN 93,000,000.

On 27 March 2013, the Company granted a loan to Aero2 of PLN 14,000,000. The loan is secured and subject to repayment in full together with interest due on 31 December 2013. The loan bears interest at 1M WIBOR + margin.

On 22 April 2013, the Company granted a loan of PLN 10,000,000 to Aero2. The loan is secured and subject to repayment in full together with interest due on 31 December 2013. The loan bears interest at 1M WIBOR + margin.

On 22 April 2013, the Company granted a loan to Mobyland in the amount of PLN 40,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 7 May 2013, Midas granted a loan to Aero2 in the amount of PLN 25,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 27 May 2013, Midas granted a loan to Aero2 in the amount of PLN 15,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 19 June 2013, Midas granted a loan to Aero2 in the amount of PLN 15,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 26 June 2013, Midas granted a loan of PLN 12,000,000 to Aero2. The loan is secured and subject to repayment in full together with interest due on 31 December 2013. The loan bears interest at 1M WIBOR + margin.

On 22 July 2013, Midas granted a loan to Aero2 in the amount of PLN 16,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 22 August 2013, Midas granted a loan to Aero2 in the amount of PLN 2,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 22 August 2013, Midas granted a loan of PLN 9,000,000 to Aero2. The loan is secured and subject to repayment in full together with interest due on 31 December 2013. The loan bears interest at 1M WIBOR + margin.

On 22 August 2013, Midas granted a loan to Mobyland in the amount of PLN 17,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 9 September 2013, the Company granted a loan to Mobyland in the amount of PLN 16,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

On 13 September 2013, Midas and Aero2 entered into a loan agreement with a total value of PLN 150,000,000 of its receivables under the credit agreement concluded with Alior Bank. By 31 September 2013, the first portion of the loan was drawn down, in the amount of PLN 41,000,000. The loan is secured and subject to repayment in full together with interest due no later than on 30 March 2013 (the loan repayment schedule corresponds to the repayment schedule set forth in Note 13). The loan bears variable interest and it is calculated on the basis of the cost of capital for Midas, increased by a margin.

On 26 September 2013, the Company granted a loan to Mobyland in the amount of PLN 20,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds.

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

On 23 January 2013, CenterNet made an early repayment of part of the loan granted by the Company on 18 July 2011 – it repaid principal in the amount of PLN 5,000,000 together with accrued interest due in the amount of PLN 540,000.

15. Trade and other payables

In the 9-month period ended 30 September 2013, there were no material changes in trade liabilities compared with the data disclosed in the annual separate financial statements for 2012. There was a PLN 71,000 decrease in public liabilities under personal income tax.

16. Treasury shares

On 8 April 2013, Midas S.A. sold 5,000 treasury shares in an ordinary session transaction on the regulated market of Giełda Papierów Wartościowych S.A. in Warsaw. Information about the above transaction was published in Current Report No. 9/2013.

17. Financial risk management objectives and policies

During the 9-month period ended 30 September 2013, 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 separate financial statements for 2012.

18. Capital management

During the 9-month period ended 30 September 2013, the Company did not change its goals, principles or procedures for managing capital compared with the data disclosed in the annual separate financial statements for 2012.

19. Contingent liabilities and contingent assets

In the 9-month period ended 30 September 2013, there were no changes, other than those described in Note 13 (pledges on interests and shares in subsidiaries related to the bonds issue), in contingent liabilities or contingent assets compared with the data disclosed in the annual separate financial statements for 2012.

In the assessment of the Management Board concerning proceedings relating to frequency reservations pending in relation to subsidiaries of Midas S.A., there has been no change in comparison with the assessment presented in Note 17 of the separate financial statements for the year ended 31 December 2012. The value of ownership interests in subsidiaries is presented in Note 10 to these interim condensed financial statements.

20. Capex liabilities

As at 30 September 2013 and as at 31 December 2012, the Company did not incur any capex liabilities that have not been disclosed in these financial statements.

21. Transactions with related parties

During the 9-month period ended 30 September 2013, the Company did not enter into any material transactions with related parties on non-market terms.

