Source: consolidated financial statements according to IFRS, 2006; segment data include inter-segment transactions
* include: Gazeta Wyborcza, Metro, Internet and overhead cost of the Agora Group
## REVIEW OF 2006: FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>yoy % change</th>
<th>yoy PLN mln change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>1 133.7</td>
<td>↓ 5.7%</td>
<td>-68.4</td>
</tr>
<tr>
<td><strong>Operating cost</strong></td>
<td>1 094.1</td>
<td>↑ 4.1%</td>
<td>42.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>yoy % change</th>
<th>yoy PLN mln change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBIT</strong></td>
<td>39.6</td>
<td>↓ 73.7%</td>
<td>-111.2</td>
</tr>
<tr>
<td><strong>Operating EBITDA</strong>*</td>
<td>151.2</td>
<td>↓ 40.2%</td>
<td>-101.7</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>32.6</td>
<td>↓ 74.3%</td>
<td>-94.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>yoy change</th>
<th>yoy PLN mln change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating cashflow</strong></td>
<td>147.1</td>
<td>↓ 36.2%</td>
<td>-83.3</td>
</tr>
<tr>
<td><strong>Free cashflow</strong></td>
<td>105.4</td>
<td>↓ 43.4%</td>
<td>-80.9</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>42.2</td>
<td>↑ 0.7%</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>ROE</strong></td>
<td>2.8%</td>
<td>↓ 8.4pp</td>
<td>-</td>
</tr>
</tbody>
</table>

* excluding non-cash cost of share-based payments

Source: consolidated financial statements according to IFRS, 2005, 2006
### REVIEW OF 2006: SALES

#### Source: consolidated financial statements according to IFRS, 2005, 2006

* excl. advertising and some publication sales which are included in „advertising“ and „copy sales“ categories

<table>
<thead>
<tr>
<th>Category</th>
<th>2005</th>
<th>2006</th>
<th>yoy PLN mln change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>43mln</td>
<td>68mln</td>
<td>+25mln</td>
</tr>
<tr>
<td>Copy sales</td>
<td>60mln</td>
<td>7mln</td>
<td>-53mln</td>
</tr>
<tr>
<td>Books*</td>
<td>58mln</td>
<td>68mln</td>
<td>+10mln</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>43mln</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1202mln</td>
<td>134mln</td>
<td>-68.4mln</td>
</tr>
</tbody>
</table>

- Gazeta’s price reduction
- Two hits in 2005: encyclopedia and travelogs
- Newspapers grow below total market rate

* excl. advertising and some publication sales which are included in „advertising“ and „copy sales“ categories

**Note:** Gazeta’s price reduction and two hits in 2005 (encyclopedia and travelogs) contribute to the overall sales increase.
REVIEW OF 2006: OPERATING EXPENSES

Source: consolidated financial statements according to IFRS, 2005, 2006

* includes PLN 5.1 mln of restructuring cost

- Competitive battle in the newspaper market
- Books with DVDs
- Incentive plans
- Consolidation of more radios
- Some salary rises

REVamped TV Guide

<table>
<thead>
<tr>
<th>Category</th>
<th>2005 (PLN mln)</th>
<th>2006 (PLN mln)</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials</td>
<td>+40 mln</td>
<td>-19 mln</td>
<td>-49 mln</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>+26 mln</td>
<td>+22 mln</td>
<td>+6 mln</td>
</tr>
<tr>
<td>Marketing</td>
<td>+45 mln</td>
<td>+43 mln</td>
<td>+8 mln</td>
</tr>
<tr>
<td>Staff</td>
<td>+22 mln</td>
<td>+19 mln</td>
<td>+3 mln</td>
</tr>
<tr>
<td>Production</td>
<td>+9 mln</td>
<td>+40 mln</td>
<td>+31 mln</td>
</tr>
<tr>
<td>Other*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>+42.8 mln</td>
<td>+43 mln</td>
<td>+0.2 mln</td>
</tr>
</tbody>
</table>

Source: consolidated financial statements according to IFRS, 2005, 2006

* includes PLN 5.1 mln of restructuring cost
REVIEW OF 2006: MARKET ACCOMPLISHMENTS

Protected franchise of Gazeta
- Strong readership - 5.8 mln readers in 4Q 2006
- Growing circulation (480 K in Dec., up 77 K yoy)
- Solid advertising share at 41%

Metro grew scale and reach
- 3-rd most widely read newspaper in Poland*
- Main competitor withdraws from the market in January 2007

AMS continues to grow
- 1.78 thou. new faces in 2006 (1.71 thou. demolished)
- Solid revenues of PLN 151 mln and profitability at 22%

Internet accelerates expansion
- 12 new services launched or revamped in 2006
- Ambitious growth plan for 2007-2008

