The Midas Spółka Akcyjna

Capital Group

Consolidated quarterly report
for the 3-month period ended 31 March 2013

QSr 1/2013

Place and date of publication: Warsaw, 15 May 2013

CONTENT OF THE REPORT:

SELECTED FINANCIAL DATA OF THE MIDAS CAPITAL GROUP

	3-month period ended 31 March 2013 in PLN '000	3-month period ended 31 March 2012 in PLN '000	3-month period ended 31 March 2013 in EUR '000	3-month period ended 31 March 2012 in EUR '000
Revenue from sales	42,956	18,261	10,292	4,374
Profit (loss) on operating activities	(47,231)	(26,197)	(11,316)	(6,275)
Profit (loss) before tax	(45,971)	(28,761)	(11,014)	(6,889)
Net profit (loss) on continuing operations attributable to shareholders of the parent	(43,923)	(28,750)	(10,523)	(6,886)
Net cash flow from operating activities	(25,100)	(2,657)	(6,014)	(636)
Net cash flow from investing activities	(18,657)	(8,810)	(4,470)	(2,110)
Net cash flow from financing activities	(2,374)	278,374	(569)	66,676
Average weighted number of shares	1,479,661,750	452,025,062	1,479,661,750	452,025,062
Basic profit (loss) from continuing activities per ordinary share (in PLN)	(0.030)	(0.064)	(0.007)	(0.015)

	As at 31 March 2013 in PLN '000	As at 31 December 2012 in PLN '000	As at 31 March 2013 in EUR '000	As at 31 December 2012 in EUR '000
Total assets	1,357,892	1,420,309	325,057	347,417
Total liabilities	432,143	450,637	103,448	110,229
Non-current liabilities	181,960	169,067	43,558	41,355
Current liabilities	250,183	281,570	59,890	68,874
Equity attributable to shareholders of the parent	925,749	969,672	221,609	237,188
Share capital	147,967	147,967	35,421	36,194

SELECTED FINANCIAL DATA OF MIDAS S.A.

	3-month period ended 31 March 2013 in PLN '000	**3-month period ended 31 March 2012 in PLN '000**	**3-month period ended 31 March 2013 in EUR '000**	**3-month period ended 31 March 2012 in EUR '000**
Revenue from sales	-	-	-	-
Profit (loss) on operating activities	(634)	(513)	(152)	(123)
Profit (loss) before tax	2,052	(924)	492	(221)
Net profit (loss) on continuing operations attributable to shareholders of the Company	2,052	(924)	492	(221)
Net cash flow from operating activities	277	139	66	33
Net cash flow from investing activities	(8,526)	(19,576)	(2,043)	(4,690)
Net cash flow from financing activities	(28,068)	300,495	(6,725)	71,975
Average weighted number of shares	1,479,661,750	452,025,062	1,479,661,750	452,025,062
Basic profit (loss) from continuing activities per ordinary share	0.0014	(0.002)	0.0003	(0.0005)

	As at 31 March 2013 in PLN '000	**As at 31 December 2012 in PLN '000**	**As at 31 March 2013 in EUR '000**	**As at 31 December 2012 in EUR '000**
Total assets	1,214,151	1,238,270	290,648	302,889
Total liabilities	168	26,339	40	6,443
Non-current liabilities	-	-	-	-
Current liabilities	168	26,339	40	6,443
Equity attributable to shareholders of the Company	1,213,983	1,211,931	290,607	296,446
Share capital	147,967	147,967	35,421	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 31 March 2013: 4.1774 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 flow were converted into EUR using the exchange rate announced by the National Bank of Poland, being the arithmetic mean of average EUR exchange rates which were in effect on the last day of each completed month in the 3-month period ended 31 March 2013 and the 3-month period ended 31 March 2012 (4.1738 PLN/EUR and 4.1750 PLN/EUR respectively).

The Capital Group
Midas Spółka Akcyjna

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2013

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the 3-month period ended 31 March 2013

	Note	3-month period ended 31 March 2013 in PLN '000 *(unaudited)*	3-month period ended 31 March 2012 in PLN '000 *(unaudited)*
Continuing operations			
Revenues from sales of goods and services	6	42,956	18,261
Depreciation and amortisation	7	(25,999)	(15,054)
Wages and salaries	7	(1,346)	(1,066)
Other costs by type	7	(62,862)	(29,904)
Other operating income		1,123	1,403
Other operating expenses		(1,103)	163
Profit/ (loss) on operating activities		**(47,231)**	**(26,197)**
Finance income	8	1,675	1,177
Other finance costs	9	(415)	(3,741)
Profit / (loss) on financial activities		**1,260**	**(2,564)**
Profit / (loss) before tax		**(45,971)**	**(28,761)**
Current income tax		-	-
Deferred tax		2,048	-
Total income tax		**2,048**	**-**
Net profit / (loss) on continuing operations		**(43,923)**	**(28,761)**
Net profit /(loss) from discontinued operations		**-**	**-**
Net profit / (loss)		**(43,923)**	**(28,761)**
Other comprehensive income		**-**	**-**
TOTAL COMPREHENSIVE INCOME (LOSS)		**(43,923)**	**(28,761)**
Attributable to			
ownership interests of the shareholders of the parent		(43,923)	(28,750)
non-controlling interests		-	(11)
Average weighted number of ordinary shares		1,479,661,750	452,025,062
Net earnings (loss) on continuing activities per 1 share attributable to shareholders of the parent (in PLN)		(0.03)	(0.064)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2013

	Note	31 March 2013 in PLN '000 *(unaudited)*	31 December 2012 in PLN '000 *(audited)*
ASSETS			
Non-current assets			
Property, plant and equipment	10	315,862	309,518
Intangible assets	11	837,202	856,334
goodwill of subsidiaries		41,231	41,231
value of frequency reservations		790,395	809,015
other intangible assets		5,576	6,088
Other financial assets		16,030	14,020
Other non-financial assets		10,388	8,885
Deferred income tax assets		-	-
Total non-current assets		**1,179,482**	**1,188,757**
Current assets			
Inventories		189	190
Trade and other receivables	13	54,386	64,493
Cash and cash equivalents		119,758	165,889
Other prepayments		4,077	980
Total current assets		**178,410**	**231,552**
Total assets		**1,357,892**	**1,420,309**