The table below presents the total values of transactions with related parties entered into during the 9-month periods ended 30 September 2013 and 30 September 2012, respectively, and the balances of receivables and liabilities as at 30 September 2013 and 31 December 2012:

(in PLN '000)

		Revenues from mutual transactions, of which:	**other operating revenue**	**interest on loans**	**other**
Subsidiaries	*2013*	12,738	-	12,728	10
	2012	4,248	-	4,194	54
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	*2013*	1,047	-	-	1,047
	2012	413	-	-	413

		Costs of mutual transactions, of which:	**interest on commercial papers**	**bonds discount**	**other**
Subsidiaries	*2013*	442	337	-	105
	2012	1,524	1,405	-	119
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	*2013*	12,918	-	12,683	234
	2012	281	-	-	281

		Receivables from related parties, of which:	**trade receivables**	**loans**	**other**
Subsidiaries	*2013*	397,193	-	397,193	-
	2012	138,004	8	137,996	-
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or	*2013*	-	-	-	-

having significant influence over Midas S.A.	*2012*	-	-	-	-

		Liabilities towards related parties, of which:	**trade receivables**	**issue of bonds**	**issue of commercial papers**
Subsidiaries	*2013*	9	9	-	-
	2012	25,921	24	-	25,897
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	*2013*	212,707	24	212,683*	-
	2012	20	20	-	-

* Amount of liability in interim condensed separate statement of financial position reduced by issue costs.

22. Remuneration of the Company's management staff

	9-month period ended 30 September 2013	**9-month period ended 30 September 2012**
	in PLN '000	**in PLN '000**
Management Board of the parent		
Current employee benefits or similar (wages and salaries and bonuses)	904	679
Supervisory Board of the parent		
Current employee benefits or similar (wages and salaries and bonuses)	57	-
Total	**961**	**679**

23. Business combinations

On 24 April 2013, the Management Board of the Company resolved to carry out a cross-border merger (the "Merger") of the Company and Conpidon Limited, in which the Company has 100 per cent of the shares in the share capital. The decision to conduct the Merger of the Company and Conpidon reflects the belief of the Management Board of the Company that the Merger is the fastest and most effective way to streamline the structure of the Midas Group. The long-term goal for the Merger is for the Company to directly hold 100 per cent of the shares in the share capital of Aero2, which is in line with the strategy of the Midas Group. The Merger of the Company with Conpidon will be effected by way of: (i) transferring to the Company, as the sole shareholder of Conpidon, all of the assets of Conpidon, via universal succession, and (ii) dissolving Conpidon without liquidating it, in accordance with the provisions of the Commercial Companies Code (the "CCC"), the Companies Law of Cyprus and the provisions of Directive 2005/56/EC of the European Parliament and of the Council. Following the Merger, the Company will, as of the date of the merger, enter into any and all rights, obligations, assets and liabilities of Conpidon. Pursuant to the Commercial Companies Code, due to the fact that the Company holds all of the shares in Conpidon, the Merger will occur without increasing the Company's share capital, and the merger plan will not be evaluated by an expert. Detailed information about the proposed Merger was published in Current Reports No. 14/2013 and 15/2013. On 17 May 2013, the Management Board of the Company prepared and published (Current Report No. 20/2013) a Report of the Management Board justifying the Merger. On 21 June 2013, the OGM passed resolution No. 21/2013, pursuant to which it approved the Merger and authorised the Management Board of the Company to execute all actions required to perform the merger procedure.

24. Events occurring after the balance sheet date

On 29 October 2013, Midas granted a loan to Mobyland in the amount of PLN 15,000,000. The loan is secured. The loan bears variable interest, calculated on the basis of the cost of capital for Midas (i.e. on the basis of the discount rate on the bonds issued on 16 April 2013 by Midas), increased by a margin. The maturity date of the loan is subject to the maturity date of the bonds. The above loan (and the loans set forth in Note 14 hereto) was granted for the purpose of financing the expansion and maintenance of the telecommunications network of the Midas Group, carried out in the ordinary course of business of the Midas Group.

OTHER INFORMATION FOR THE QUARTERLY REPORT

1. Structure of the Midas Group

The parent company of the Midas Capital Group (the “Midas Group”) is Midas Spółka Akcyjna (the “Company”).

The Company’s business activity includes:
1) activities of holding companies (64.20.Z),
2) other credit granting (64.92.Z),
3) other financial service activities, except
insurance and pension funding not elsewhere classified (64.99.Z),
4) other activities auxiliary to financial services, except insurance and pension funding
(66.19.Z),
5) buying and selling of own real estate (68.10.Z).

The Company and the entities belonging to the Midas Group are established for an unlimited time.

