



Financial and market  
performance

**1Q 2009**

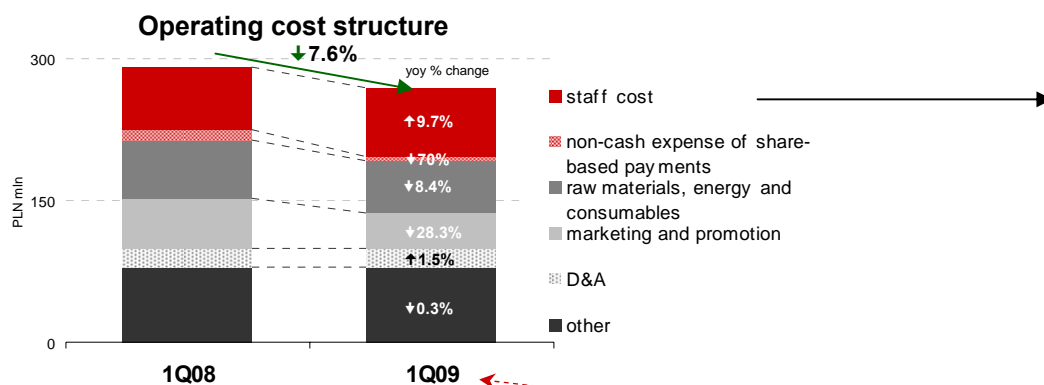
May 14, 2009

# Financial performance of the Group

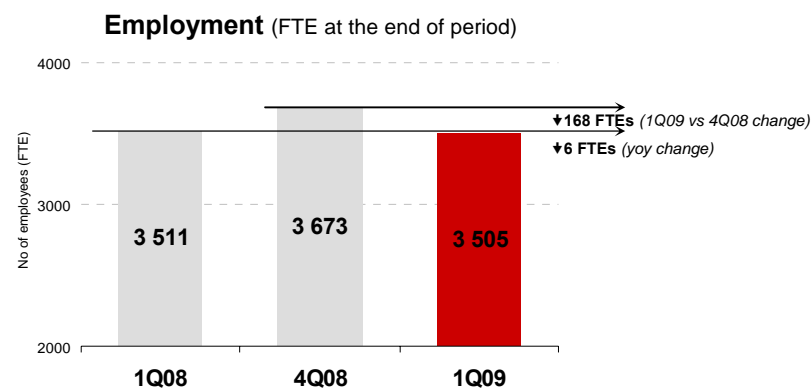
PLN mln	1Q 2009	1Q 2008	yoy % change
<b>Revenues, incl.:</b>	<b>274.4</b>	<b>313.4</b>	<b>(12.4%)</b>
- advertising*	178.8	213.7	(16.3%)
- copy sales*	49.5	53.3	(7.1%)
- Special Projects, incl. collections	22.9	22.4	2.2%
<b>Operating cost</b>	<b>268.7</b>	<b>290.8</b>	<b>(7.6%)</b>
<b>EBIT</b>	<b>5.7</b>	<b>22.6</b>	<b>(74.8%)</b>
<b>Operating EBITDA**</b>	<b>29.3</b>	<b>54.2</b>	<b>(45.9%)</b>
<b>Net profit</b>	<b>1.1</b>	<b>18.7</b>	<b>(94.1%)</b>

## Cash position

PLN mln	e/y 1Q09
Cash and short-term securities	256.8
Debt	143.7
<b>Net cash</b>	<b>113.1</b>
Available credit line	200.0



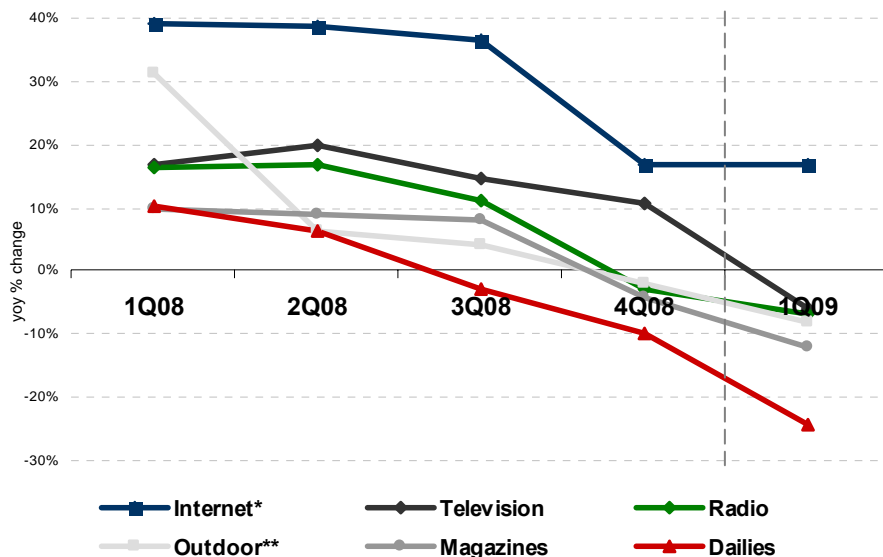
- Decrease:**
- in raw materials, energy and consumables – lower volume of book collections and lower production volume in printing houses;
  - in marketing and promotion – reduced number of marketing campaigns and dual pricing offers;
- Increase:**
- in staff cost – annualization effect of salary regulations introduced in April 08, development of Internet offer, consolidation of Trader.com (Polska) Sp. z o.o.
  - in D&A cost – intensive investment program in AMS in 2008



