

AGORA_{SA}

Investor Presentation

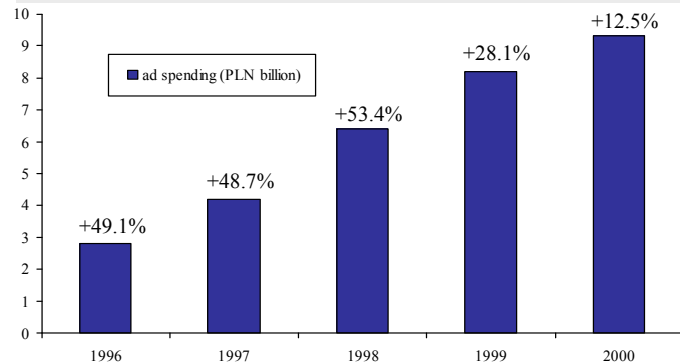
May 2001

Strategic direction

- Expansion is the main strategic focus
- GW drives profitability and cash flow
- New lines of business impact organisation and financials
- Results and prospects by line of business

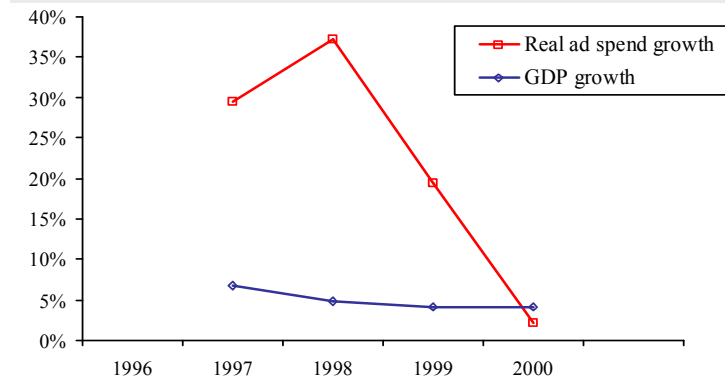
Advertising market

Historical advertising spending (nominal)



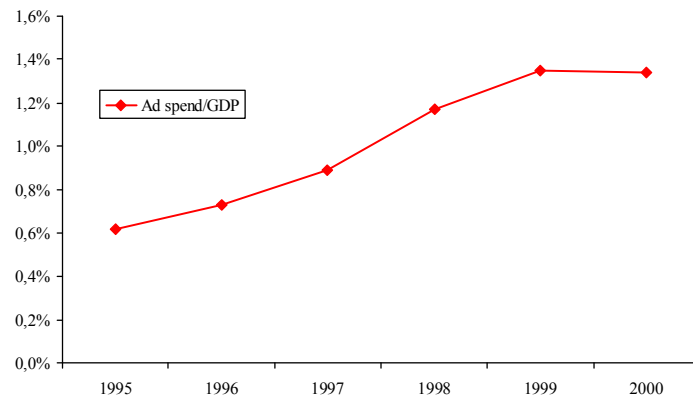
Source: Agora

GDP % growth vs. total ad spend growth (real)



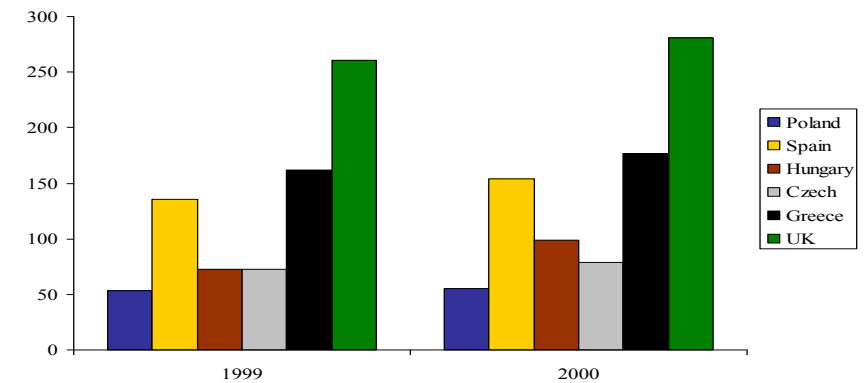
Source: Agora

Advertising spending as a % of GDP (nominal)



Source: Agora

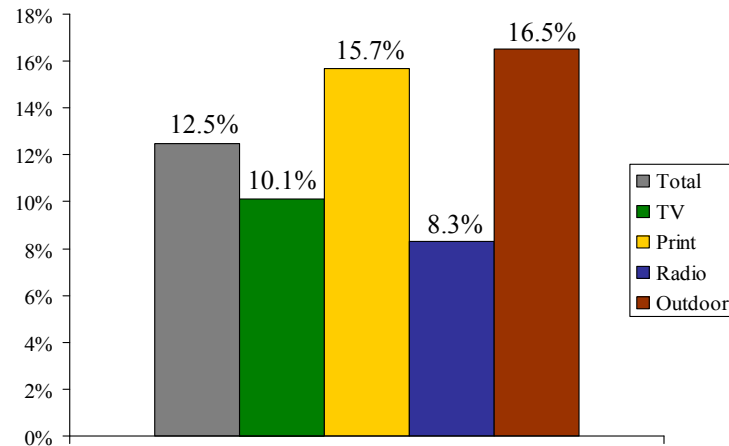
Advertising spending per capita (in USD)