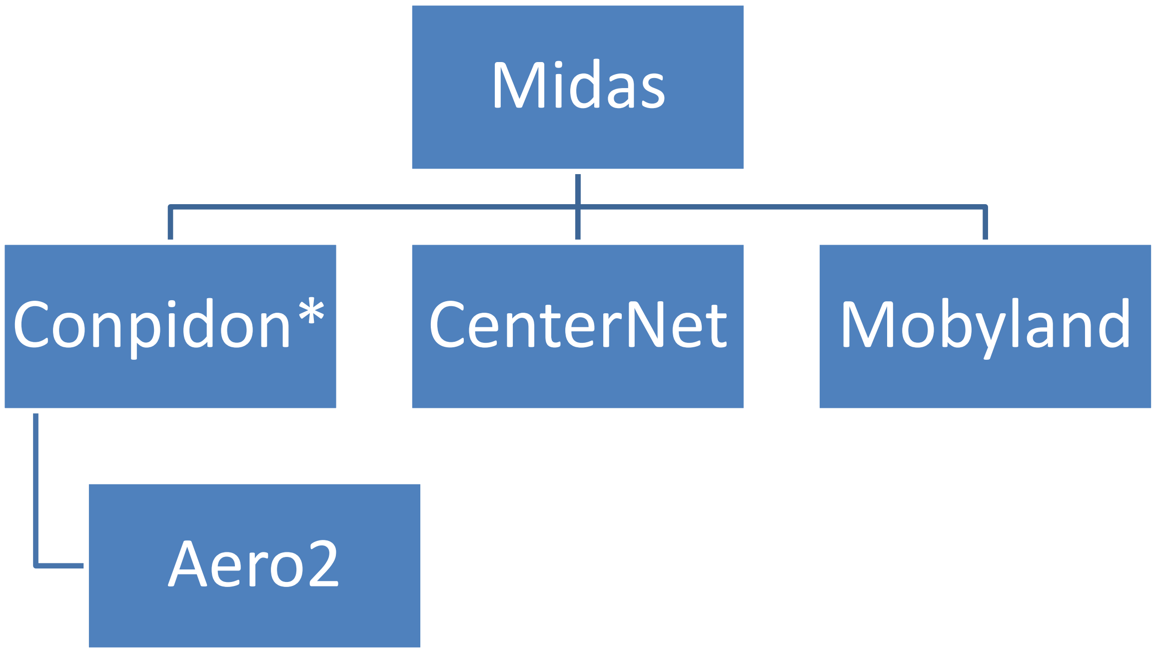
As at 30 September 2013, the composition of the Supervisory Board of the Company was as follows:
1) Wojciech Pytel – Chairman of the Supervisory Board
2) Zygmunt Solorz-Żak – Deputy Chairman of the Supervisory Board
3) Andrzej Abramczuk – Secretary of the Supervisory Board
4) Andrzej Chajec – Member of the Supervisory Board
5) Krzysztof Majkowski – Member of the Supervisory Board
6) Mirosław Mikołajczyk – Member of the Supervisory Board
7) Jerzy Żurek – Member of the Supervisory Board

As at 30 September 2013, the composition of the Management Board was as follows:
1) Krzysztof Adaszewski – President of the Management Board
2) Maciej Kotlicki – Vice-President of the Management Board
3) Dariusz Łukasiewicz – Vice-President of the Management Board

The intermediate parent of the Company is the company Litenite Limited with its registered office in Nicosia, Cyprus (“Litenite”).

As at 30 September 2013, the Midas Group consisted of the Company and the following subsidiaries:
- CenterNet Spółka Akcyjna with its registered office in Warsaw (“CenterNet”),
- Mobyland Spółka z o.o. with its registered office in Warsaw (“Mobyland”),
- Conpidon Limited with its registered office in Nicosia, Cyprus (“Conpidon”),
- Aero2 Spółka z o.o. with its registered office in Warsaw (“Aero2”),

The diagram below shows the structure of the Midas Group as at the date of publication of this report (no changes after the balance sheet date). As at 30 September 2013, and as at the date of publication of these statements, the Company held a 100-per cent share of equity and of the total number of votes in relation to the companies: CenterNet, Mobyland, Conpidon and Aero2.



* on 21 June 2013, the General Meeting of Shareholders of Midas adopted a resolution granting consent to the merger of Conpidon and Midas S.A.