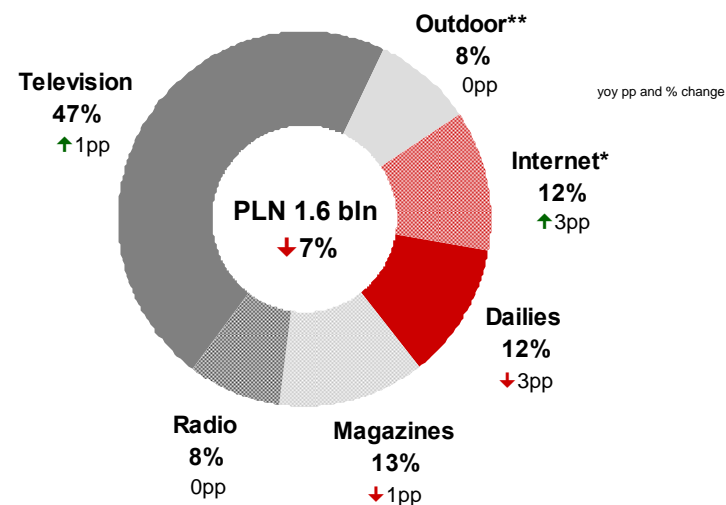
- 238 dismissal notices delivered in 1Q 09
- 282 dismissal notices delivered till May, 7 '09

# Ad market performance

Quarterly ad spend performance



Ad market structure in 1Q 2009

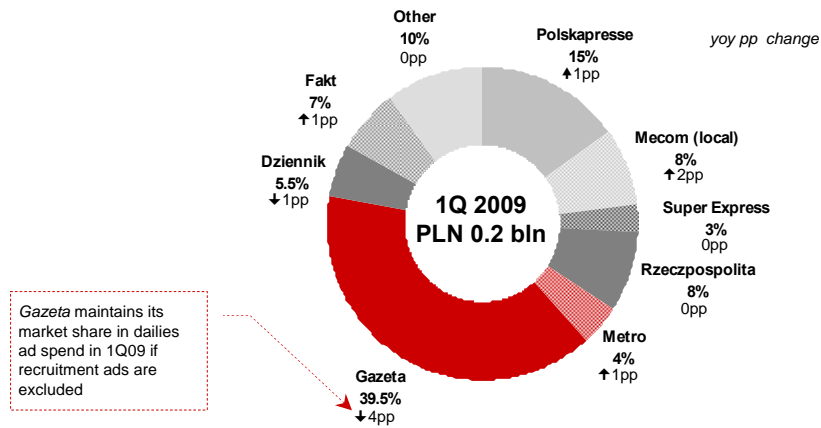


## Ad market performance in 2009

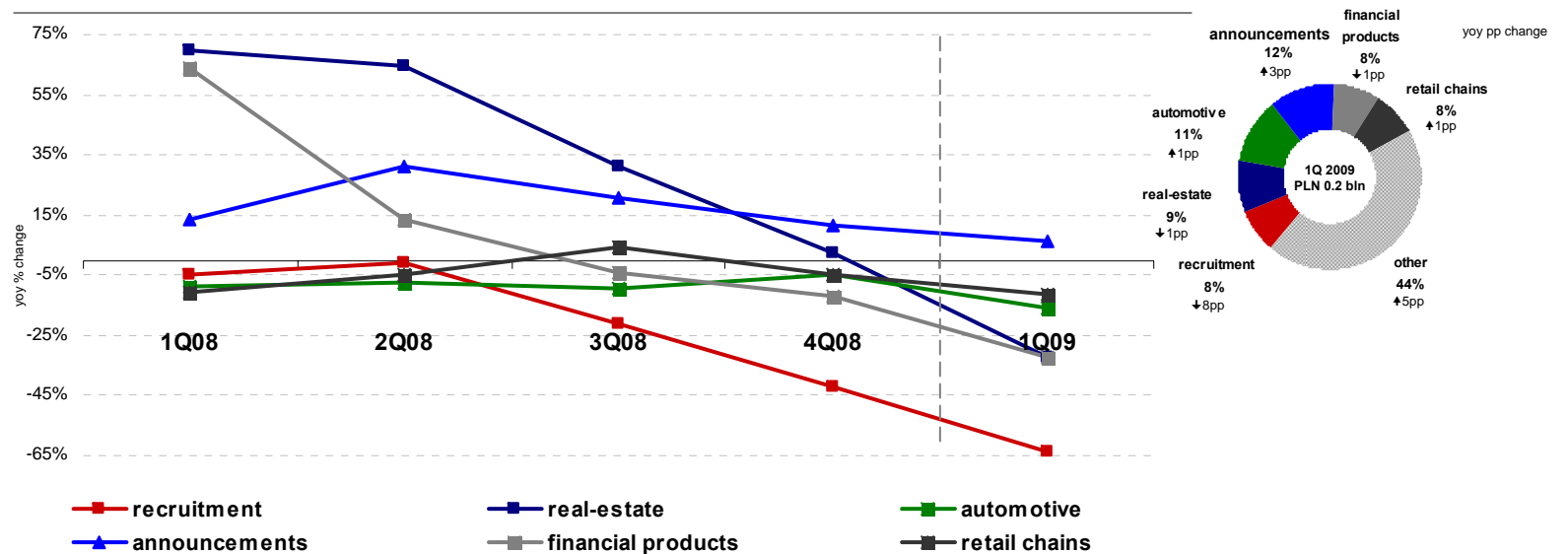
- inconsistent GDP forecasts;
- disturbed correlation between GDP and ad market performance;
- we expect ad market decline to deepen in 2Q09.