		31 March 2013 in PLN '000	**31 December 2012 in PLN '000**
		(unaudited)	***(audited)***
LIABILITIES	**Note**		
Equity			
attributable to shareholders of the Company, of which:			
Share capital		147,967	147,967
Share premium		1,140,911	1,140,911
Own shares		(150)	(150)
Supplementary capital		-	-
Retained earnings/accumulated losses		(362,979)	(319,056)
Retained profit / (loss)		(319,056)	(143,436)
Net profit / (loss) for the current period		(43,923)	(175,620)
Non-controlling interests		-	-
Total equity		**925,749**	**969,672**
Non-current liabilities			
Borrowings	17	49,601	33,352
Deferred income	16	40,229	41,537
Provisions	14	3,350	3,350
Deferred tax liability		88,780	90,828
Total non-current liabilities		**181,960**	**169,067**
Current liabilities			
Trade and other liabilities	21	49,979	44,333
Deferred income	16	198,655	220,117
Borrowings and other financial liabilities	17	273	16,249
Provisions for other liabilities	14	1,276	871
Total current liabilities		**250,183**	**281,570**
Total equity and liabilities		**1,357,892**	**1,420,309**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the 3-month period ended 31 March 2013

	Note	**3-month period ended 31 March 2013 in PLN '000**	**3-month period ended 31 March 2012 in PLN '000**
		(unaudited)	***(unaudited)***
Gross profit (loss)		**(45,971)**	**(28,761)**
Adjustments of items:			
Depreciation of fixed and intangible assets		25,999	15,054
Interest expense and income		(39)	3,326
(Profit)/loss from investing activities		666	-
Change in the balance of assets and liabilities related to operating activities:			
- Trade and other receivables		10,107	(19,581)
- Inventories		1	99
- Trade and other liabilities		9,604	4,150
- Deferred income		(22,770)	23,301
- Provisions		405	-
- Other prepayments/accruals		(3,097)	(245)
Other adjustments		(5)	-
Net cash flow from operating activities		**(25,100)**	**(2,657)**
Proceeds from sales of property, plant and equipment and intangible assets		6	-
Purchases of property, plant and equipment and intangible assets		(18,663)	(8,810)
Net cash flow from investing activities		**(18,657)**	**(8,810)**
Proceeds from share issuance		-	281,750
Share issuance costs		-	(319)
Proceeds from issuance of debt securities		-	20,000
Repayment of finance lease liabilities (related to fixed assets used)		-	(16,819)
Commissions paid (related to issuing bonds and obtaining bank loans)		(1,834)	-
Repayment of borrowings		-	(4,062)
Interest paid		(540)	(2,176)
Net cash flow from financing activities		**(2,374)**	**278,374**
Net increase (decrease) in cash and cash equivalents		(46,131)	266,907
Cash at beginning of period		**165,889**	**37,623**
Cash at end of period	12	**119,758**	**304,530**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 3-month period ended 31 March 2013

Equity attributable to shareholders of the parent

(in PLN '000)

	Share capital	Share premium	Other reserve capital	Own shares	Retained earnings/accumulated losses	Total	Non-controlling interests	Total equity
As at 1 January 2013	**147,967**	**1,140,911**	**-**	**(150)**	**(319,056)**	**969,672**	**-**	**969,672**
Net loss for the financial year	-	-	-	-	*(43,923)*	*(43,923)*	-	*(43,923)*
Total comprehensive loss for the financial year	-	-	-	-	(43,923)	(43,923)	-	(43,923)
As at 31 March 2013 *(unaudited)*	**147,967**	**1,140,911**	**-**	**(150)**	**(362,979)**	**925,749**	**-**	**925,749**

	Share capital	Share premium	Other reserve capital	Own shares	Retained earnings/accumulated losses	Total	Non-controlling interests	Total equity
As at 1 January 2012	**29,593**	**435,560**	**-**	**(150)**	**(285,214)**	**179,789**	**19,974**	**199,763**
Issue of shares	-	-	828,614	-	-	828,614	**-**	**828,614**
Share issuance costs	-	-	(4,329)	-	-	(4,329)	**-**	**(4,329)**
Net profit for the financial year	-	-	-	-	*(28,750)*	*(28,750)*	***(11)***	*(28,761)*
Total comprehensive income for the financial year	-	-	-	-	(28,750)	(28,750)	(11)	(28,761)
As at 31 March 2012 (unaudited)	**29,593**	**435,560**	**824,285**	**(150)**	**(313,964)**	**975,324**	**19,963**	**995,287**

SUPPLEMENTARY EXPLANATORY NOTES

The interim condensed consolidated financial statements of the Midas S.A. Capital Group (the "Group", the "Midas Group") have been drawn for the 3-month period ended 31 March 2013 and contain comparative data as required by the International Financial Reporting Standards ("IFRS").

The statement of comprehensive income includes data for the 3-month period ended 31 March 2013 and comparative data for the 3-month period ended 31 March 2012.

The data for the 3-month period ended 31 March 2013 and comparative data for the 3-month period ended 31 March 2012 were not subject to a review or an audit by an independent auditor.

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

On 15 May 2013, these interim condensed consolidated financial statements of the Group for the 3-month period ended on 31 March 2013 were approved for publication by the Management Board of Midas S.A.

1. General information

The Midas S.A. Capital Group consists of Midas S.A. (the "parent", the "Company", "Midas") and its subsidiaries. The parent is entered in the Commercial Register of the National Court Register kept by the District Court in Warsaw, 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 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 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	
			31 March 2013	31 December 2012
CenterNet S.A.	Warsaw	telecommunications	100%	100%
Mobyland Sp. z o.o.	Warsaw	telecommunications	100%	100%
Conpidon Ltd (in liquidation *)	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%	85.2%

* information about the proposed merger between Conpidon and Midas is set forth in Note 24 hereto.

As at 31 March 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. The exception is the share in Nova Capital Sp. z o.o. ("Nova"), in which the Group holds 85.2 per cent of the share capital and 100 per cent of the votes due to the fact that the Company redeemed but did not cancel the remaining portion of the shares in Nova. On 10 April 2013, Nova Capital sold Aero2 its own shares, i.e. 21,599 shares with a par value of PLN each. Thus, Aero2 became the owner of 100 per cent of the shares in Nova Capital.

2. Basis of preparation of interim condensed consolidated financial statements

These interim condensed consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), in particular in accordance with IAS 34 and IFRSs endorsed by the European Union. At the day of authorisation of these statements, in light of the current process of IFRS endorsement in the European Union and the nature of the Company's activities, there are no differences in the accounting standards applied by the Company and the IFRS which have come into force and the IFRS endorsed by the European Union.

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 have been prepared on the assumption that the business activities of the Group will continue in the foreseeable future. As at the date of authorisation of these interim consolidated financial statements, the parent company's Management Board is not aware of any facts or circumstances that would indicate a threat to the continued activity of the Group entities.