The Midas Group's core business is provision of wholesale wireless data transmission services by Aero2, CenterNet and Mobyland, and voice services for individual customers by CenterNet. The wholesale wireless data transmission services are delivered on the basis of: (i) the frequency ranges reserved for Aero2, CenterNet and Mobyland, and (ii) the telecommunications infrastructure held by Aero2. In addition, another important factor is the shared use of the telecommunications infrastructure of Polkomtel Sp. z o.o. with its registered office in Warsaw. It should also be noted that, due to the frequency reservation obtained in the 2600 MHz range, Aero2 is required to provide free internet access.

2. Changes in the structure of the Midas Group and their consequences

In the third quarter of 2013, there were no major changes in the Midas Group's structure. On 31 July 2013, a merger was effected between the Company's subsidiaries: Aero2 and Nova. In the Company's view, due to the fact that Nova did not conduct business in 2013, the above merger will not have a material effect on the financial performance and operations of the Midas Group. Detailed information regarding the merger of the above entities is contained in Note 30 to the interim condensed consolidated financial statements.

3. Shareholding structure

The table below shows the shareholders of the Company who, as at the date of this quarterly report, i.e. 14 November 2013, hold, either directly or indirectly through subsidiaries, at least 5 per cent of the total number of votes at the General Meeting of Shareholders of the Company. The following list has been drawn up to the Company's best knowledge, on the basis of notifications received by the Company from the shareholders pursuant to Article 69 of the Act on public offering and conditions governing the introduction of financial instruments to organised trading, and on public companies (the "Act on Public Offering"), and pursuant to Article 160 of the Act on trading in financial instruments (the "Act on Trading").

Name of the shareholder of the Company	Number of shares/votes	%
Zygmunt Solorz-Żak (*)	976,542,690	65.9975
ING Otwarty Fundusz Emerytalny	74,386,458	5.0272
Other shareholders	428,737,602	28.9753
Shares of the Company	**1,479,666,750**	**100.00**

(*) Mr. Zygmunt Solorz-Żak, acting as Deputy Chairman of the Company's Supervisory Board, controls the Company through: (i) Karswell Limited, with its registered office in Nicosia, Cyprus, (ii) Ortholuck Limited, with its registered office in Nicosia, Cyprus, and (iii) Litenite Limited, with its registered office in Nicosia, Cyprus, within the scope of 976,542,690 shares in the Company held by Litenite.

To the Company's best knowledge, from the date of the previous quarterly report of the Company, i.e. since 15 May 2013, until the date hereof, i.e. 14 November 2013, there have been no changes in the ownership structure of significant blocks of shares in the Company.

4. Direct shareholding and rights thereto held by persons managing and supervising the Company

The following table summarises the direct shareholding in the Company by managing and supervising persons as at the date of publishing this quarterly report, i.e. as at 14 November 2013. In the period from the date of submitting the most recent quarterly report, i.e. 15 May 2013, until the date of publishing this report, i.e. 14 November 2013, the Company received two notifications from the obligated person, prepared under the procedure of Article 160 of the Act on Trading. In those notifications, a member of the Supervisory Board reported on the sale, on 27 May 2013 and 10 October 2013, in ordinary trading sessions on the regulated market of Giełda Papierów Wartościowych w Warszawie S.A., of a total of 177,000 shares in the Company.

Name and surname	Position	Shares in the Company held as at 14 November 2013
Wojciech Pytel	Chairman of the Supervisory Board	none
Zygmunt Solorz-Żak (*)	Deputy Chairman of the Supervisory Board	none
Andrzej Abramczuk	Secretary of the Supervisory Board	none
Andrzej Chajec (**)	Member of the Supervisory Board	none
Krzysztof Majkowski	Member of the Supervisory Board	60,000 (***)
Mirosław Mikołajczyk	Member of the Supervisory Board	none
Jerzy Żurek	Member of the Supervisory Board	none
Krzysztof Adaszewski	President of the Management Board	none
Maciej Kotlicki	Vice-President of the Management Board	none
Dariusz Łukasiewicz	Vice-President of the Management Board	none

(*) Mr. Zygmunt Solorz-Żak indirectly holds 976,542,690 shares in the Company, through entities he directly or indirectly controls. Mr. Zygmunt Solorz-Żak holds shares of the Company through the following entities: (i) Karswell Limited, with its registered office in Nicosia, Cyprus; (ii) Ortholuck Limited, with its registered office in Nicosia, Cyprus and (iii) Litenite Limited, with its registered office in Nicosia, Cyprus.