# Dailies ad market performance

Newspaper ad spend structure\*



Top ad categories in dailies



# Segment performance: Newspapers\*

## Financial performance

<i>PLN mln</i>	<b>1Q 2009</b>	<b>1Q 2008</b>	<i>yoy % change</i>
<b>Revenues, incl.:</b>	<b>175.9</b>	<b>216.9</b>	<b>(18.9%)</b>
- advertising in GW	86.1	124.2	(30.7%)
- copy sales in GW	38.3	41.0	(6.6%)
<b>Operating cost, incl.:</b>	<b>144.0</b>	<b>171.3</b>	<b>(15.9%)</b>
- materials & energy	59.2	65.4	(9.5%)
- staff cost excl. non-cash cost of share-based payments	33.4	33.7	(0.9%)
- marketing & promotion	26.4	39.5	(33.2%)
<b>EBIT</b>	<b>31.9</b>	<b>45.6</b>	<b>(30.0%)</b>
<b>Operating EBITDA**</b>	<b>40.4</b>	<b>61.7</b>	<b>(34.5%)</b>

Decline in number of recruitment ads (by 59%) in which *Gazeta* holds a leader's position

- Lower circulation  
- Less effective dual pricing  
- Very competitive market

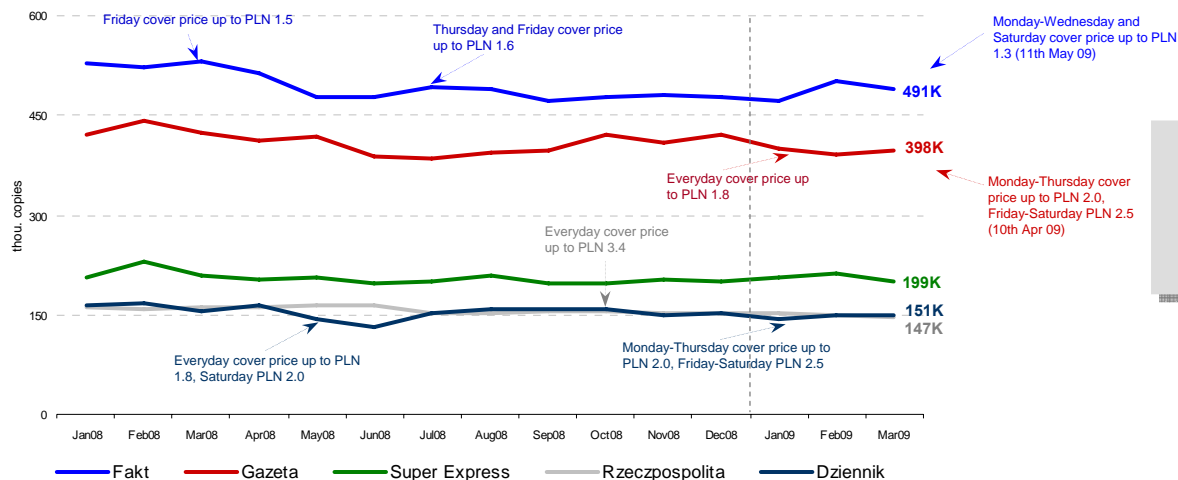
- Lower production volume  
- Newsprint portfolio mix

- Fewer dual pricing projects  
- Reduced number of advertising campaigns

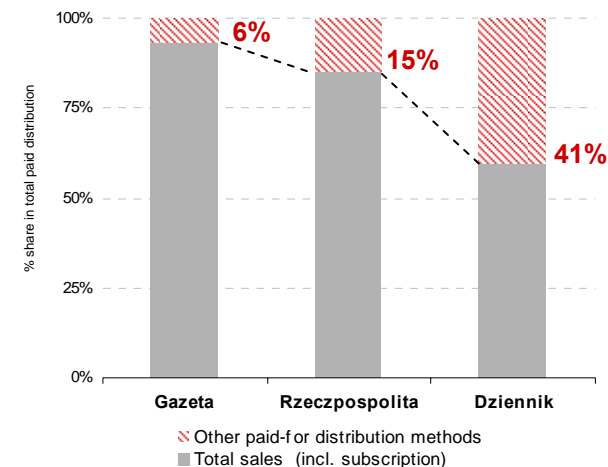
\*incl. *Gazeta*, *Metro*, Special Projects, contract printing