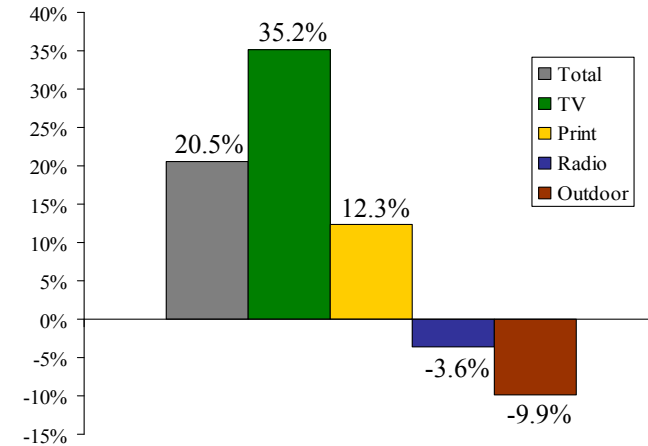
Source: Zenith Media

Advertising market

2000 performance



1Q 2001 performance

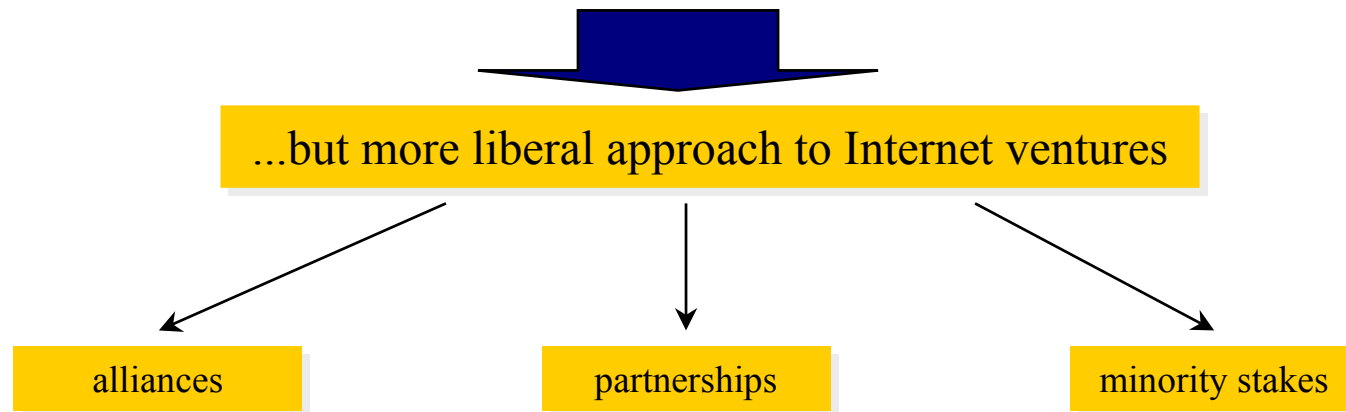


- Rate card data show total market growth driven primarily by TV. However, the figures are overstated because of aggressive discount policies (up to 60 - 80%)
- Share of print media in the overall market down by 2.7 pp, lineage down by 4.7%
- Significant decline in automotive, employment and home segments (14.4%, 7.5% and 22.7%, respectively) indicates economy slowdown
- Some growth in smaller categories (finance, travel)

* All figures reflect nominal values in PLN

- Enhance long-term shareholder value
- Strengthen Agora's position as the leading media company in Poland
- Focus on Poland; opportunistic regional expansion
- More aggressive acquisition strategy
- Media business (no investment in capital intensive infrastructure)

- Strategic investments, controlling stakes
- Large minority stakes (>25%) if a clear path to future control...



- Aggressive in pursuit of strategic acquisitions but:
 - ◆ positive NPV is a must
 - ◆ good financial standing will not be compromised
- Media & Internet only (includes small tech companies instrumental for success)

- Business Development

- ◆ head with substantial acquisition experience
- ◆ team of 12 professionals with various levels of experience
- ◆ dedicated to building the best corporate BD department in Poland
- ◆ market research and investment appraisal
- ◆ greenfield projects and transactions
- ◆ capacity to screen all decent opportunities