(**) A person closely related to Mr. Andrzej Chajec, as defined in Article 160 par. 2 of the Act on trading in financial instruments, holds 250 shares in the Company.
(**) as at the date of publication of the report for the first quarter of 2013 – 237,000 shares; as at the date of submitting the report for the first half-year of 2013 – 160,000 shares.

The Company also announces that managing and supervising persons do not have any rights to the Company's shares.

5. Information on the Company or its subsidiary granting sureties for loans or borrowings or guarantees

On 1 August 2013, the companies Aero2, CenterNet and Mobyland (the "Guarantors") concluded with Alior Bank S.A. ("Alior Bank") a guarantee agreement for the joint security of the Company's liabilities from an Investment Credit Agreement in the amount of PLN 150 million, for the duration of the Credit as set forth in the Credit Agreement, i.e. until 31 March 2018. The amount of each of the above joint guarantees was set at PLN 300 million. The guarantees in question were granted to the Company gratuitously. The Company points out that each of the above Guarantors is an entity which is a 100-per cent subsidiary of the Company, whereas no ties exist between the Guarantors and Alior Bank or between the Company and Alior Bank.

6. Dividends

During the 9-month period ended 30 September 2013, entities from the Midas Group did not declare any dividends.

7. Statement of the Management Board of the Company as to the feasibility of any previously published forecasts

The Midas Group did not publish any forecasts of financial results for 2013.

8. Proceedings pending before a court, an authority competent to conduct arbitration proceedings or a public administration authority

A detailed description of the proceedings pending before courts, authorities competent for arbitration proceedings or public administration authorities was presented in the Management Report on the operations of Midas S.A. in the first half of 2013. In the third quarter of 2013, there were no major changes in that regard. In the period covered by this quarterly report, no proceedings were instituted in relation to commitments or debts of the Company or its subsidiary whose value would be at least 10 per cent of the equity of the Company.

In its ruling of 13 August 2013, the SAC dismissed cassation appeals by PTK Centertel and PTC (currently T-Mobile Polska) against a decision in which the PACW dismissed complaints against the decisions of the President of the OEC refusing to nullify the tender for frequency reservations in the 900 MHz range. In a verbal justification, the SAC shared the position presented by the President of the OEC that the contested tender by the President of the OEC was to have statutorily granted him the right to deem protection of competition on the telecommunications market as being an essential, the most important criterion for evaluating tender bids, and that in the contested tender, the actions of the President of the OEC, primarily in favour of developing competition, were additionally justified by the policy and telecommunications strategy he announced, and were in accordance with the provisions of the EC directive of 7 March 2002 on the authorisation of electronic communications networks and services. In this situation, in the opinion of the SAC, the OEC President had the right to establish a point system for evaluating conditions of competition that was more favourable towards new players on the telecommunications market, and less favourable or even disadvantageous towards existing operators on that market. It cannot be held that this was discrimination against existing operators, since there is no reason why a criterion which is indeed unfavourable towards a given bidder or group of bidders, but binding on all tender participants to the same degree, should be deemed discriminatory. The SAC also held that the possibility foreseen in the tender conditions of voluntarily making an optional undertaking to provide free telecommunications services using frequencies obtained during the contested tender did not constitute an imposition of regulatory obligations by the OEC President, and therefore, it did not require compliance with the procedures established by the provisions of law for establishing new regulatory obligations.

The above-described final and legally binding ruling by the SAC means in practice that, after almost five years, the disputes on maintaining frequencies assigned to Aero2 in the tender have concluded successfully for the Midas Group.

The Management Board of the Company points out that proceedings are still pending concerning frequencies in the 1800 MHz range assigned to the companies CenterNet and Mobyland (described in pt. 5.1 of the Report of the Management Board on the Operations of Midas S.A. in 2012, published on 21 March 2013). In the third quarter of 2013, no rulings in the above matters were handed down. In those proceedings, CenterNet and Mobyland (depending on the proceedings) act as an interested party, as the proceedings are largely directed against administrative decisions issued by the President of the OEC. However, indirectly, handing down a binding resolution in each of these proceedings may result in the President of the OEC ruling to sustain, change or repeal previous resolutions that directly concern frequency reservations issued to CenterNet and Mobyland.

9. Transactions with related parties

In the third quarter of 2013, Midas Group companies did not enter into any key transactions with related parties on non-market terms.