# Newspapers segment performance: *Gazeta*

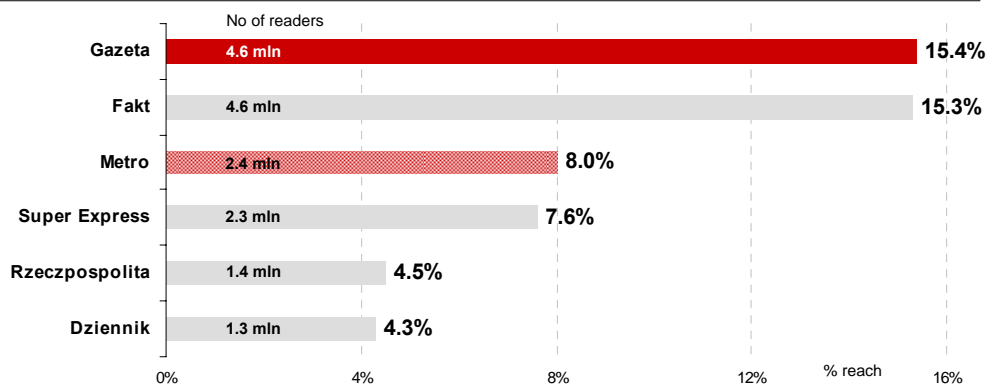
## Copy sales of dailies



## Other paid-for distribution methods in 1Q 2009



## Weekly readership reach



**gazetopedia.pl**  
First community online service in Polish Internet dealing with history and education

## Editorial changes in *Gazeta*

Relaunch of *Large Format* magazine – new editorial formula

*People and money* new business supplement

New editorial content for senior readers of *Gazeta*



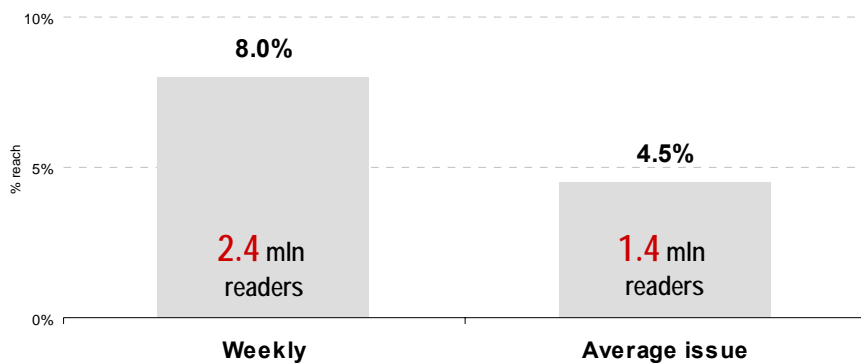
# Newspapers segment performance: *Metro*

## Financial performance

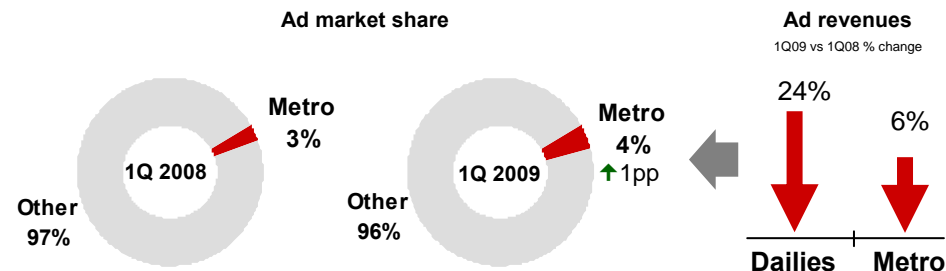
PLN mln	1Q 2009	1Q 2008	yoy % change
Ad revenues	8.4	8.7	(3.4%)
Operating EBITDA*	(0.3)	0.1	-

#3 among most daily read newspapers in Poland\*\*\*

## Readership reach



## Metro vs newspaper ad spend\*\*



## Relaunch of online service



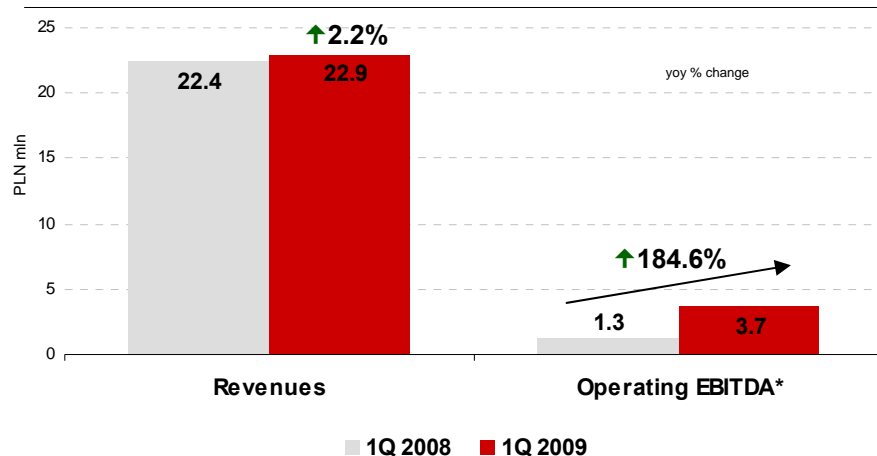
### New services:

- targeted distribution
- small events
- custom publishing



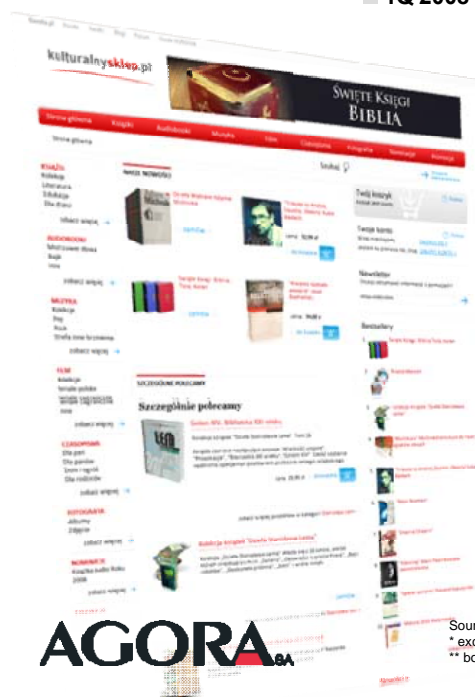
# Newspapers segment performance: Special Projects (incl. collections)