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 principles adopted in preparing the interim condensed consolidated financial statements are consistent with those adopted in preparing the annual financial statements of the Group 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:

- Phase one of IFRS 9 *Financial Instruments: Classification and Measurement* - which applies to annual periods beginning on or after 1 January 2015 - not approved by the EU before the date of approval of these financial statements. In further phases, the International Accounting Standards Board deals with hedge accounting and impairment. The application of the first phase of IFRS 9 will have an impact on the classification and measurement of the financial assets of the Group. The Group quantified the effect in conjunction with the other phases, when issued, to present a comprehensive picture.
- Amendments to IAS 19 *Employee Benefits* - applicable to financial years beginning on or after 1 January 2013.
- 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 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.
- 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,
- IFRS 10 *Consolidated Financial Statements* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRS 11 *Joint Arrangements* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRS 12 *Disclosure of Interests in Other Entities* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- Amendments to IFRS 10, IFRS 11 and IFRS 12 *Transition Guidance* - which apply to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRS 13 *Fair Value Measurement* - which applies to annual periods beginning on or after 1 January 2013,
- IAS 27 *Separate Financial Statements* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IAS 28 *Investments in Associates and Joint Ventures* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine - effective for annual period beginning on or after 1 January 2013,
- Amendments to IFRS 7 *Financial Instruments: Disclosures: Compensation of Financial Assets and Financial Liabilities* - which apply to annual periods beginning on or after 1 January 2013 Amendments to

IAS 32 *Financial Instruments: Presentation: Compensation of Financial Assets and Financial Liabilities* - which apply to annual periods beginning on or after 1 January 2014,

- 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 resulting from an IFRS review (issued in May 2012) - effective for financial years beginning on or after 1 January 2013,
- Amendments to IFRS 10, IFRS 12 and IAS 27*Investment Entities* (published on 31 October 2012) - effective for annual periods beginning on 1 January 2014 - not approved by the EU before the date of approval of these financial statements.

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

4. Segment information

The Group's activities are treated by the management as a single coherent operating segment covering wholesale telecommunications activities. The management evaluates the financial results of the Group by analysing its interim condensed consolidated financial statements.

5. 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.

6. Revenue

	3-month period ended 31 March 2013 in PLN '000	**3-month period ended 31 March 2012 in PLN '000**
Sales of telecommunications services	42,945	14,419
Revenues from sales of goods	11	3,842
Total	**42,956**	**18,261**

During the 3-month period ended 31 March 2013, revenues increased by PLN 24,695,000 in comparison to the corresponding period of the previous year. This was mainly due to the increasing popularity of LTE and the corresponding increased usage of data transmission services ordered by wholesale customers of the Midas Group and the consistently expanding coverage of the telecommunications network utilised by the Midas Group. The Management Board of the Company emphasises that revenue in the first quarter of 2013 increased by approximately 51 per cent compared to the revenue reported for the fourth quarter of 2012. Thus, a rapid growth trend was maintained as regards quarter-on-quarter revenue.

7. Costs by type

During the 3-month period ended 31 March 2013, costs by type increased by PLN 44,183,000 in comparison to the corresponding period of the previous year. The change results from an increase in the cost of maintaining and operating a telecommunications network, which changes (increases) in line with the growth of the number of base stations and increases in depreciation and amortization.

During the 3-month period ended 31 March 2013, depreciation and amortization increased by PLN 10,945,000 in comparison to the corresponding period of the previous year. The increase was primarily due to computing depreciation and amortization on the fair value measurement of concessions in Aero2 and in Mobyland of PLN 10,782,000 as at the end of March 2013.

8. Finance income

During the 3-month period ended 31 March 2013, finance income increased by PLN 498,000 in comparison to the corresponding period of the previous year. This change results from an increase in the amount of interest on cash invested in interest-bearing bank deposits.

9. Financial costs

During the 3-month period ended 31 March 2013, financial costs decreased by PLN 3,326,000 in comparison to the corresponding period of the previous year. The change stems primarily from the repayment of the lease of base stations and the redemption of debt papers as set forth in Note 26 to the 2012 annual consolidated financial statements of the Midas Group.

10. Property, plant and equipment

10.1. Purchases and disposals

During the 3-month period ended on 31 March 2013 the Group acquired property, plant and equipment with a value of PLN 13,201,000 PLN (mainly telecommunications infrastructure from Nokia Siemens Networks, Ericsson and IT Polpager).

During the 3-month period ended on 31 March 2012, the Group acquired property, plant and equipment with a value of PLN 3,087,000 PLN.

During the 3-month period ended 31 March 2013 and the 3-month period ended 31 March 2012, the Group did not dispose any items of property, plant and equipment with a significant value.

10.2. Impairment write-downs

During the period ended on 31 March 2013, the Group made an impairment write-down of PLN 666,000, and in the corresponding period of the prior year, the Group did not recognise any significant impairments of tangible assets.

11. Intangible assets

11.1. Purchases and disposals

During the 3-month period ended 31 March 2013 and the 3-month period ended 31 March 2012, the Group did not acquire or dispose of any intangible assets with a significant value.

11.2. Impairment write-downs

During the period ended on 31 March 2013 and the corresponding period of the prior year, the Group did not recognise any significant impairments of intangible assets.

12. Cash and cash equivalents

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

	31 March 2013 in PLN '000	**31 March 2012 in PLN '000**

Cash at bank and on hand	22,201	303,813
Short-term bank deposits	97,481	-
Interest accrued on bank deposits	72	-
Other	4	717
Cash and cash equivalents	**119,758**	**304,530**

13. Trade and other receivables

During the 3-month period ended 31 March 2013, receivables of the Group decreased by PLN 10,107,000 in comparison to the balance as at 31 December 2012. This change stems primarily from the repayment of trade receivables under settlements with Polkomtel and Cyfrowy Polsat.

14. Provisions

During the 3-month period ended on 31 March 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.

15. Interest-bearing loans and borrowings and issued bonds

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 of PLN 20,170,000 by 30 September 2015, respectively.
As at 31 March 2013, the Group held the following collateral under loan agreements
with Invest Bank SA:

- the 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 a loan agreement for investment credit of PLN 150 million to finance the expansion of a network of relay stations by companies forming the Midas Group. Under the Agreement, the Company can use the Credit after meeting 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 conclusion of the Agreement, as well as the terms and conditions of utilising and securing the Credit, were notified by the Company's Management Board in Current Report No. 4/2013.

On 16 April 2013, Midas S.A. issued bonds. Detailed information in this respect was contained in Note 24 (events after the balance sheet date) to the interim condensed consolidated financial statements for the 3-month period ended 31 March 2013. Information about 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.

16. Deferred income

As at 31 March 2013, the Group recognised deferred income of PLN 238,884,000 (PLN 261,654,000 as at 31 December 2012). This amount consists of non-current deferred income of PLN 40,229,000 and the current portion of deferred income of PLN 198,655,000 (as at 31 December 2012: PLN 41,537,000 and PLN 220,117,000, respectively).

In the 3-month period ended 31 March 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 use of the data transmission packets ordered, deferred income is recognised in the statement of comprehensive income, where it appears under revenues from sales proportionally to the number of gigabytes (GB) actually used within a given order. As at 31 March 2013, the value of paid instalments remaining to be settled, resulting from the orders placed under the agreement with Cyfrowy Polsat, amounted to PLN 148,546,000. In turn, the corresponding value of instalments paid under the agreement with Polkomtel amounted to PLN 44,054,000.