Source: copy sales: ZKDP, Apr 18-30 - Dec 31, 2006; readership: Polskie Badania Czytelnictwa, MillwardBrown SMG/KRC, Oct-Dec 2006, N=11 525, CCS index (weekly readership), *CPW index (Average Issue Readership); print advertising: Agora, estimated data corrected for average discount rate based on the monitoring of Agora; the data include paid-for and free dailies; financials: consolidated financial statements according to IFRS, 2006.
REVIEW OF 2006: COST REDUCTION PROGRAM

**Cost reduction**  
<table>
<thead>
<tr>
<th>Cost</th>
<th>PLN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overhead/corp utilities</td>
<td>13 mln</td>
</tr>
<tr>
<td>Businesses</td>
<td>22 mln</td>
</tr>
</tbody>
</table>

**Main areas:**
- Payroll: 18 mln
- External services: 8 mln
- Materials and energy: 5 mln
- Promo expenses: 4 mln

**Operating investments**
- **Internet operations** - accelerate growth
- **Metro** - monetize position
- **AMS** - expand network
- **Gazeta** - editorial and product enhancements

**Risk factors**
- Pressure on salaries following market trends
- New competition in the newspaper market
PREVIEW OF 2007: THE ECONOMY

GDP and company investments

Unemployment rate

Average wage growth in companies

Volume of Gazeta’s recruitment ads

Source: Central Statistical Office (GDP and company investments for 2006 - preliminary data); forecasts: Ministry of Finance, 2007 forecast as of 29 November 2006, 4Q06 forecast as of 17 January 2007; volume of Gazeta’s recruitment ads: monitoring of Agora
PREVIEW OF 2007: ADVERTISING MARKET

Ad market structure in 2007

<table>
<thead>
<tr>
<th></th>
<th>TV</th>
<th>Magazines</th>
<th>Dailies</th>
<th>Radio</th>
<th>Outdoor</th>
<th>Internet</th>
</tr>
</thead>
<tbody>
<tr>
<td>% share</td>
<td>47%</td>
<td>16%</td>
<td>15%</td>
<td>9%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>yoy pp change</td>
<td>↑1pp</td>
<td>↓1pp</td>
<td>↓1pp</td>
<td>0pp</td>
<td>0pp</td>
<td>↑1pp</td>
</tr>
</tbody>
</table>

Source: the estimates are adjusted for average discount rate; 2006: Starlink estimates (TV and Internet), IGRZ (outdoor), Agora’s estimates based on Expert Monitor and monitoring of Agora (press and radio); 2007 estimates: Agora
PREVIEW OF 2007: OTHER FACTORS

**Operations**

- Business seasonality deepens
- Higher newsprint price, but cost of production materials 2% down (subject to f/x rate)

**Non-cash**

- Share-based compensation down to PLN 28 million in 2007; volatile quarters (PLN 0.8 mln in 3Q 2007)

And keep in mind

- 1Q 2006 high revenue base - cover price cut in April 2006
- No cost of *Nowy Dzień* in 2007 (PLN 26 million in 2006; provision set in 1Q 2006)
- Collections deepen volatility of quarters

Source: consolidated financial statements according to IFRS, 2006
PREVIEW OF 2007: WORLD TRENDS DEFY CONVENTIONAL WISDOM

- Total number of paid-for and free newspapers up 14% over the last 5 years
- Total circulation of paid-for dailies up 6% over 5 years and 0.7 yoy
- More than 450 million copies sold daily
- In excess of 1.4 billion paid-for newspaper readers
- More than 6 billion euros invested in newspaper technology in the past 5 years - new genres of newspapers, new audiences, marketing and distribution scenarios

* other include: Africa, South America, Australia & Oceania
PREVIEW OF 2007: GAZETA

Copy sales and readership in 4Q 2006

Advertising share in 2006

Source: copy sales: ZKDP, Oct-Dec 2006; readership: Polskie Badania Czytelnictwa, MillwardBrown SMG/KRC, CCS index (weekly readership), Oct-Dec 2006, N=11 525; print advertising: Agora, estimated data corrected for average discount rate based on the monitoring of Agora; the data include paid-for and free dailies
Leverage leadership position - grow ad sales

Introduce innovative advertising forms and new supplements (Metro City)

Improve distribution efficiency

Reach break-even in 2008

---

**Weekly readership reach**

![Graph showing weekly readership reach for Metro and Metropol]

- **Metro**
- **Metropol**

Shut down in Jan 2007

**Advertising performance**

- **Metro**
- **Metropol**

- 2005: +26%
- 2006: +55%
- 2007: +2%

---

Source: readership: Polskie Badania Czytelnictwa, MillwardBrown SMG/KRC, Jan-Dec 2006, N=44 929, CCS index (weekly readership), **CPW index (Average Issue Readership); print advertising: Agora, estimated data corrected for average discount rate based on the monitoring of Agora