## Financial performance



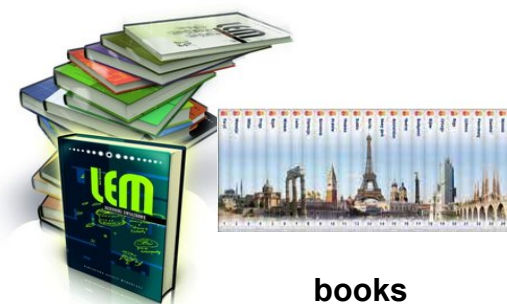
## Statistics

	1Q 2009	1Q 2008
Series	5	6
One-offs	11	8
<b>Total number of projects</b>	<b>16</b>	<b>14</b>
Copies sold (mln)**	1.1	1.5



## New distribution platform

kulturalnysklep.pl



books



CDs, DVDs

Source: financials: consolidated financial statements according to IFRS, 1Q 09  
 \*excluding non-cash cost of share-based payments and allocations of general overhead cost of Agora SA  
 \*\* books, CDs, and DVDs



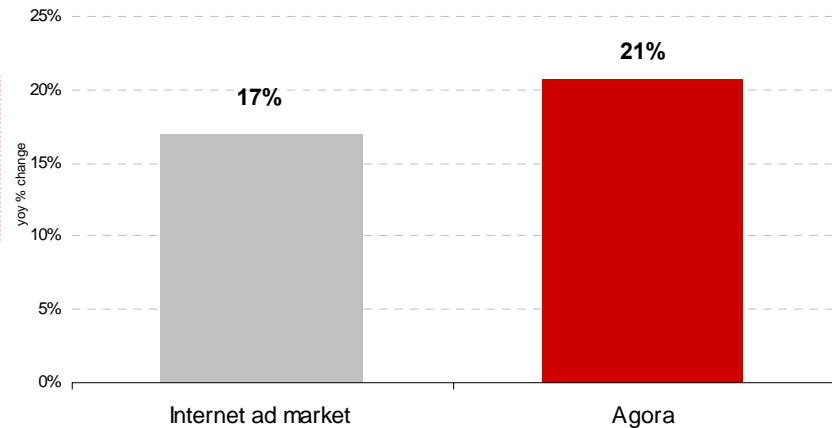
# Segment performance: Internet

## Financial performance\*

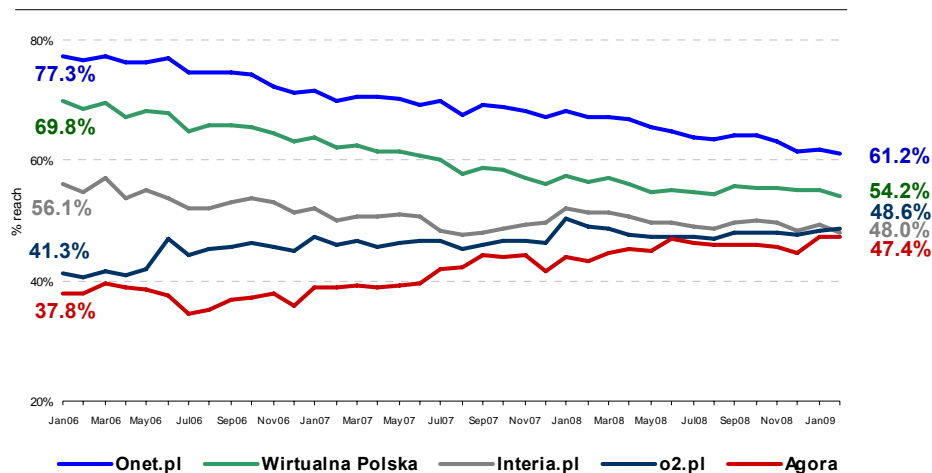
PLN mln	1Q 2009	1Q 2008	yoy % change
<b>Revenues, incl.:</b>	<b>19.5</b>	<b>14.5</b>	<b>34.5%</b>
- display ads	10.4	8.9	16.9%
- incl. Trader.com (Polska)	0.5	-	-
- vortals ad sales	5.9	4.6	28.3%
- incl. Trader.com (Polska)	2.4	-	-
<b>Operating cost, incl.:</b>	<b>21.7</b>	<b>16.8</b>	<b>29.2%</b>
- staff cost excl. non-cash cost of share-based payments	11.0	6.5	69.2%
- promotion and marketing	4.3	6.5	(33.8%)
<b>EBIT</b>	<b>(2.2)</b>	<b>(2.3)</b>	<b>4.3%</b>
<b>Operating EBITDA**</b>	<b>(0.6)</b>	<b>(1.6)</b>	<b>62.5%</b>

- Consolidation of Trader.com (Polska)
- Annualization of salary regulations carried out in April 08
- Internet offer development

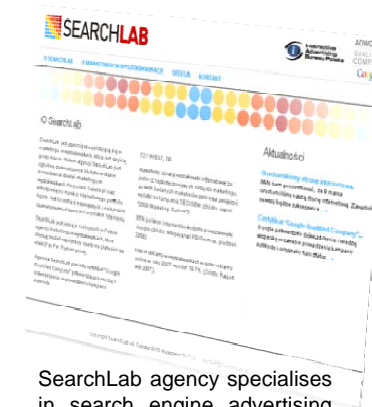
## Agora's online ad revenues growth vs Internet ad market growth\*\*\*