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 721,000 and amounted to PLN 20,232,000 as at 31 March 2013.

The remaining amount of deferred income comprises EU grants of PLN 25,369,000 and settlements of sales of telecommunications services (prepaid) of PLN 683,000.

17. Loans, borrowings and other financial liabilities

During the 3-month period ended 31 March 2013, there were no significant movements in the level of financial liabilities.

18. Goals and principles of financial risk management

During the 3-month period ended on 31 March 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 2012 annual consolidated financial statements.

19. Capital management

During the 3-month period ended on 31 March 2013, the Group did not change its goals, principles or procedures for capital management compared to those disclosed in the 2012 annual consolidated financial statements.

20. Contingent liabilities

	31 March 2013 in PLN '000	**31 December 2012 in PLN '000**
Liabilities from bank guarantees granted mainly as security for the performance of trade agreements	512	512
Total contingent liabilities	**512**	**512**

As at 31 March 2013, the conditional debt of the Group was PLN 512,000, which includes:

- a bank guarantee of PLN 282,000 of which the beneficiary is Lanya Investments Sp. z o.o., granted by BRE Bank S.A. at the instruction of Aero2 in connection with securing a rental agreement of 11 February 2010 for office premises and parking spaces in the Norway House building located at ul. Lwowska 19 in Warsaw.
- a bank guarantee of PLN 90,000 of which the beneficiary is PTK Centertel Sp. z o.o., granted by BRE Bank S.A. at the instruction of Aero2 in connection with securing the Decision of the President of the OEC No. DHRT-WWM-6080-1/10(34) of 9 December 2010,
- a bank guarantee of PLN 140,000 of which the beneficiary is PTC, granted by BRE Bank S.A. at the instruction of Aero2 in connection with securing the Decision of the President of the OEC No. DHRT-WWM-6080-171/09(40) of 9 December 2010.

21. Trade and other payables

During the 3-month period ended 31 March 2013, liabilities of the Group increased by PLN 5,646,000 in comparison to the balance as at 31 December 2012. The change results primarily from an increase in the Group's liabilities towards Polkomtel and Nokia Siemens Networks from telecommunications infrastructure purchases.

22. Investing liabilities

As at 31 March 2013, the Group had capex liabilities of approx. PLN 19,500,000 net, which have not been disclosed in these financial statements. These liabilities primarily stem from orders placed in the performance of agreements for the supply of telecommunications equipment with Ericsson and Nokia Siemens Networks.

23. Transactions with related parties

During the 3-month period ended 31 March 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 3-month periods ended on 31 March 2013 and 31 March 2012, and the balances of receivables and liabilities as at 31 March 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	43,754	42,784	175	795
	2012	14,059	12,840	539	680

		Costs of mutual transactions, of which:	**interest on commercial papers**	**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	39,692	-	1,045	38,647
	2012	4,131	-	1,200	2,931

		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*	45,932	28,434	14,195	3,303
	2012	65,099	47,588	14,020	3,491

		Liabilities towards related parties, of which:	**trade payables**	**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*	291,897	29,191	49,874	212,832*
	2012	297,234	12,340	49,601	235,293*

*Amounts recognised as deferred income

24. Events occurring after the balance sheet date

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

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. Detailed information in this regard was provided in Current Report No. 12/2013.

On 24 April 2013, the Management Board of the Company resolved to carry out a cross-border 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 a cross-border 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 simplify the structure of the Midas Group. The long-term goal for the cross-border 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.

In April and May 2013, the Company received a total of three decisions of the District Court for the City of Warsaw in Warsaw, 11th Commercial Division - Pledge Register (the “Court”) regarding the 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.

Establishment of the above registered pledges is a consequence of the pledge agreement concluded by the Company, Conpidon and BondTrust PTP, set forth in section 10 of the other information to this quarterly report.

Establishment of the above pledges was set forth in detail in Current Reports No. 11/2013, 13/2013 and 16/2013.

Midas Spółka Akcyjna

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2013

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the 3-month period ended 31 March 2013

	Note	3-month period ended 31 March 2013 in PLN '000 *(unaudited)*	3-month period ended 31 March 2012 in PLN '000 *(unaudited)*
Continuing operations			
Depreciation and amortisation		(4)	(2)
Wages and salaries		(310)	(132)
Other costs by type		(320)	(379)
Profit/ (loss) on operating activities		**(634)**	**(513)**
Finance income	6	3,023	1,489
Other finance costs	7	(337)	(1,900)
Profit/ (loss) on financial activities		**2,686**	**(411)**
Profit / (loss) before tax		**2,052**	**(924)**
Current income tax		-	-
Deferred tax		-	-
Total income tax		**-**	**-**
Net profit / (loss) on continuing operations		**2,052**	**(924)**
Net profit /(loss) from discontinued operations		**-**	**-**
Net profit (loss)		**2,052**	**(924)**
COMPREHENSIVE LOSS		**2,052**	**(924)**
Attributable to			
ownership interests of shareholders of the parent		2,052	(924)
non-controlling interests		-	-
Average weighted number of ordinary shares		1,479,661,750	452,025,062
Net profit/ (loss) on continuing operations per share attributable to shareholders of the parent company (in PLN)		0.0014	(0.002)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

as at 31 March 2013

	Note	31 March 2013 in PLN '000 *(unaudited)*	31 December 2012 in PLN '000 *(audited)*
ASSETS			
Non-current assets			
Property, plant and equipment	8	83	21
Other financial assets (non-current)		968,037	966,203
Total non-current assets		**968,120**	**966,224**
Current assets			
Trade and other receivables	13	148,249	138,004
Cash and cash equivalents		97,719	134,036
Other prepayments		63	6
Total current assets		**246,031**	**272,046**
Total assets		**1,214,151**	**1,238,270**

	Note	31 March 2013 in PLN '000 *(unaudited)*	31 December 2012 in PLN '000 *(audited)*
LIABILITIES			
Equity			
attributable to shareholders of the Company, of which:			
Share capital		147,967	147,967
Share premium		1,141,006	1,141,006
Own shares		(150)	(150)
Retained earnings/accumulated losses		(74,840)	(76,892)
Retained profit / (loss)		(76,892)	(83,879)
Net profit / (loss) for the current period		2,052	6,987
Total equity		**1,213,983**	**1,211,931**
Current liabilities			
Trade and other liabilities	14	101	346
Other financial liabilities	12	-	25,897
Accruals		67	96
Total current liabilities		**168**	**26,339**
Total equity and liabilities		**1,214,151**	**1,238,270**