- Financial capacity for growth

Acquisition strategy by line of business

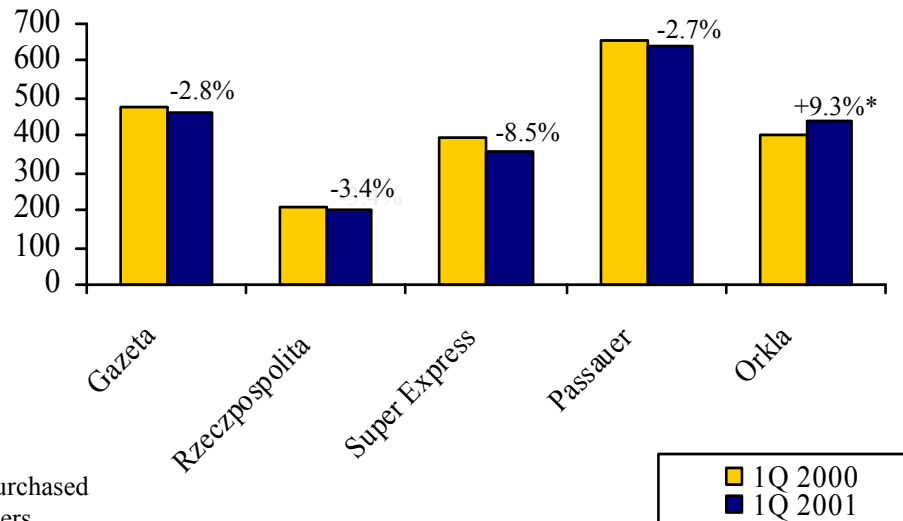
PRINT	<ul style="list-style-type: none"> • Speciality/trade papers 	PRINT	<ul style="list-style-type: none"> • Continue local expansion strategy 	PRINT	<ul style="list-style-type: none"> • Made a bid for AMS - did not accept the price since could deteriorate shareholder value 	PRINT	<ul style="list-style-type: none"> • Explore programming ventures
RADIO	<ul style="list-style-type: none"> • Niche/cool brand magazines 	RADIO	<ul style="list-style-type: none"> • Build scale of business 	RADIO	<ul style="list-style-type: none"> • Wait until dust will settle to decide on further steps 	RADIO	<ul style="list-style-type: none"> • Targets with decent market share
OUTDOOR	<ul style="list-style-type: none"> • Partnerships with strong, established brands 	OUTDOOR		OUTDOOR		OUTDOOR	<ul style="list-style-type: none"> • Digital terrestrial may offer new broadcasting opportunities
TV	<p>Poland a priority; region if good opportunities</p>	TV	<p>Poland a priority; region if good opportunities</p>	TV	<p>Poland only</p>	TV	<p>TBD</p>

- Revenues rise by 7.1% to PLN 198.1 million
- Operating profit of PLN 45.2 million
- D&A increased by 85.7% to PLN 22.1 million
- EBITDA margin at 34.0%
- Net profit of PLN 36.3 million

- *Gazeta's* average daily copy sales down by 2.8% to 465,000 (total daily sales of newspapers down by 6%)
- Ad revenue up 6.8% to PLN 146.1 million
- Revenue per ad page up 17.2% to PLN 5.835
- Number of ad pages decreased by 9%
- Newsprint costs up only 3.9% due to weak Euro and savings from stocks
- Solid operating margins maintained, EBITDA margin of 36%

1Q 2001: GW readership

Copy sales (in 000)



* in Sep-Dec 2000 Orkla purchased three additional newspapers

Source: National Circulation Audit Office

- In 2000, GW was the only daily to increase paid circulation; total circulation declined by 3.2 %
- 1Q 2001 - paid circulation of daily newspapers down by 6%; GW down by 2.8%
- 7% VAT on copy sales as of January 1, 2001

Gazeta's performance

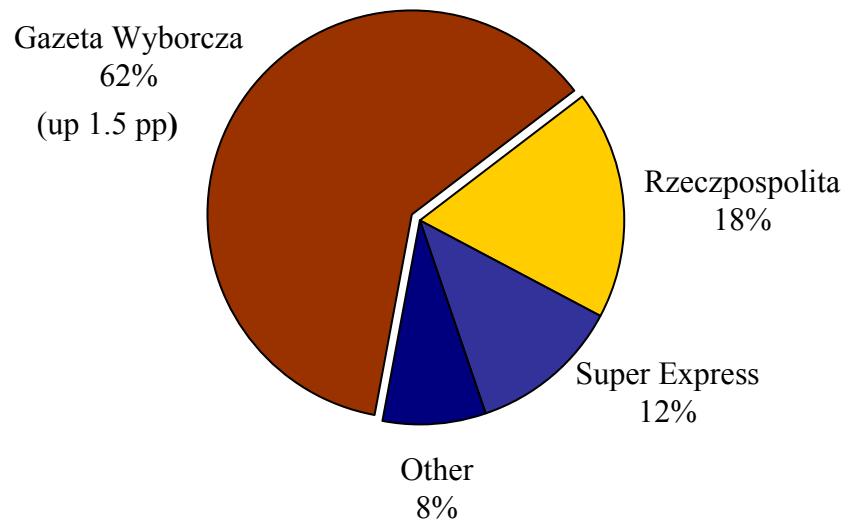
	IQ 2000	IQ 2001	Change
Daily copy sales	478K	465K	-2.8%
Average copy price	1.61	1.89	17.6%
Revenue	41 m	42 m	3.1% *

* Net of VAT; with VAT 10.3% growth

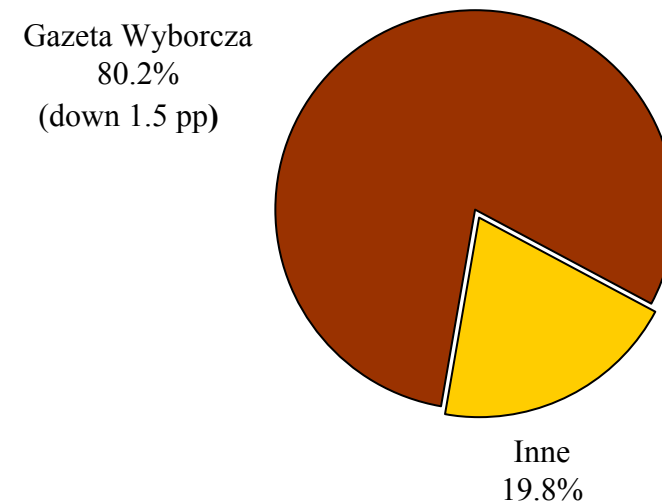
1Q 2001: GW - national and Warsaw ad markets