## Reach of Internet portals



New series produced in cooperation with A2 Multimedia based on licence from EQUAL – the producer of popular Internet series *LonelyGirl15* and *Kate Modern*



SearchLab agency specialises in search engine advertising (entry into search engine advertising)

Source: reach, real users: Megapanel PBI/Gemius, reach Jan06-Feb09; financials: consolidated financial statements according to IFRS, 1Q 09;

\* Internet division, Agora Ukraine, Trader.com (Polska) including print revenues

\*\*excluding non-cash cost of share-based payments and allocations of general overhead cost of Agora SA

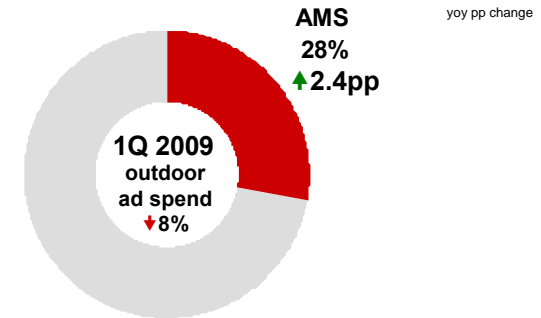
\*\*\* Internet ad market: Starlink, since 1Q09 media house Starlink changed the methodology of Internet ad market measurement; Internet ad market includes now: display, SEM, e-mail marketing and classifieds. Previously it included only display and SEM; the historical data, concerning the estimates for Internet ad market for previous reporting periods has not been adjusted adequately therefore the data is not fully comparable; Agora: consolidated financial statements according to IFRS, 1Q 09

# Segment performance: Outdoor

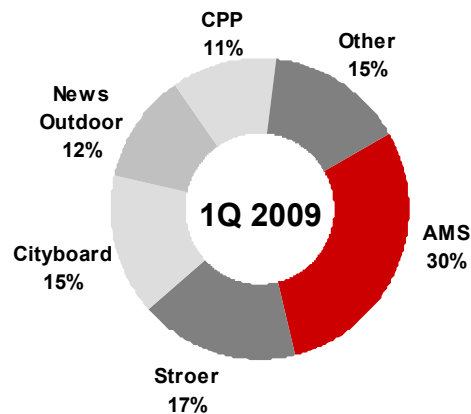
## Financial performance

PLN mln	1Q 2009	1Q 2008	yoy % change
<b>Revenues, incl.:</b>	<b>38.5</b>	<b>40.0</b>	<b>(3.8%)</b>
- ad revenues	37.8	39.2	(3.7%)
<b>Operating cost, incl.:</b>	<b>41.6</b>	<b>39.2</b>	<b>6.1%</b>
- execution of campaigns	7.4	9.3	(20.2%)
- maintenance cost	19.8	16.8	17.6%
- staff cost excl. non-cash cost of share-based payments	4.8	4.6	5.1%
- D&A	6.0	4.1	47.0%
- promotion & marketing	0.8	1.0	(16.2%)
<b>EBIT</b>	<b>(3.1)</b>	<b>0.8</b>	-
<b>Operating EBITDA*</b>	<b>3.0</b>	<b>5.8</b>	<b>(47.8%)</b>