INTERIM CONDENSED STATEMENT OF CASH FLOW

for the 3-month period ended 31 March 2013

	Note	3-month period ended 31 March 2013 in PLN '000 *(unaudited)*	3-month period ended 31 March 2012 in PLN '000 *(unaudited)*
Gross profit (loss)		**2,052**	**(924)**
Depreciation of fixed and intangible assets		4	2
Interest expenses		337	1,667
Exchange rate differences		(7)	-
Change in assets and liabilities related to operating activities:			
- Trade and other receivables		9	666
- Trade and other liabilities		(245)	(66)
- Deferred income		-	(27)
- Accruals		(86)	(93)
Interest income		(1,787)	(1,086)
Net cash flow from operating activities		**277**	**139**
Purchase of property, plant and equipment and intangible assets		(66)	-
Proceeds from sale of property, plant and equipment and intangible assets		-	9
Loans granted and repaid		(9,000)	(20,000)
Interest received		540	320
Other		-	95
Net cash flow from investing activities		**(8,526)**	**(19,576)**
Proceeds from issuance of debt securities		-	20,000
Repayment of debt securities		(22,250)	-
Interest paid on debt securities		(3,984)	(936)
Proceeds from share issuance		-	281,431
Commissions paid (related to issuing bonds and the bank loan)		(1,834)	-
Net cash flow from financing activities		**(28,068)**	**300,495**
Net (decrease) increase in cash and cash equivalents		**(36,317)**	**281,058**
Cash and cash equivalents at the beginning of the period		**134,036**	**3,244**
Cash and cash equivalents at the end of the period	10	**97,719**	**284,302**

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

for the 3-month period ended 31 March 2013

(in PLN '000)

	Share capital	Share premium	Other reserve capital	Own 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	-	-	-	-	-	-
Net profit for the financial year	-	-	-	-	2,052	2,052
Total comprehensive income for the financial year	-	-	-	-	2,052	2,052
As at 31 March 2013 (unaudited)	**147,967**	**1,141,006**	**-**	**(150)**	**(74,840)**	**1,213,983**

	Share capital	Share premium	Other reserve capital	Own shares	Retained earnings/accumulated losses	Total equity
As at 1 January 2012	**29,593**	**435,655**	**-**	**(150)**	**(83,879)**	**381,219**
Issue of shares	-	-	828,614	-	-	828,614
Share issuance costs	-	-	(4,329)	-	-	(4,329)
Net loss for the financial year	-	-		-	*(924)*	*(924)*
Total comprehensive loss for the financial year	-	-		-	(924)	(924)
As at 31 March 2012 (unaudited)	**29,593**	**435,655**	**824,285**	**(150)**	**(84,803)**	**1,204,580**

SUPPLEMENTARY EXPLANATORY NOTES

The interim condensed financial statements of the Company cover the 3-month period ended on 31 March 2013 and contain comparative data as required by the International Financial Reporting Standards ("IFRS").

The statement of comprehensive includes data for the 3-month period ended on 31 March 2013 and comparative data for the 3-month period ended on 31 March 2012.

The data for the 3-month period ended 31 March 2013 and comparative data for the 3-month period ended 31 March 2012 were not subject to a review or an audit by an independent auditor.

On 15 May 2013, these interim condensed financial statements of Midas S.A. for the 3-month period ended on 31 March 2013 were approved for publication by the Management Board of Midas S.A.

Midas S.A. also prepared interim condensed consolidated financial statements for the 3-month period ended on 31 March 2013 which were approved by the Management Board of Midas S.A. for publication on 15 May 2013.

1. General information

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

The Company is entered in the Commercial Register of the National Court Register kept by the District Court in Warsaw, 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).

During the reporting period, there were no changes resulting from business combinations, the Company did not acquire or lose control over subsidiaries or long-term investments, and there were no restructured or discontinued activities.

2. Basis for preparing the interim condensed financial statements

These interim condensed financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), in particular in accordance with IAS 34 and IFRS endorsed by the European Union. At the day of authorization of these condensed financial statements, in light of the current process of IFRS endorsement in the European Union and the nature of the activities of the Midas S.A. Capital Group (the "Group", the "Midas Group"), there are no differences in the accounting standards applied by the Company and the IFRS which have come into force and the IFRS endorsed by the European Union.

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.

3. Summary of significant accounting policies

The accounting principles adopted in preparing the interim condensed consolidated financial statement are consistent with those adopted in preparing the annual financial statements of the Group 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:

- Phase one of IFRS 9 *Financial Instruments: Classification and Measurement* - which applies to annual periods beginning on or after 1 January 2015 - not approved by the EU before the date of approval of these financial statements. In further phases, the International Accounting Standards Board deals with hedge accounting and impairment. The application of the first phase of IFRS 9 will affect the classification and measurement of financial assets of the Company. The Company quantified the effect in conjunction with the other phases, when issued, to present a comprehensive picture,
- Amendments to IAS 19 *Employee Benefits* - applicable to financial years beginning on or after 1 January 2013.
- 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 of IAS 12 *Income taxes: Tax Realisation of Assets* - which apply for 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.
- 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,
- IFRS 10 *Consolidated Financial Statements* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRS 11 *Joint Arrangements* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRS 12 *Disclosure of Interests in Other Entities* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- Amendments to IFRS 10, IFRS 11 and IFRS 12 *Transition Guidance* - which apply to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRS 13 *Fair Value Measurement* - which applies to annual periods beginning on or after 1 January 2013,
- IAS 27 *Separate Financial Statements* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IAS 28 *Investments in Associates and Joint Ventures* - which applies to annual periods beginning on or after 1 January 2013 - in the EU, applicable at the latest to annual periods beginning on or after 1 January 2014,
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine - effective for financial years beginning on or after 1 January 2013,
- 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 Amendments to IAS 32 *Financial Instruments: Presentation: Compensation of Financial Assets and Financial Liabilities* - which apply to annual periods beginning on or after 1 January 2014,
- 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 resulting from an IFRS review (issued in May 2012) - effective for financial years beginning on or after 1 January 2013 ,

- Amendments to IFRS 10, IFRS 12 and IAS 27*Investment Entities* - effective for annual periods beginning on 1 January 2014 - not approved by the EU before the date of approval of these financial statements.

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

4. 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. Management evaluates the financial position and results of the Company based on the consolidated financial statements of the Group.

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 3-month period ended 31 March 2013, financial revenues increased by PLN 1,534,000 in comparison to the corresponding period of the previous year. This change results from an increase in the amount of interest receivable on short-term loans granted (described in Note 13) as well as interest receivable on cash invested in interest-bearing bank deposits, derived from the issue of series D shares.

7. Financial costs

During the 3-month period ended 31 March 2013, financial costs decreased by PLN 1,563,000 in comparison to the corresponding period of the previous year. This change results from a decrease in the amount of interest due to repayment of the debt arising from the issue of papers as well as the repayment of debt under loans received.