National revenue share



Warsaw revenue share

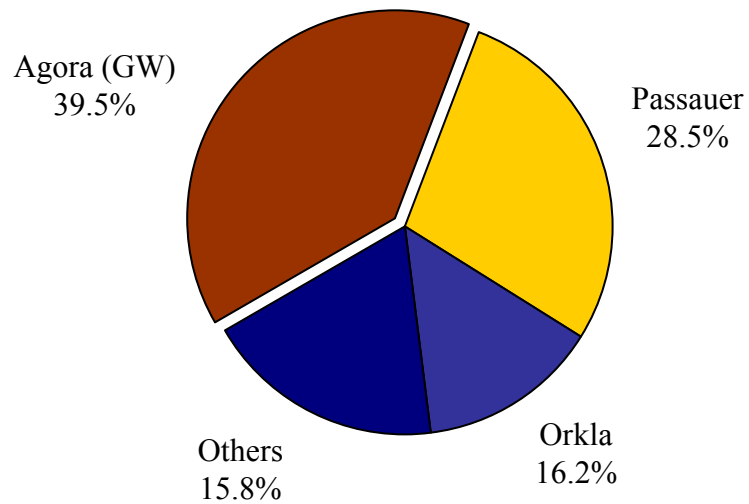


In PLN mln

Revenue	1999	change	2000	change	IQ 2000	IQ 2001	change
National	274.9	32.3%	326.6	18.8%	71.5	78.2	9.4%
Warsaw	125.4	26.6%	142.7	13.7%	32.6	34.4	5.8%

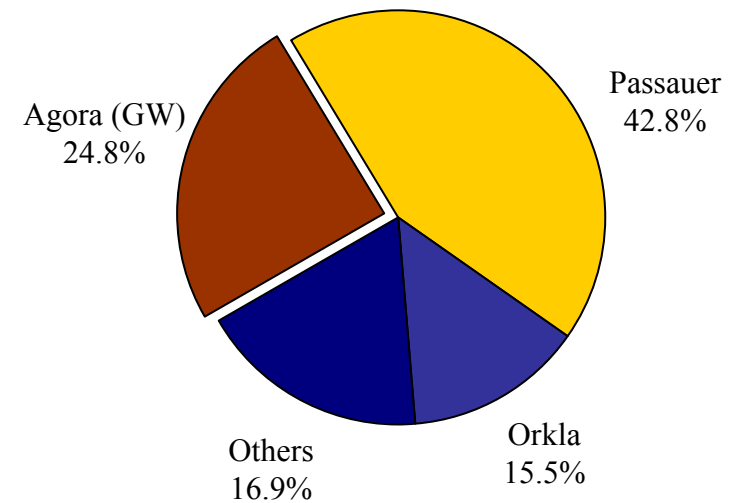
1Q 2001:GW- local ad markets (ex Warsaw)

Lineage share



- No of ad pages down by 9.5%
- Share decline by 1.2 pp

Revenue share



- Revenue up by 2.1%
- Share decline by 1.8 pp

Source: Agora Monitoring, 2000

GW - key business drivers

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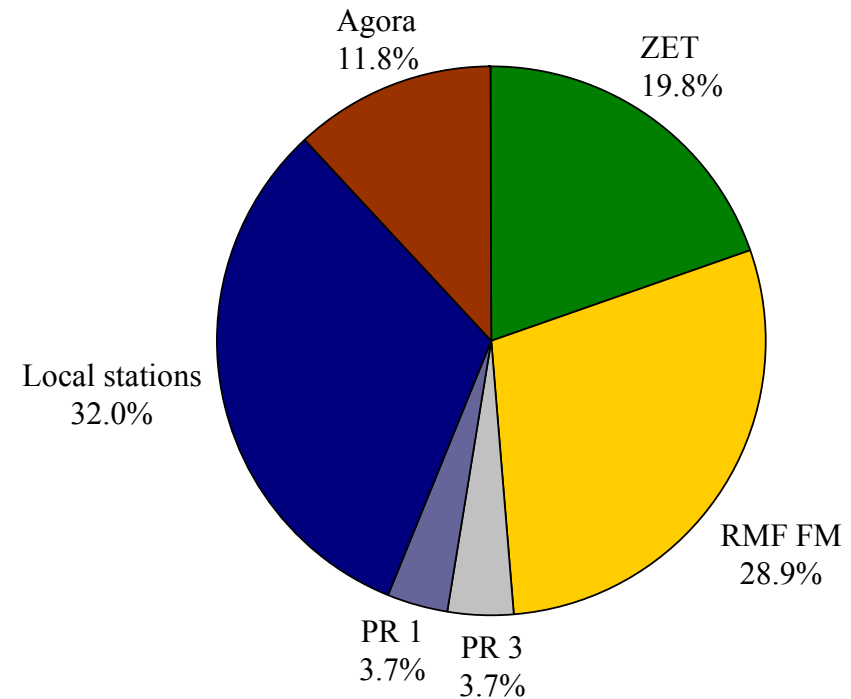
	1998	1999	2000	1Q 2000	1Q 2001
<i>Average daily copy sales</i>	435,877	447,208	461,603	478,026	464,754
<i>Average copy price (PLN)</i>	1.20	1.48	1.65	1.61	1.89
<i>Average daily pagecount</i>	118.4	125.8	132.8	122.0	125.8
<i>Share of colour pages</i>	40.7%	55.2%	64.2%	56.6%	74.0%
<i>Share of ad pages</i>	58.4%	57.9%	56.5%	55.2%	51.3%
<i>Number of ad pages</i>	108,073	116,411	119,061	27,466	25,037
<i>Average revenue per ad page (PLN)</i>	3,876	4,484	5,168	4,980	5,835
<i>Revenue from inserts (PLN '000)</i>	9,044	14,049	17,563	3,168	3,347