* distributed every day (Monday thru Friday)
PREVIEW OF 2007: BOOK COLLECTIONS

VOLUMES SOLD

<table>
<thead>
<tr>
<th>Year</th>
<th>Volumes Sold</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>9.8 mln</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>8.4 mln</td>
<td>+14%</td>
</tr>
</tbody>
</table>

FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th>Year</th>
<th>Financial Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>PLN mln</td>
</tr>
<tr>
<td>2006</td>
<td>PLN mln</td>
</tr>
</tbody>
</table>

YoY change:
- 77%
- 32%

Source: consolidated financial statements according to IFRS, 2005, 2006

- Maintain scale
- Continue innovating new collections
- Brand extensions in other media
- Increase margins
- Market innovator; ahead on the learning curve
- Leverages brand and franchise strength
- Ongoing innovation based on reader input
PREVIEW OF 2007: INTERNET

5 mln users

#1 newspaper online service, 1 mln users

#1 real estate portal, 0.5 mln users

#2 job service, 15 thou. job ads, 0.8 mln users

120 thou. blogs, 1.6 mln users

Own video production, 150 videos weekly, 0.4 mln users

1.3 mln users, 56 mln posts

Gazeta.pl mobile service

Source: Megapanel PBI/Gemius, December 2006; internal statistics
PREVIEW OF 2007: INTERNET (CONT’d)

**Gazeta.pl reach vs market leader**

- #3 player in reach and ad share in two years
- Revenue growth 3 times in 2 years
- Leadership in classifieds
- New internet-based businesses, including advanced audiovisual content
- Accelerated investments in 2007: growth of revenue and cost

**Online communities**

- Attractive target group
- Strong brands
- Rich content: editorial and classifieds
- Commitment and resources to invest

**Recruitment and real estate services**

- Source: Megapanel PBI/Gemius
PREVIEW OF 2007: OUTDOOR

Financial performance

<table>
<thead>
<tr>
<th>Year</th>
<th>PLN mln</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>120</td>
</tr>
<tr>
<td>2006</td>
<td>150</td>
</tr>
</tbody>
</table>

- Revenue: 2.9pp
- Operating EBITDA margin: 5.4%

Ad market performance

- CLEAR CHANNEL: 9%
- NEWS OUTDOOR: 14%
- CITYBOARD MEDIA: 13%
- STROER: 17%
- Other: 20%
- AMS*: 27%

Source: financials: consolidated financial statements according to IFRS, 2005, 2006; outdoor advertising: AMS based on Media Watch, 2006, monitoring in 12 largest agglomerations

- #1 outdoor company in Poland
- Solid profitability
- Committed to market innovations and investments
- Maintain leadership position - revenue enhancements
- Further network investments
- Protect margin during investment phase

Maintain leadership position - revenue enhancements

#1 outdoor company in Poland
Solid profitability
Committed to market innovations and investments

Protect margin during investment phase

Maintain leadership position - revenue enhancements

#1 outdoor company in Poland
Solid profitability
Committed to market innovations and investments

Protect margin during investment phase

Out of 27%, 9pp comes from Agora’s media
PREVIEW OF 2007: MAGAZINES

- Maintain copy sales and readership position of the leading titles
- Small but profitable business
- Successful launches
- Rich source of content
- Strong brands
- Continue improving their financial parameters
- Seek new growth opportunities: new titles

Source: financials: consolidated financial statements according to IFRS, 2005, 2006; average copy sales: Agora
Financial performance

- EBIT: 2005: 10, 2006: 10 (+44.7% yoy)

Audience share

- Roxy FM: 2006: 10.0%, 2007: 10.7 (+0.7 pp yoy)
- Golden Oldies (Zlote Przeboje): 2006: 2.5%, 2007: 2.9 (+0.4 pp yoy)
- TOK FM: 2006: 2.8%, 2007: 3.6 (+0.8 pp yoy)

Key priority:
- Financial performance
- Clear brand strategy
- Revamped operating structure
- TOK FM's brand takes off

Roxy FM: keep growing audience
- Target new audiences

Golden Oldies: target new audiences

TOK FM: leverage audience results

PRIORITIES FOR GROWTH: TOPLINE AND SCALE EXPANSION

- Strong brands
- National/local franchises
- Rich multimedia content
- Proved promo strategies
- Innovative ad forms
- Comprehensive sales approach

Apply new tech perspective to leverage equities and build new activities

Core business
Online business
New activities on/off line
New services
Greenfields
Partnership deals
Small acquisitions
Expertise deals
Specialized skills
Joint ventures

2006

2007