8. Property, plant and equipment

8.1. Purchases and disposals

During the 3-month period ended 31 March 2013, the Company made investments into property, plant and equipment of PLN 65,000 PLN (during the 3-month period ended on 31 March 2012, it did not make investments into property, plant and equipment). During the 3-month period ended 31 March 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 3-month period ended 31 March 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 3-month period ended 31 March 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 3-month period ended 31 March 2013, the Company did not sell any intangible assets (as was the case in the corresponding period of the previous year).

9.2. Impairment write-downs

During the 3-month period ended 31 March 2013, the Company did not recognise any significant impairment of intangible assets (as was the case in the corresponding period of the previous year).

10. Cash and cash equivalents

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

	31 March 2013 in PLN '000	31 March 2012 in PLN '000
Cash at bank and on hand	166	283,749
Short-term bank deposits	97,481	-
Interest accrued on bank deposits	72	-
Other	-	553
Cash and cash equivalents	**97,719**	**284,302**

11. Provisions

During the 3-month period ended 31 March 2013, there were no movements in the level of provisions recognised.

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

In the 3-month period ended 31 March 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 921,000.
- 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 a loan agreement for investment credit of PLN 150 million to finance the expansion of a network of relay stations by companies forming the Midas Capital Group. Under the Agreement, the Company can use the Credit after meeting 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 conclusion of the Agreement, as well as the terms and conditions of utilising and securing the Credit, were notified by the Company's Management Board in Current Report No. 4/2013.

On 16 April 2013, the Company issued bonds. Detailed information in this respect was contained in Note 24 (events after the balance sheet date) to the interim condensed consolidated financial statements for the 3-month period ended 31 March 2013. Information about 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.

13. Trade and other receivables

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.

The above loan was granted to Aero2 for the purpose of financing the expansion of Aero2's telecommunications network.

On 23 January 2013, CenterNet made an early repayment of part of the loan, i.e. PLN 5,000,000, together with accrued interest of PLN 540,000.

14. Trade and other payables

In the 3-month period ended on 31 March 2013, there were no material changes in trade liabilities compared with the data disclosed in the 2012 annual separate financial statements, and there was a PLN 136,000 decrease in public liabilities under personal income tax.

15. Goals and principles of financial risk management

During the 3-month period ended on 31 March 2013, the Company 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 2012 annual separate financial statements.

16. Capital management

During the 3-month period ended on 31 March 2013, the Company did not change its goals, principles or procedures for capital management compared to those disclosed in the 2012 annual separate financial statements.

17. Contingent liabilities and contingent assets

In the 3-month period ended on 31 March 2013, there were no changes in contingent liabilities and contingent assets compared with the data disclosed in the 2012 annual separate financial statements.

18. Investing liabilities

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

19. Transactions with related parties

During the 3-month period ended 31 March 2013, the Company did not enter into any essential transactions with related parties on non-market terms.

The tables below present the total values of transactions with related parties entered into during the 3-month periods ended on 31 March 2013 and 31 March 2012, and the balances of receivables and liabilities as at 31 March 2013 and 31 December 2012:

		Revenues from mutual transactions, of which:	**other operating revenues**	**interest on loans**	**other**
Subsidiaries	*2013*	1,787	-	1,787	-
	2012	988	-	961	27
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	*2013*	516	-	-	516
	2012	-	-	-	-

		Costs of mutual transactions, of which:	**interest on commercial papers**	**interest on loans**	**other**
Subsidiaries	*2013*	370	337	-	33
	2012	603	466	95	42
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	*2013*	74	-	-	74
	2012	153	-	-	153

		Receivables from related parties, of which:	**trade receivables**	**loans**	**other**
Subsidiaries	*2013*	148,250	-	148,250	-
	2012	138,004	8	137,996	-
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	*2013*	-	-	-	-
	2012	-	-	-	-

		Liabilities towards related parties, of which:	**trade receivables**	**loans**	**issue of commercial papers**
Subsidiaries	*2013*	6	6	-	-
	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*	32	32	-	-
	2012	20	20	-	-

20. Events occurring after the balance sheet date

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

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. Detailed information in this regard was provided in Current Report No. 12/2013.

On 22 April 2013, Midas granted a total of two loans to subsidiaries Aero2 (of PLN 10 million) and Mobyland (PLN 40 million), for the purpose of expanding and maintaining the Midas Group's telecommunications network. Furthermore, on 7 May 2013, Midas granted another loan to Aero2 (of PLN 25 million), also for the purpose of expanding and maintaining the Midas Group's telecommunications network. The first loan (PLN 10 million, granted to Aero2) bears interest at 1M WIBOR + margin, and its maturity date is 31 December 2013. The other two loans bear 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 margin. The maturity date of the above two loans is subject to the maturity date of the Bonds.

On 24 April 2013, the Management Board of the Company resolved to carry out a cross-border 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 a cross-border 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 cross-border 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.

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.

Establishment of the above registered pledges is a consequence of the pledge agreement concluded by the Company, Conpidon and BondTrust PTP, set forth in section 10 of the other information to this quarterly report.

Establishment of the above pledges was set forth in detail in Current Reports No. 11/2013, 13/2013 and 16/2013.

OTHER INFORMATION FOR THE QUARTERLY REPORT

1. Changes in the structure of the Midas Group

In the first quarter of 2013, there were no major changes in the Midas Group's structure.

2. Entities subject to consolidation

The entities of the Midas Group subject to full consolidation for the purpose of preparing the consolidated financial statements of the Midas Group are: the Company, CenterNet, Mobyland, Conpidon, Aero2 and Nova. Detailed information in this regard is contained in Note 1 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. 15 May 2013, hold either directly or indirectly through subsidiaries at least 5% of the total number of votes at the General Meeting of Shareholders of the Company. The following list was been drawn up on the basis of notifications received by the Company from the shareholders pursuant to Article 69 of the Act on public offering and conditions for the introduction of financial instruments to organised trading, and 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.

From the date of the previous interim report of the Company, i.e. since 21 March 2013, until the date hereof, i.e. 15 May 2013, there has been one change in the ownership structure of significant blocks of shares in the Company, which involved a disposal by the Company, on 8 April 2013, in an ordinary session transaction on the regulated market of Giełda Papierów Wartościowych S.A. in Warsaw, of 5,000 of its own shares. Information about the above transaction was published in Current Report No. 9/2013. After the sale of the aforementioned own shares the Company does not hold any of its own shares.

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 end of publishing this quarterly report, i.e. as at 15 May 2013. In the period from the date of submitting the most recent quarterly report, i.e. 14 November 2012, until the date of publishing this report, i.e. 15 May 2013, there have been no changes in the number of shares in the Company held by the managing and supervising persons in the Company.

Name and surname	Position	Shares in the Company held as at 15 May 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
Krzysztof Majkowski	Member of the Supervisory Board	237,000
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.