- Advertising market below expectations
- Confounded by 1Q effect of deepening seasonality
- May reforecast sales budget after 2Q results
- Will continue adjusting newspaper operations to address market conditions and newsprint prices (pricing, cost, strategic initiatives)
- Going forward newsprint costs will depend on zloty/ Euro exchange rate; cheaper stocks exhausted
- Reminder: in-house printing - now largely a fixed cost - causes Q-on-Q EBITDA variations

1Q 2001: local radio performance

- Grew national audience share in target group from 4% to 10% within 3 years
- 1Q share maintained
- 1Q sales down 4.7%, local radio market down 10.4%
- Group pro-forma EBITDA of PLN (0.4) million
- New acquisitions in the pipeline

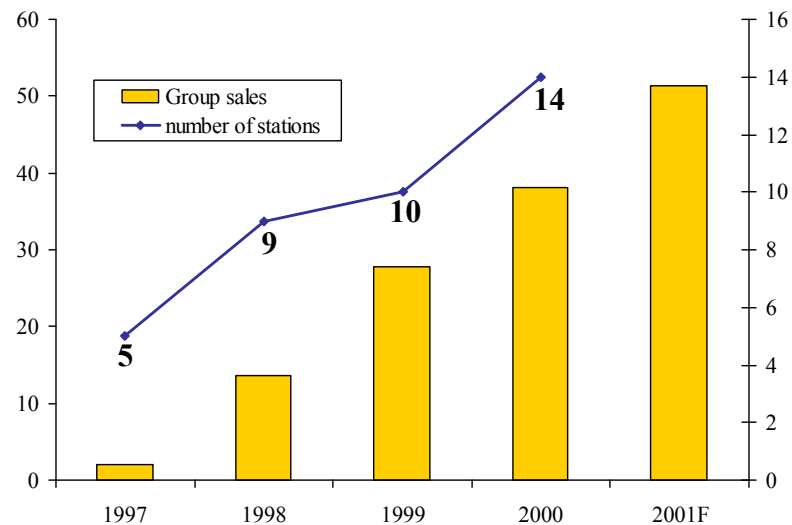
Ad radio market in 2000



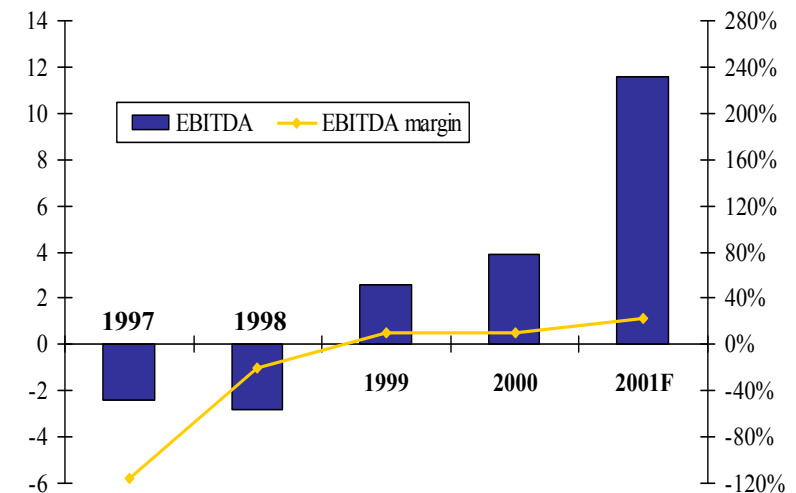
Source: CR Media, total spending for the period PLN 641 million

Local radio performance

Group sales (in mm PLN)



Margin & EBITDA performance



Agora's net investment 1996 - 2000 (PLN mm)

Sources of funds

■ debt repaid	9.2
■ dividends paid	1.6

Uses of funds

■ acquisitions	(19.0)
■ loans granted	(15.1)

Total (23.3)

* Pro-forma consolidation of Poznań group

- Portal launched, promotional campaign underway
- Ad revenue up 94% to PLN 0.5 million, total PLN 0.7 million
- Operating costs of 4.7 million with D&A of PLN 1 million
- Capex of PLN 7.7 million
- Team of 95 people with 29 in online sales reps.
- Negative contribution to the Company's net profit
PLN 2.9 million

- Focus on development of business/revenues via verticals in categories:
 - ◆ with proven track record in US/Europe
 - ◆ in which Agora is strong in print

- Partnerships and alliances
 - ◆ revenue generating content/commerce/ad deals
 - ◆ small acquisitions or jvs to gain unique content or technology