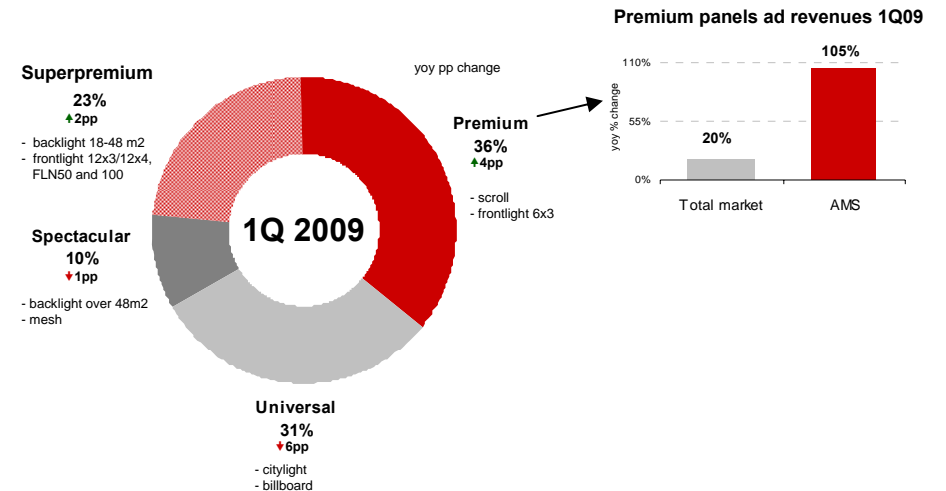
## AMS ad market share\*\*



## Competition in outdoor market (rate card data)\*\*\*



## Outdoor ad market structure by panels (rate card data)\*\*\*

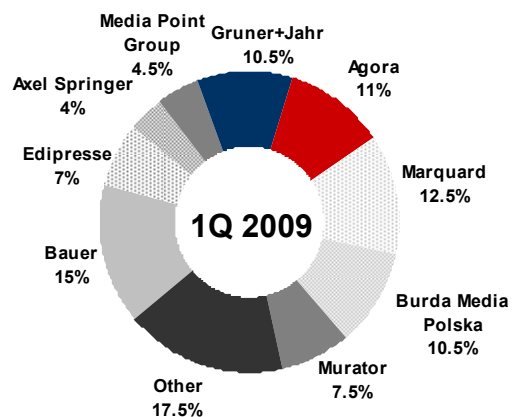


# Segment performance: Magazines

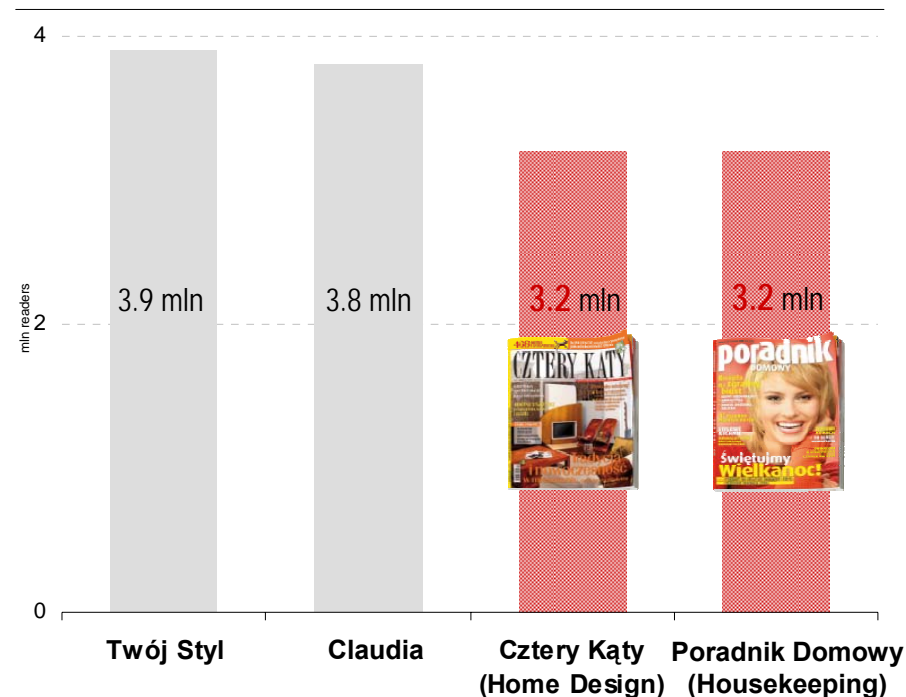
## Financial performance

PLN mln	1Q 2009	1Q 2008	yoy % change
<b>Revenues</b>	<b>23.4</b>	<b>26.1</b>	<b>(10.3%)</b>
- copy sales	10.7	12.0	(10.8%)
- ad revenues	12.5	14.0	(10.7%)
<b>Operating cost, incl.:</b>	<b>20.6</b>	<b>22.5</b>	<b>(8.4%)</b>
- materials & energy	8.2	8.5	(3.5%)
- staff cost excl. non-cash cost of share-based payments	4.7	4.7	0.0%
- promotion & marketing	5.8	7.1	(18.3%)
<b>EBIT</b>	<b>2.8</b>	<b>3.6</b>	<b>(22.2%)</b>
<b>Operating EBITDA*</b>	<b>3.1</b>	<b>4.3</b>	<b>(27.9%)</b>