Information on the conclusion by the Company or a subsidiary of other transactions with related parties is contained in Note 28 to the interim condensed consolidated financial statements for the 9-month period ended 30 September 2013.

10. Significant events and agreements concluded by the Midas Group

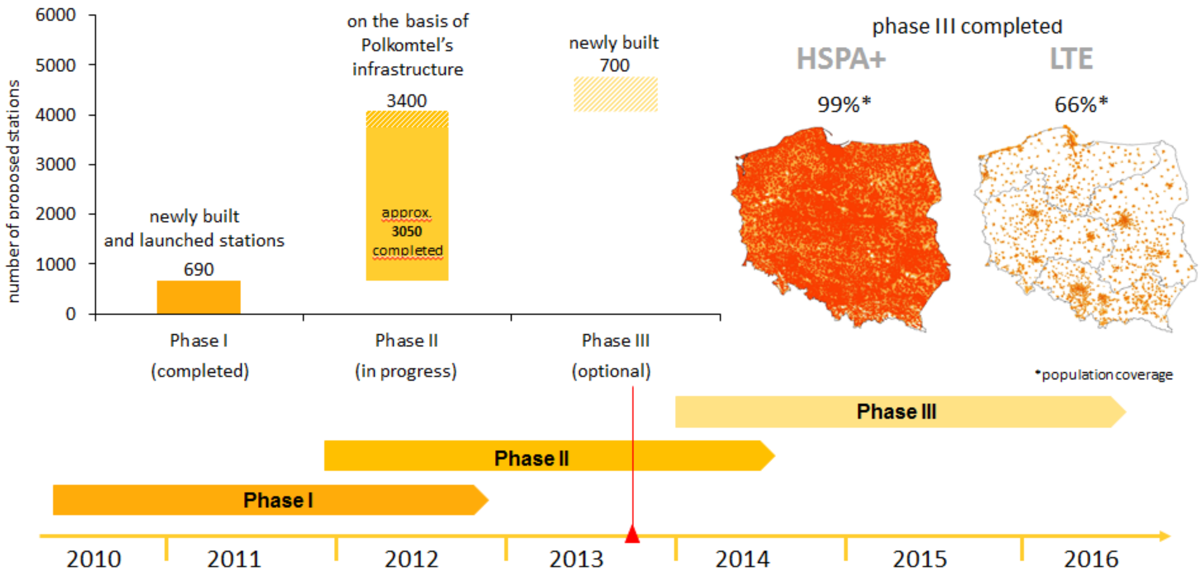
On 1 August 2013, the companies Aero2, CenterNet and Mobyland (the “Guarantors”) concluded with Alior Bank S.A. (“Alior Bank”) a guarantee agreement for the joint security of the Company’s liabilities from an investment credit agreement (the “Credit Agreement”) in the amount of PLN 150 million (the “Credit”), for the duration of the Credit as set forth in the Credit Agreement, i.e. until 31 March 2018. The amount of each of the above joint guarantees was set at PLN 300 million. On the same day, the Guarantors furnished effective declarations on submission to enforcement in accordance with Article 97 of the Banking Law. The Company points out that each of the Guarantors is an entity which is a 100-per cent subsidiary of the Company, whereas no ties exist between the Guarantors and Alior Bank or between the Company and Alior Bank. The Company published information on this event in Current Report No. 31/2013.

On 7 August 2013, the Company received a notification from Aero2 on the submission by Aero2 on the same day of two orders covering RAN- and SITE-type services, of which the total value calculated on the basis of a 5-year period of services covered by those orders is PLN 466.4 million. The above orders were submitted as part of implementing a significant cooperation agreement within the scope of the mutual provision of telecommunications infrastructure services (the “Agreement”) concluded by Aero2 on 30 March 2012 with Polkomtel Sp. z o.o. (“Polkomtel” or a “Party”, and jointly with Aero2 the “Parties”), which the Company reported in Current Report No. 22/2012 of 30 March 2012. The highest-value order submitted by Aero2 after 9 November 2012 as part of implementing the Agreement is an order of 7 August 2013 concerning RAN-type services (the “Order”) having a value of PLN 354.5 million. The RAN-type services covered by the Order will be provided under the conditions set forth in the Agreement in every location for a period of 5 years, counting from the date on which Polkomtel announces its readiness to provide services in a given location in accordance with the provisions of the Agreement. The Order does not regulate the issue of compensation and contractual penalties – general terms and conditions under the Agreement will apply in this respect. The other conditions of the Order do not diverge from those generally applied to these types of transactions. The Company also points out that the subject of the Agreement is specification of the rules of cooperation between Aero2 and Polkomtel involving receipt of access by each of the Parties – within the scope specified in the Agreement – to the telecommunications infrastructure of the other Party, and mutual rendering by the Parties – based on their telecommunications infrastructure – of services for the purpose of conducting their telecommunications activity (providing wholesale and retail telecommunications services) using frequencies held by the Parties and for the purpose of Aero2 rendering services to Mobyland Sp. z o.o. and CenterNet S.A. ("Mobyland", "CenterNet") under a separate agreement(s) on constructing and granting access to telecommunication networks, in order to use radio frequencies available to Mobyland and CenterNet on the basis of a decision of the President of the Office of Electronic Communications (UKE) on frequency reservations. The Company published information on this event in Current Report No. 32/2013.