- Paced investments to
 - ◆ build position
 - ◆ preserve peace of mind

	2000A	2001P	
Opex	11.1	41.8	
D&A	1.4	12.6	
promotion	1.2	11.0	
Capex	23.1	24.0	

- Newsprint cost up 3.9% (weak Euro and stocks)
- Total opex up 16.2%, excluding D&A 9.3%
- D&A up 86% to PLN 22.1 million
- Effective tax rate of 18% (statutory 28%)
- Cash generated PLN 74.3 million
- Financial costs include one-time cost of PLN 7.3 million related to closing of Euro purchase contracts
- Solid operating performance in negative market environment

Operating costs structure

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(in PLN million)

	1Q '00	1Q '01	<i>change</i>
Raw materials and consumables	43.2	47.3	9.5%
<i>including newsprint GW</i>	36.5	37.9	3.9%
Staff costs	39.6	46.6	17.7%
<i>including payroll</i>	32.5	37.8	16.3%
D&A	11.9	22.1	85.7%
Other costs	36.9	36.9	0.0%
Total	131.6	152.9	16.2%
Total before D&A	119.7	130.8	9.3%

	2000	2001F	2002F	2003F
<u>Capital expenditures</u>	<u>285.4</u>	<u>290.7</u>	<u>N/A</u>	<u>N/A</u>
<i>Printing</i>	194.3	67.4	3.1	0.0
<i>Buildings / premises</i>	43.5	145.0	26.3	0.0
<i>Telecom & IT</i>	21.0	44.8	N/A	N/A
<i>Internet</i>	23.1	24.0	N/A	N/A
<i>Other</i>	3.5	9.5	N/A	N/A

- Press on growth strategy in accordance with the plan
 - ◆ made an attempt to acquire outdoor company - price not accepted since could deteriorate shareholder value
 - ◆ sold stake in TKP to clean out non-strategic assets, cleaned the balance sheet
 - ◆ actively pursue print media sector - bought City Magazine, hopefully the first of many
 - ◆ number of opportunities under review

- Again listed as one of the stars of the region by Forbes

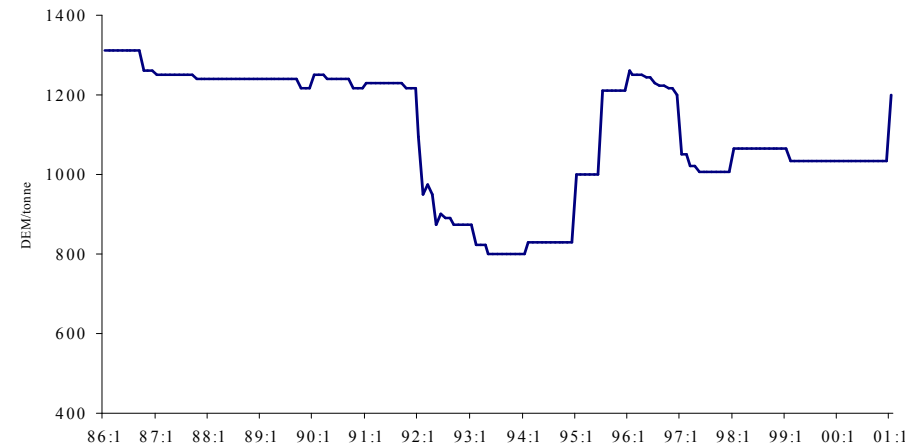
Environment

- In Europe market consolidation and capacity management attenuate cyclicality
- 1999 - 2000 newsprint prices in Europe significantly lower than in the US
- For 2001, European prices up 15-25%, no variation by supplier
- Shortage of supply due to capacity management and shift of Canadian production to US
- Long-term effect unless new capacity or reversal in euro/USD exchange rate

Agora

- Buys newsprint from 5 key suppliers on annual fixed price contracts
- In 2000 avoided real price increase and benefited from weak Euro on cost (PLN 26 mm) offset by financial costs of hedging (PLN 8.7 mm)
- Average price competitive in the market

Cyclicality of newsprint prices 1986 -2000



Financial impact

- Total cost of newsprint in zloty up ca 35 %, reflecting production volume growth of ca 7 % and higher price p/t
- Small savings possible if PLN/Euro exchange more favorable than assumed for 2001P
- Small savings from stock
- Impact of price on EBITDA margin ca 3pp

Printing facilities impact

Lower unit cost (PLN)

	2001	
	external	internal
unit cost	0.0047*	0.0045
colour	0%	90%

* PV (adjusted by inflation index) of 1993 unit price

Additional tax benefits (PLN mm)