## Monthly magazine advertising performance



## Readership position on monthly magazines market (all categories)

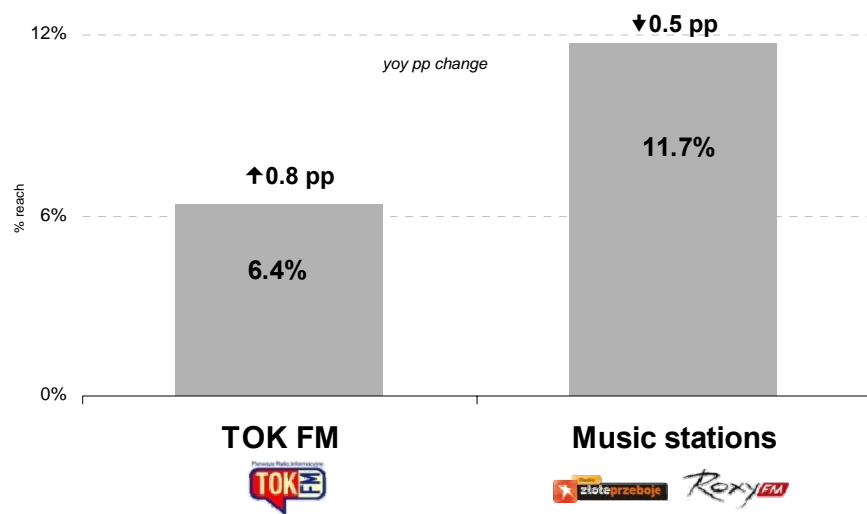


# Segment performance: Radio

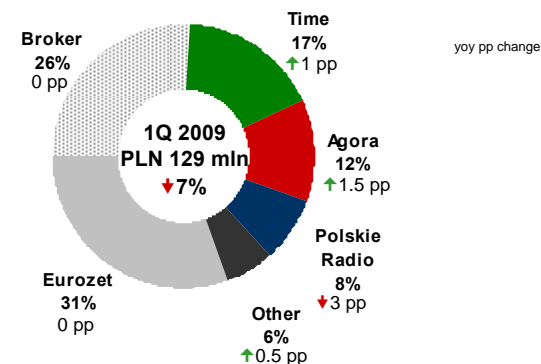
## Financial performance\*

PLN mln	1Q 2009	1Q 2008	yoy % change
<b>Revenues, incl.:</b>	<b>18.6</b>	<b>18.0</b>	<b>3.3%</b>
- ad revenues	18.1	17.7	2.3%
<b>Operating cost, incl.:</b>	<b>17.9</b>	<b>17.9</b>	<b>0.0%</b>
- staff cost excl. non-cash cost of share-based payments	6.7	6.4	4.7%
- promotion and marketing	2.6	3.1	(16.1%)
<b>EBIT</b>	<b>0.7</b>	<b>0.1</b>	<b>600.0%</b>
<b>Operating EBITDA**</b>	<b>1.6</b>	<b>1.4</b>	<b>14.3%</b>

## Daily reach



## Radio ad market structure



## Further development of radio Internet platform

5 new channels in 1Q 2009

Channels:	
Video music	1
Thematic	20
Authorial	2
Traditional/analog	4
<b>Total</b>	<b>27</b>



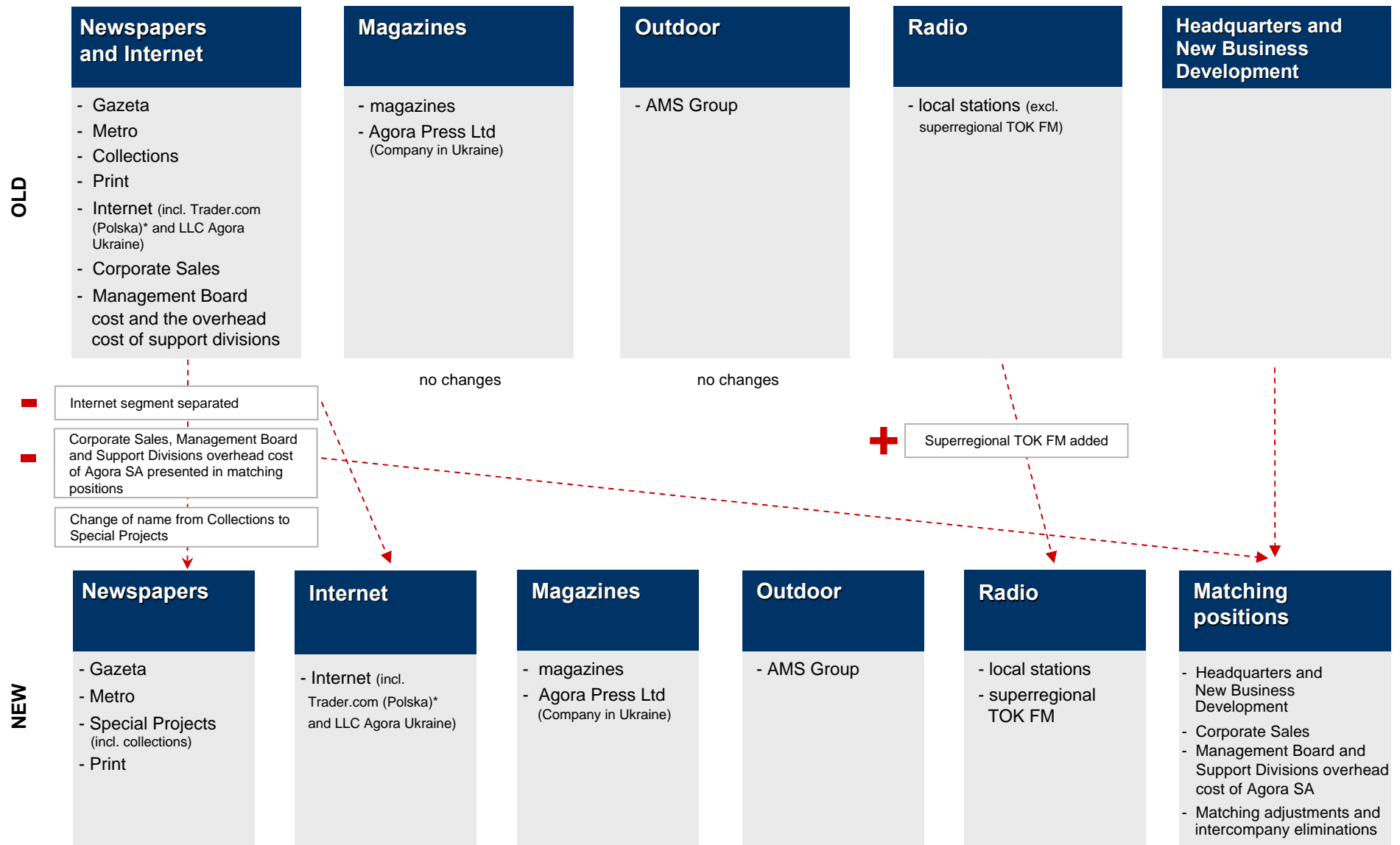
# Summary: our objectives

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## Continue to execute our main goals:

- ▶ further implementation of operating efficiency improvement plan;
- ▶ concentrate on development and restructuring of existing business areas;
- ▶ take advantage of current equity market conditions to win valuable assets if available.

# Appendix: Changes in reporting of Group's operating segments



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