At the same time, the Company 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

In the first quarter of 2013, companies from the Midas Capital Group did not grant to any entity any sureties for loans, borrowings or guarantees whose value exceeded 10 per cent of the Company's equity.

6. Dividends

In the first quarter of 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. for 2012. In the first quarter of 2013, there were no major changes in that regard.

Information is provided below on the resolution of a dispute regarding frequency reservations in the 900 MHz range, owned by Aero2, which occurred after the balance sheet date. In these proceedings, Aero2 appeared as an interested party as the proceedings themselves were aimed against the administrative decision issued by the President of the Office of Electronic Communication.

Proceedings for the reservation of frequencies for Aero2

By the decision of 9 December 2008, the President of OEC granted Aero2 frequency reservations in the 885.1-890.1 MHz and 930.1-935.1 MHz ranges. After PTC, PTK Centertel and Polkomtel filed the motion for re-examination of the case, the above decision was upheld by the decision of the President of the OEC of 22 July 2010. PTC, PTK Centertel and Polkomtel filed complaints against the decision to the WSAW. By the judgement of 24 June 2011, the WSAW dismissed all complaints as unfounded. The foregoing judgement was appealed against to the Supreme Administrative Court through cassation appeals filed by PTK Centertel and PTC. In its ruling of 9 April 2013, the Supreme Administrative Court dismissed the above cassation appeals of PTC and PTK Centertel against the decisions of the President of the Office of Electronic Communication granting frequency reservations in the 900 MHz range to Aero2. In its oral justification of the ruling, the SAC found, firstly, that the participant of the tender procedure who submitted several bids in the tender, as in the P4 case being considered, and secured several top spots on the tender list, and thus secured multiple rights to obtain frequency reservations, may forego applying for a reservation by refraining from filing a motion for a reservation, without having to submit additional declarations of will in this regard to the President of the OEC, and may freely choose the right that it wishes to forfeit in this manner, as the applicable laws do not contain stipulations restricting the freedom of making this type of election. Secondly, the SAC confirmed that Article 123 par. 8 of the Telecommunications Law (the "TL") indicates that the obligation for the President of the Office of Electronic Communications to request that the authorities stated in the above regulation issue an opinion on whether the granting of a frequency reservation poses a threat to national security or public security and policy, concerns only situations in which the President of the OEC independently reached the conclusion that such a threat exists and decided to issue a decision refusing to grant a reservation. In the matter in question, no such scenario took place. Therefore, the President of the OEC seeking the opinion referred to in Article 123 par. 8 of the TL was merely an optional measure, and consequently, it is futile to deliberate whether in this measure the formal and legal procedures had been fully observed in connection with these types of measures. Thirdly, the SAC found that such negative prerequisites for granting a frequency reservation as those listed in Article 123 par. 8 of the TL (threat to national security and public safety and policy) or the requesting party's inability to satisfy the conditions for using the frequency, as set forth in Article 123 par. 6 point 1 of the TL, should in fact be considered and analysed during the tender. This does not prevent them from being examined also in the reservation proceedings but only when, upon completing the tender, new, previously unknown circumstances emerge which may indicate a later occurrence of the above prerequisites. The SAC also stated that in reservation proceedings, the President of the OEC is not required to deal ex officio with identifying such new circumstances and conducting additional ex officio evidentiary proceedings to this end. It is only required to examine and find whether the occurrence of such circumstances is indicated by specific, newly-discovered facts stated by the participants of the reservation proceedings. However, there were no such facts in the matter at hand and therefore there was no need for the President of the OEC to further justify its finding that the negative prerequisites referred to in the above regulations do not apply. The ruling of the SAC is binding.

In addition, in the period covered by this quarterly report, no proceedings were pending 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.

9. Transactions with related parties

In the first 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 its subsidiary of other transactions with related parties is contained in Note 23 to the interim condensed consolidated financial statements for the 3-month period ended on 31 March 2013 and Note 19 to the interim condensed consolidated financial statements for the 3-month period ended on 31 March 2013.

10. Significant events and agreements concluded by the Midas Capital Group

On 18 February 2013, the Company received a copy of a decision of the District Court for the City of Warsaw in Warsaw, 12th Commercial Division of the National Court Register, of 12 February 2013 concerning the entry made on 12 February 2013 in the commercial register of the National Court Register of an amendment to the Statute of the Company, approved by Resolution No. 19/2012 of the Ordinary General Meeting of Shareholders of the Company of 31 October 2012 (the "Resolution"), including a change of the business name of the Company from the previous "Narodowy Fundusz Inwestycyjny MIDAS Spółka Akcyjna" to the present wording of "Midas Spółka Akcyjna". The Company provided information about the adoption of the Resolution and about drawing up, in connection with the considerable extent of the amendments made, a new consolidated text of the Statute, in Current Report No. 47/2012 of 31 October 2012, and it provided information on receiving the copy in question in Current Report No. 3/2013.

On 28 February 2013, the Company concluded with Alior Bank Spółka Akcyjna (the "Bank") a loan agreement (the "Agreement") for investment credit (the "Credit") of PLN 150 million to finance the expansion of a network of relay stations by companies forming the Midas Capital 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 conclusion of the Agreement, as well as the terms and conditions of utilising and securing the Credit, were notified by the Company's Management Board in Current Report No. 4/2013.

On 6 March 2013, the Company's Management Board adopted a resolution on issuing series A bonds (the "Resolution"). In accordance with the content of the Resolution, the Management Board decided that the Company should issue no more than 600,000 zero-coupon secured series A bearer bonds with a par value of PLN 1,000 per bond (the "Bonds"). The Bonds will not be in the form of a document, and they will be registered in the depository of securities in accordance with the Act on Trading in Financial Instruments. The Bonds will be the subject of an application for introduction to the alternative system of organised trading by Giełda Papierów Wartościowych w Warszawie S.A. (Catalyst market). The issue price of one Bond has been specified on the basis of the par value of one Bond reduced by the unit discount value (set in accordance with the provisions of the BIT) and amounts to PLN 342.77 per Bond. Detailed information about the terms and conditions of the Bond issuance was published in Current Report No. 5/2013. On 28 March 2013, the Management Board of the Company adopted a resolution (the "Amending Resolution") amending the above Resolution and concluded an annex to the Pledge Agreement. In accordance with the content of the Amending Resolution, the Management Board decided to change some parameters of the Bonds being issued on the basis of the Resolution To Be Amended, specified in the Bond Issue Conditions ("WEO"). In accordance with the provisions of the amended WEO, the Bonds issue was on 16 April 2013 (the "Issue Day"), and they will be repurchased on 16 April 2021 (the "Repurchase Day"). Moreover, the Issuer is authorised, but not obliged, to establish, at any time, optional security in the form of a Registered Pledge established in the aforementioned Pledge Agreement. In their remaining part, the WEO provisions have not changed. The Company published information on adopting the Amending Resolution in Current Report No. 8/2013.