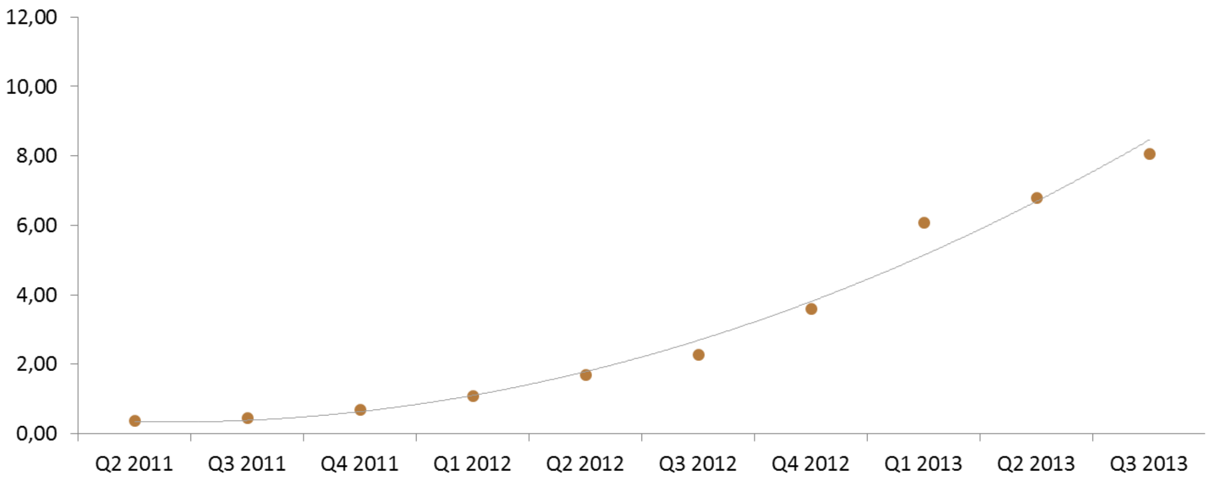
Furthermore, on 16 September 2013, the Management Board of the Company fulfilled the following conditions required to draw down the Loan: 1) it proved that the own contribution of PLN 50 million had been made, 2) it proved the distribution of bonds issued by the Company for a total issue price of PLN 200 million and of the redemption date falling after the date of repayment of the Loan, and in connection with an entry permitting a bondholder to demand early redemption, it also proved that Mr. Zygmunt Solorz-Żak has undertaken that, in the case where as a result of such a demand the value of the issue falls below PLN 200 million, Mr. Zygmunt Solorz-Żak or an entity appointed by him will take up additionally issued bonds under the conditions of the redeemed bonds such that the total amount of liabilities from the bonds issued will not be less than PLN 200 million until the Loan is repaid (the total number of bonds with the option of early redemption must not be greater than PLN 100 million), 3) it provided the Bank with appropriate resolutions/consents of the Company's authorities and the Guarantors' authorities and Inwestycje Polskie to grant the guarantees stated in Current Report No. 31/2013 and presented a loan agreement concluded between the Company and Aero 2 Sp. z o.o., which was positively verified by the Bank. Moreover, until the date of providing the information in question, no change has taken place in the legal status of the real property constituting security for the Loan. Thus, all the necessary conditions (precedent) required for releasing the Loan, which are defined in the aforementioned Current Report No. 4/2013, have been met. In the third quarter of 2013, the Company made two disbursements from the loan obtained under an agreement with Alior Bank, for a total amount of PLN 41,000,000. Those funds were allocated (by way of loans to Aero2, as set forth in Note 14 to the interim separate condensed financial statements for the 9-month period ended 30 September 2013) towards financing the expansion and maintenance of the Midas Group's telecommunications network. The Management Board of the Company points out that in accordance with the Agreement as referred to in Current Report No. 4/2013, the Loan in the amount of PLN 150 million, once all necessary conditions (precedent) for releasing the Loan have been met, shall be designated to finance the development of the relay station network by companies comprising the Midas Capital Group. The Company published information on this event in Current Report No. 33/2013, corrected by Current Report No. 33/2013 K (typographical error).