1997	1998	1999	2000
0.7	1.09	2.64	2.99

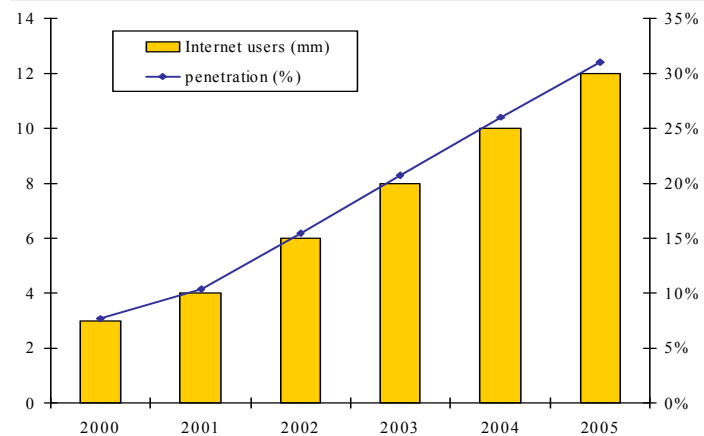
- Strategic benefits**
- Build competitive entry barriers
 - Remove production constraints
 - Eliminate risk of outsourcing
 - In 2001 100% of offset in-house, heat set still outsourced

Change of offset cost structure

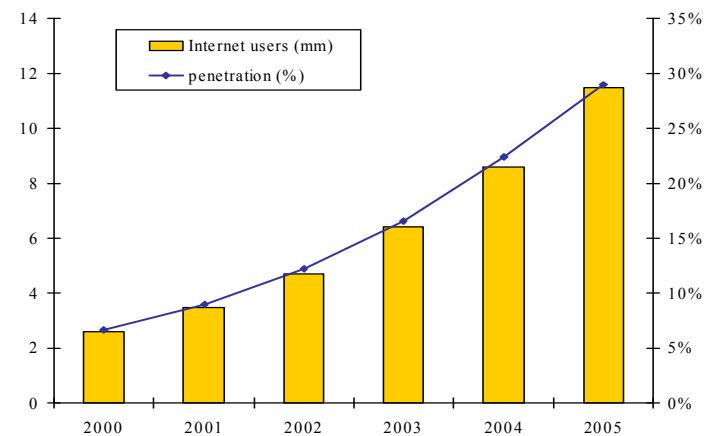
share	1993	2001
Fixed costs	2%	78%
Variable costs	98%	22%

Internet market - users and penetration

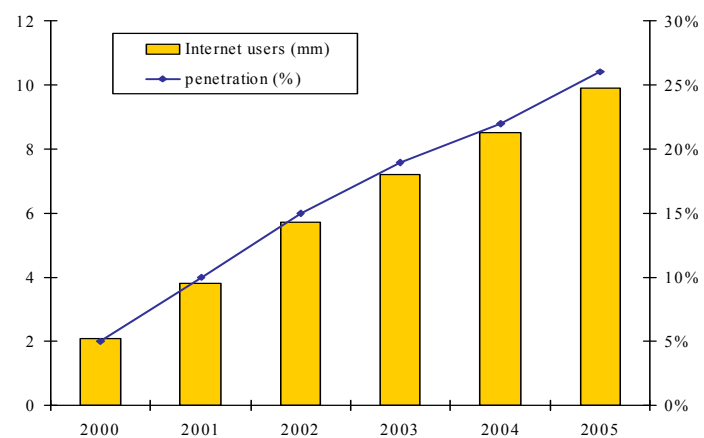
PEKAO S.A.