On 7 March 2013, the Issuer, the Issuer's subsidiary Conpidon Limited ("Conpidon", and, together with the Issuer, the "Pledgors") and BondTrust Polskie Towarzystwo Powiernicze S.A. ("BondTrust PTP", the "Pledge Administrator") concluded an agreement to establish a registered pledge on shares and interests and to establish other forms of security of the Bonds (the "Pledge Agreement"). In performance of the Agreement, the Issuer established security for the Bonds in the form of its own blank promissory note issued and submitted to BondTrust PTP, together with a promissory note declaration authorising BondTrust PTP to fill in the promissory note an amount equivalent to 120 per cent of the total maximum par value of the Bonds, i.e. PLN 720,000,000 and in the form of the declaration on submission to enforcement up to the aforementioned amount. Furthermore, to secure the future receivable for payment of the promissory note amount, the Pledgors established, by virtue of the Agreement, a civil pledge in favour of BondTrust PTP on each of the Subjects of the Pledge, namely: a) 204,200 shares in Mobyland Sp. z o.o. with a par value of PLN 500 each, owned by the Issuer, b) 221,000 shares in Aero 2 Sp. z o.o. with a par value of PLN 50 each, owned by Conpidon, c) 4,264,860 shares of Centernet S.A. with a par value of PLN 17.30 each, owned by the Issuer. The terms and conditions of the Pledge Agreement were described in detail in Current Report No. 6/2013. As a consequence of adopting the above Amending Resolution and the resulting WEO amendments, on 28 March 2013, the Company Management Board concluded an annex to the Pledge Agreement, by virtue of which the appropriate amendments to it were made in order to reflect the aforementioned WEO amendments. In connection with the amendment of the character of the Registered Pledge, a change was made to the information conveyed in Current Report No. 6/2013 in such a way that the Civil Pledge will expire, and the contractual provisions concerning the establishment of the Civil Pledge will be independently dissolved at the moment of effectively establishing the Registered Pledge or at the moment of changing security in the event of a change of security when the Registered Pledge is not yet established. Currently the clauses concerning the obligation for the Pledgors to submit applications for entry in the register of pledges and to ensure that the Registered Pledge is entered in the register of pledges do not apply. In their remaining part, the terms and conditions of the Pledge Agreement described in Current Report No. 6/2013 have not changed.

11. Issuance, redemption or repayment of debt and equity securities

In the first quarter of 2013, the Company did not issue any debt or equity securities.

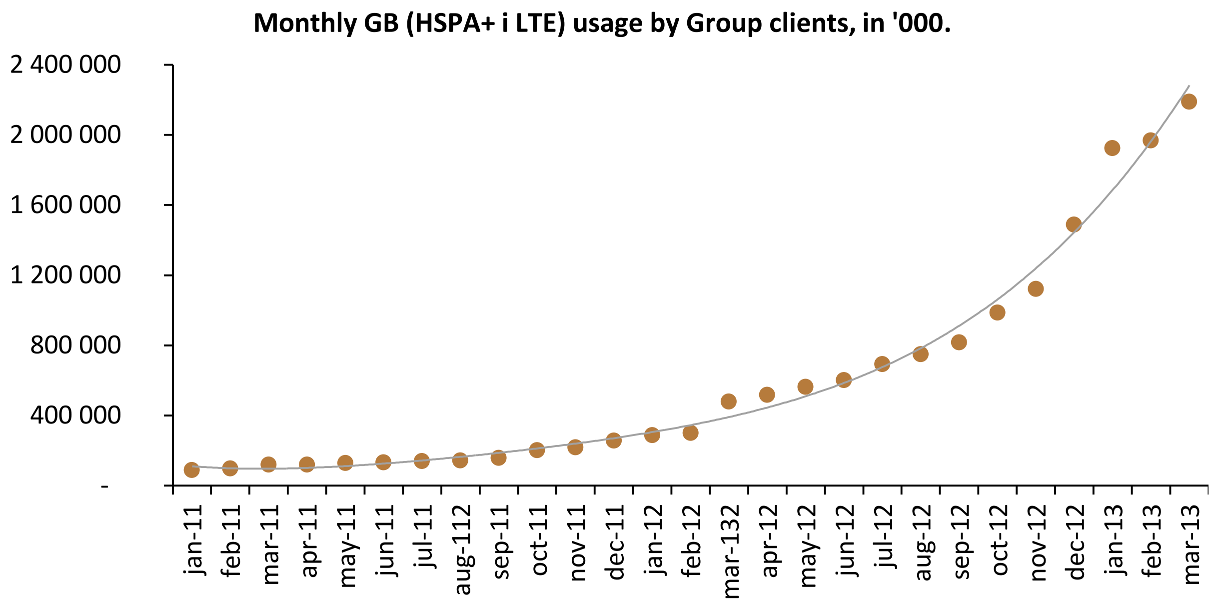
On 17 January 2013, the Company redeemed early debt papers series MID0611C, subscribed by CenterNet, for a total value of PLN 3,171,000, including interest for a total of PLN 921,000. Subsequently, on 11 March 2013, the Company redeemed early debt papers series MID0611B, held by Mobyland, for a total value of PLN 23,062,000, including interest for a total of PLN 3,062,000. As a result of the above transactions, as at the date of publication hereof, the Company has no obligations under the debt papers.

On 16 April 2013 (after the balance sheet date), 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. Detailed information in this regard was provided in Current Report No. 12/2013.

12. 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

In addition, the Midas Group has a modern telecommunications network including, among others (as at the end of March 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 1,920 base stations operating in the HSPA+ technology in the frequency band owned by Aero2, incorporated into the telecommunications network used by the Midas Group in cooperation with Polkomtel, of which approximately 980 also support LTE.

The Management Board of the Company would also like to note the monthly usage (in 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 first quarter of 2013, there is no other information besides the one disclosed in this quarterly 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.

13. Factors that in the Company's opinion will 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 Capital Group over the course of at least the next quarter:

1) the Midas Group obtaining financing to implement the strategy of the Midas Group, which includes financing the remaining portion of phase two of the telecommunications network expansion, and phase three, which will involve, in particular: obtaining debt financing under the credit agreement concluded with Alior Bank (as set forth in section 10 above) and Term Sheet 1 concluded with BZ WBK/Banco Santander (as set forth in Current Report No. 49/2012).

2) competitors of the Midas Group being awarded frequency reservations in the 1800 MHz range,

3) conclusion of the tender for frequency reservations in the 800 MHz and 2600 MHz range (digital dividend),

4) final and binding resolution of court proceedings regarding frequencies in the 1800 MHz range,

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

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD:

Krzysztof Adaszewski	Maciej Kotlicki	Dariusz Łukasiewicz
/President of the Management Board/	/Vice-President of the Management Board/	/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, 15 May 2013