11. Other information which, in the opinion of the Company, is significant to an evaluation of its staffing, asset and financial position, its financial result and changes thereof, as well as information significant to an evaluation of the possibility of the Company discharging its liabilities

The Midas Group has a modern telecommunications network including, among others (as at the end of September 2013): (i) approximately 690 base stations used by the Midas Group and operating on the basis of the HSPA+ technology, of which approximately 680 also support LTE, and (ii) approximately 3,050 base stations operating in the HSPA+ technology in the frequency range owned by Aero2, incorporated into the telecommunications network used by the Midas Group in cooperation with Polkomtel, of which approximately 2,150 also support LTE. The diagram below illustrates the degree of advancement in the expansion of the Midas Group's telecommunications network as at the end of the third quarter of 2013 and the proposed coverage of these technologies upon completion of phase III of the telecommunications network expansion:



The Management Board of the Company would also like to note the quarterly usage (in million GB) of the data transfer packages ordered by Polkomtel and Cyfrowy Polsat, as carried out in the Group's network, juxtaposed against the trend line. The Management Board of the Company has a favourable opinion of the rate of growth in the area of data transfer usage.



In the opinion of the Management Board of the Company, referring to the third quarter of 2013, there is no other information besides that disclosed in this semi-annual report which is essential for staffing, assets, financial position, financial result and their changes, nor is there any information which is relevant for the assessment of the Company's ability to settle its liabilities and commitments.

12. Factors that, in the Company's opinion, may influence the results it achieves within at least the next quarter

According to the Management Board of the Company, the following factors could affect the results of the Midas Group over the course of at least the next quarter:

1) The Midas Group obtaining financing to implement the Midas Group strategy, consisting in obtaining debt financing under Term Sheet 1 signed with Bank Zachodni WBK S.A./Banco Santander S.A. (described in Current Report No. 49/2012), for which it is necessary to obtain a positive credit decision, with the resulting agreement and signing of the credit agreement by the above consortium of banks.

The Company expects that, upon obtaining the above financing, the value of financial costs will increase.

2) Commissioning and rate of growth of LTE data transmission services provided by entities competing against the Midas Group (T-Mobile Polska or P4), on the basis of frequency reservations in the 1800 MHz range granted in the first half of 2013.

   The Company estimates that this factor may have a negative effect on the rate of growth of revenue from sales.

3) The announcement of the tender/auction for frequency reservations in the 800 MHz and 2600 MHz ranges (digital dividend), The Company notes that the final documentation related to announcing the tender/auction was not published by the date of publishing these statements. Therefore, the Midas Group has not yet decided whether or not to participate in such tender/auction.

   In the Company's opinion, this factor could materially affect the Company's financial performance. However, as the Company is not familiar with the final terms and conditions of the tender/auction, it is unable to carry out a more in-depth analysis of such effect.

4) A final and binding resolution of court proceedings regarding frequencies in the 1800 MHz range, held by subsidiaries of the Group.

   The Company estimates that, in the event of decisions unfavourable for the Group being taken with respect to the above frequency reservations, this will have an adverse impact on the operations and financial results of the Group.

5) Increasing popularity of the LTE technology and the corresponding increased usage of data transmission services ordered by wholesale customers of the Group and possible subsequent orders for such services.

   The Company estimates that the increase will have a favourable effect on revenue from sales.

The Company would like to note that the occurrence of the factors set forth in points 2)-5) above is largely independent from the Company. Therefore, the Company is uncertain about their occurrence in the next quarter.

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD:

Krzysztof Adaszewski /President of the Management Board/	Maciej Kotlicki /Vice-President of the Management Board/	Dariusz Łukasiewicz /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, 14 November 2013