IMPROVING ECONOMIC PICTURE

Construction drives growth of industrial output

Retail sales up

Jobs are growing

New car sales are volatile

Source: Central Statistical Office, IBRM SAMAR
MORE OPTIMISTIC ECONOMIC FORECASTS

**GDP growth**
- 1H 2005: 2.4%
- 2005 AF: 3.3%
- 2006 F: 4.3%

**CPI**
- 1H 2005: 2.9%
- 2005 AF: 2.1%
- 2006 F: 1.5%

**Company investments**
- 1H 2005: 2.6%
- 2005 AF: 4.9%
- 2006 F: 8.7%

**Individual consumption**
- 1H 2005: 1.6%
- 2005 AF: 2.0%
- 2006 F: 3.7%

Source: Central Statistical Office, Ministry of Finance - Budget assumptions for the year 2006 presented to the Polish Parliament
ADVERTISING MARKET CONTINUES TO GROW

Total ad spend in 1-3Q 2005 grew by ca. 12%

Deceleration driven by lower growth rate of TV

TV takes 50% of electoral budgets

Dailies continue to grow fast

Strong growth in smaller media

Source: Agora’s estimates adjusted for average discount rate (data in current prices). The estimates refer to advertising expenditures in four media (TV, print, radio and outdoor), which in case of print do not include classifieds, inserts and obituaries. The estimates are based on rate card data of AGB Polska monitoring, Expert Monitor monitoring, Agora monitoring and Izba Gospodarcza Reklamy Zewnetrznej (IGRZ) monitoring.
TV inventory sell-out rates

Number of TV spots

Source: AGB Polska
PRESS IS STILL BELOW PEAK LEVELS


Print will not reach 2000 level in 2005
AGORA’S PERFORMANCE TAKES OFF

**Strong operating results**
- **yoy change**: +10.6pp
- **yoy % change**: +262.6%

**Net earnings grow significantly**
- **yoy change**: +9.5pp
- **yoy % change**: +316.3%

**Growth in free cash flow**
- **yoy % change**: +97%

**Return on equity ahead of cost of equity**
- **Re**: +9.5%
- **Return on equity**: +16%
GROWTH IN SCALE CHANGES COMPOSITION OF REVENUES AND COST

Revenues

- 1-3Q 2004: PLN min 700
- 1-3Q 2005: PLN min 800
- YoY change: +20.6%

Operating cost

- 1-3Q 2004: PLN min 600
- 1-3Q 2005: PLN min 750
- YoY change: +7.2%

Yoy % change:
- Advertising: +37.6%
- Circulation: +28.0%
- Books: +0.5%
- Other: -15.0%

Source: Consolidated figures according to International Financial Reporting Standards (IFRS)
### MAJOR LINES OF BUSINESS GROW STRONGER

#### THE GROUP

<table>
<thead>
<tr>
<th>Revenues</th>
<th>PLN 872.9 million</th>
<th>EBITDA</th>
<th>PLN 208.4 million</th>
</tr>
</thead>
</table>

#### NEWSPAPER SEGMENT

<table>
<thead>
<tr>
<th>% of total</th>
<th>yoy % growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>63%</td>
<td>7.5%</td>
</tr>
<tr>
<td>15%</td>
<td>229.5%</td>
</tr>
</tbody>
</table>

- **EBITDA:** PLN 188.7 million
- **EBITDA margin:** 27.8%

Source: Consolidated figures according to International Financial Reporting Standards (IFRS), 1-3Q 2005. Newspaper segment includes: Gazeta Wyborcza, Metro, Internet, books, as well as cost of overhead.
MAJOR LINES OF BUSINESS GROW STRONGER

THE GROUP

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OUTDOOR

% of total  yoy % growth

- 12%  22%

PLN 22.5 million  661.8%
EBITDA margin 22%  17.9pp

Scale of operations increases

- Over 1500 new citylight panels in three big cities
- Fully operational by e/o June 2006
- Investment of PLN 10 million
- 240 wall-mounted panels by e/o 2006

Source: Consolidated figures according to International Financial Reporting Standards (IFRS), 1-3Q 2005
### THE GROUP

<table>
<thead>
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<tr>
<td>MAGAZINES</td>
<td>% of total</td>
<td>yoy % growth</td>
</tr>
<tr>
<td></td>
<td>8%</td>
<td>1%</td>
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<tr>
<td>RADIO</td>
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<td></td>
<td>4%</td>
<td>16%</td>
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</table>

Source: Consolidated figures according to International Financial Reporting Standards (IFRS), 1-3Q 2005
**NEWSPAPERS GROW CIRCULATION AND MARKET SHARE**

**Circulation of Gazeta strengthens**

- Gazeta: +7%
- Other: +5%
- Fakt: +6%

1-3Q 2005

**Metro nearly doubles its circulation**

19 cities since mid April 2005

**Readership**

- Gazeta: +7%
- Fakt: +5%
- Other: +197%
- Super Express: +5%

1-3Q 2005

**Advertising position**

- Gazeta: 42%
- Fakt: 6%
- Super Express: 4%
- Rzeczpospolita: 9%
- Metro: 1%

**Advertising position**

Other: 38%

**Source:** copy sales, circulation: ZKDP (Circulation Audit Office); readership: Polish Readership Research (PBC General), Millward Brown Company SMG/KRC, weekly readership, January–September 2005, N=54 224; advertising: Agora, estimated data (current prices) corrected for average discount rate based on Agora Monitoring. The comparisons refer to 1-3Q 2005 and 1-3Q 2004.
BOOKS ADD SCALE BUT INCREASE VOLATILITY OF RESULTS

The graph does not refer to real numbers – it was prepared for illustrative purposes only.

Accounting method (according to IFRS):

- Cost booked when incurred (incl. first free volume)
- Revenues booked when received
- Profit in late phase of each project
NOWY DZIEŃ – first popular mid-market newspaper in Poland

- Launched November 14, 2005
- Mid-market, broadly addressed national daily
- Target copy sales 250 thousand
- Promotion and marketing expense to reach PLN 25-30 million in 4Q 2005 and PLN 35-45 million in 2006
- Total cash investment PLN 60-80 million until break even in 2008

Cover price
- PLN 1 every day
- PLN 1.50 on Thursday (TV Guide)
### WHAT TO EXPECT AHEAD IN 2005

<table>
<thead>
<tr>
<th>Diminishing effect of base</th>
<th>Expansion impacts results</th>
<th>Accounting impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Lower rate of revenue growth in 2H 2005</td>
<td>✓ Books add cost and increase volatility and seasonality effects</td>
<td>✓ IFRS 2 – share based payments write-off to be booked in 4Q 2005 (ca PLN 7 million)</td>
</tr>
<tr>
<td>✓ Cost cuts already reflected in 2H 2004 results</td>
<td>✓ New projects increase cost base</td>
<td>✓ Improved cost base due to lower D&amp;A but risk of provisions after impairment</td>
</tr>
<tr>
<td></td>
<td>✓ &quot;NOWY DZIEŃ&quot; to significantly depress earnings in 4Q 2005</td>
<td></td>
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</table>
**GROWTH IS THE COMPANY’S OVERARCHING PRIORITY**

**Dividend payout**
- PLN 0.5 per share or PLN 28 million on 2nd September 2005

**Share buy-back**
- Value: PLN 120 million
- Method: main market (through the broker); no block transactions; shares to be cancelled

**Immediate funds availability**
- Operating cash 4Q05
- Funds available
- Value: PLN 120 million
- Method: main market (through the broker); no block transactions; shares to be cancelled

![Chart showing immediate funds availability]