

**Current report No. 5/2016**

**Subject: Notice of transactions in shares in Midas S.A.**

**Legal basis:** Article 70 item 1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

The Management Board of Midas S.A. (the "Company") announces that on March 4, 2016 the Company received the notification from Cyfrowy Polsat S.A. ("Cyfrowy Polsat") prepared pursuant to Article 69a Section 1 Item 3 in conjunction with Article 69 Section 1 Item 1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies of July 29, 2005 (consolidated text: Dz. U. of 2013, item 1382, as amended) (the "Public Offering Act") of indirect acquisition ("Indirect Acquisition") of 976,542,690 shares in the Company, accounting for 65.9975% of the total number of votes and of the share capital of the Company ("Indirectly Acquired Shares").

The Indirect Acquisition occurred as a result of the acquisition by Polkomtel sp. z o.o. on February 29, 2016 ("Polkomtel"), an indirect subsidiary of Cyfrowy Polsat (via, successively: Metelem Holding Company Limited with its registered office in Cyprus, Eileme 1 AB (publ) with its registered office in Sweden, Eileme 2 AB (publ) with its registered office in Sweden, Eileme 3 AB (publ) with its registered office in Sweden, Eileme 4 AB (publ) with its registered office in Sweden), of 100% of the shares in Litenite Limited with its registered office in Cyprus, which was the direct holder of the Indirectly Acquired Shares.

Prior to the Indirect Acquisition, Cyfrowy Polsat held no shares in the Company, whether directly or indirectly. After the Indirect Acquisition, Cyfrowy Polsat indirectly holds, via, successively: Metelem Holding Company Limited, Eileme 1 AB (publ), Eileme 2 AB (publ), Eileme 3 AB (publ), Eileme 4 AB (publ), Polkomtel and Litenite Limited, 976,542,690 shares in the Company, vesting the right to 976,542,690 votes at the Company general meeting, accounting for 65.9975% of the total number of votes and of the share capital of the Company.

On February 29, 2016, Polkomtel, an indirect subsidiary of Cyfrowy Polsat, announced a tender offer for all the remaining shares in the Company, which may lead to a further increase in the proportion of all votes in the Company held indirectly by Cyfrowy Polsat ("Tender Offer"). During the 12 months following the filing of this Notification, Cyfrowy Polsat does not rule out a further increase in its indirect stake in the Company effected otherwise than by way of Tender Offer. In particular, if, following the Tender Offer, the interest held in the Company indirectly by Cyfrowy Polsat reaches or exceeds 90% of the total number of votes, a squeeze-out of the remaining shares in the Company cannot be ruled out. Furthermore, one should not rule out taking actions aimed at the abolition of the dematerialization of shares in the Company and the withdrawal of these shares from trading on the Warsaw Stock Exchange (so-called delisting), on the terms laid down in peremptory provisions of the law.

The purpose of the aforementioned further increase in Cyfrowy Polsat's indirect interest in the Company is to attain greater integration of the Company in the structure of Cyfrowy Polsat group, which could produce additional synergies and lead to bigger transparency of the ownership structure of Cyfrowy Polsat group.

Other than Metelem Holding Company Limited, Eileme 1 AB (publ), Eileme 2 AB (publ), Eileme 3 AB (publ), Eileme 4 AB (publ), Polkomtel and Litenite Limited, there are no direct or indirect subsidiaries of Cyfrowy Polsat that would directly or indirectly hold shares in the Company.

Cyfrowy Polsat is not party to any agreement concerning the transfer of the power to exercise voting rights attached to shares in the Company within the meaning of Article 87 Section 1 Item 3 point c of the Public Offering Act.

Prior to the Indirect Acquisition, Litenite Limited was an indirect subsidiary of Mr. Zygmunt Solorz-Żak, who is also an indirect dominant shareholder of Cyfrowy Polsat. Therefore Mr. Zygmunt Solorz-Żak's indirect stake in the Company has not changed as a result of the Indirect Acquisition.