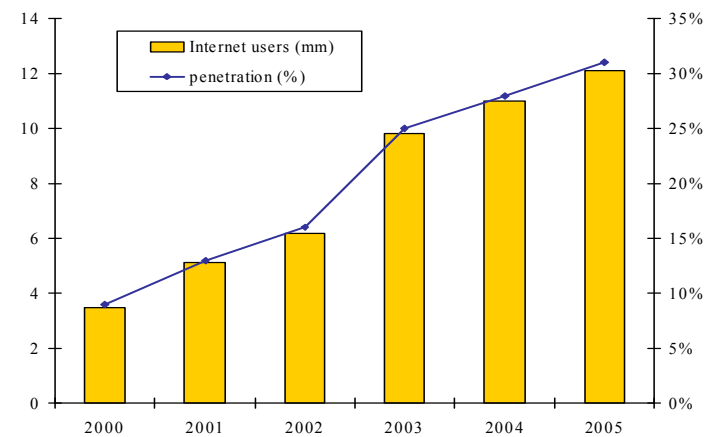
Bank Handlowy



CSFB

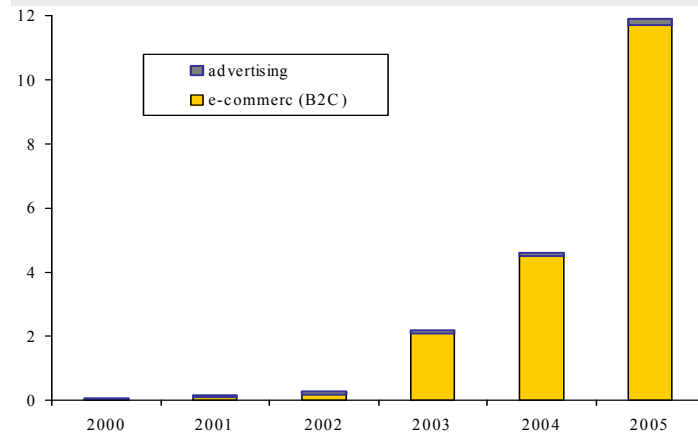


SSSB

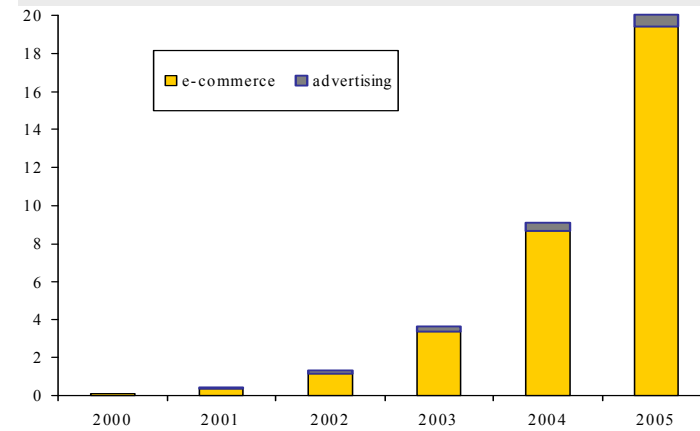


Internet market -revenue (cont'd)

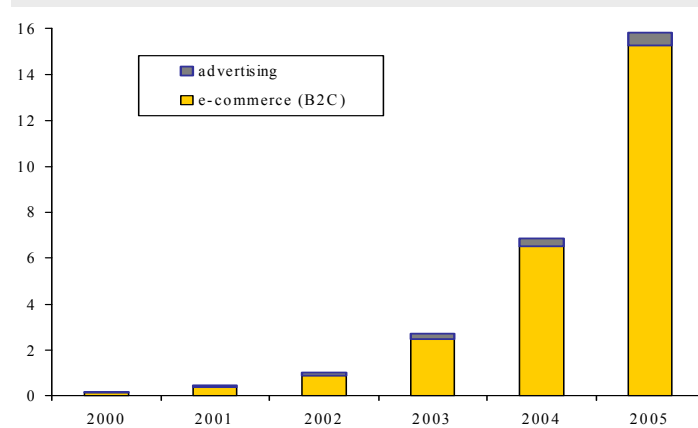
PEKAO S.A. (PLN billion)



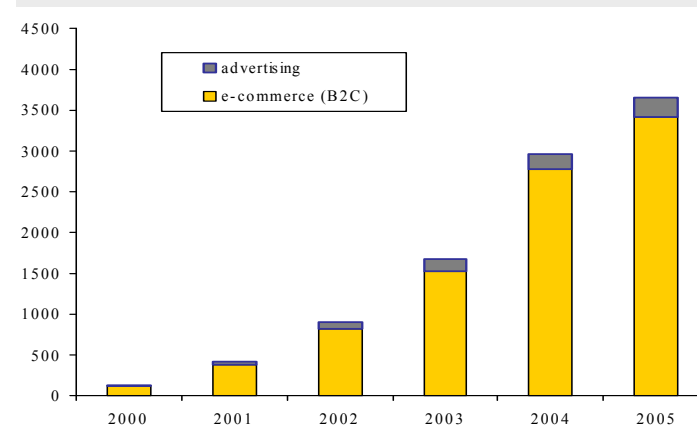
Bank Handlowy (PLN billion)



CSFB (PLN billion)



SSSB (USD mm, portal revenue only)



Profit and loss account

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(PLN million)

	Q1 2000	Q1 2001	% growth
Net revenue	185.0	198.1	7.1%
Operating costs	(131.6)	(152.9)	16.2%
Profit before other non-recurring charges	53.4	45.2	-15.3%
Financial revenue and dividends	5.8	(0.7)	
Profit before tax	59.2	44.5	-24.8%
Income tax	(15.8)	(8.1)	-48.6%
Net profit	43.3	36.3	-16.2%
EPS (PLN)	0.8	0.6	-16.2%
EBITDA	67.6	67.3	-0.5%
EBITDA margin	36.6%	34.0%	-2.6 pp

IAS consolidated figures

Sources and uses of funds

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(in PLN 000)

Sources

Cash and short-term securities (opening balance)		189 435
Cash inflow from operations	67 270	
Cash inflow cash management	7 008	
other cash (net)		
Total		263 713

Uses

Taxes paid	(3 361)	
Increase in working capital	(10 457)	
Capital expenditure (net)	(60 197)	
Long-term investments (net)	(1 242)	
Hedging expenses	(11 844)	
Total		(87 101)

Cash and short-term securities (closing balance)		176 612
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Balance sheet

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(in PLN million)

	31.03.2001	31.03.2000	growth
Total assets	1 072.5	927.3	15.7%
<i>share in balance sheet total</i>	<i>100%</i>	<i>100%</i>	
Current assets	319.6	345.4	-7.5%
<i>share in balance sheet total</i>	<i>29.8%</i>	<i>37.2%</i>	
Fixed assets	752.9	581.9	29.4%
<i>share in balance sheet total</i>	<i>70.2%</i>	<i>62.8%</i>	
Total liabilities and shareholders' equity	1 072.5	927.3	15.7%
<i>share in balance sheet total</i>	<i>100%</i>	<i>100%</i>	
Current liabilities	183.9	123.0	49.4%
<i>share in total liabilities</i>	<i>17.2%</i>	<i>13.2%</i>	
Long term liabilities	7.9	86.8	-90.8%
<i>share in total liabilities</i>	<i>0.7%</i>	<i>9.4%</i>	
Equity	880.7	717.5	22.7%
<i>share in total liabilities</i>	<i>82.1%</i>	<i>77.4%</i>	

Based on IAS consolidated figures