

ACGORA^{SA}

Overview

■ Market leading publishing business

- Gazeta No 1 newspaper in Poland and one of the top 20 in Europe
- Unique national-local product
- State of the art technology
- High margin business

■ Expanding radio and TV investments

- 10 local music stations 9.8% share of national audience
- Radio group breaks even ahead of expectations
- Solid and growing television subscriber base

■ Strong financial discipline

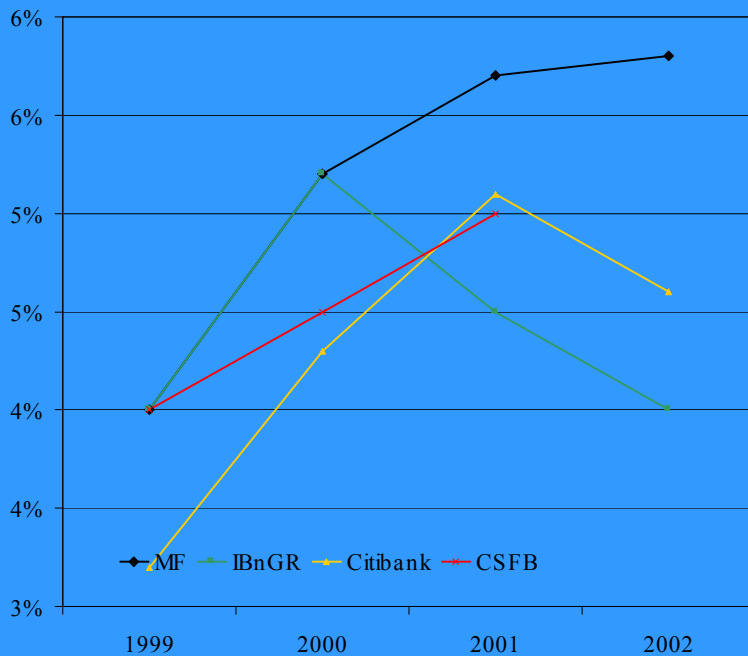
- Focus on shareholder value
- Scope and cash to expand into related media

■ Attractive market dynamics

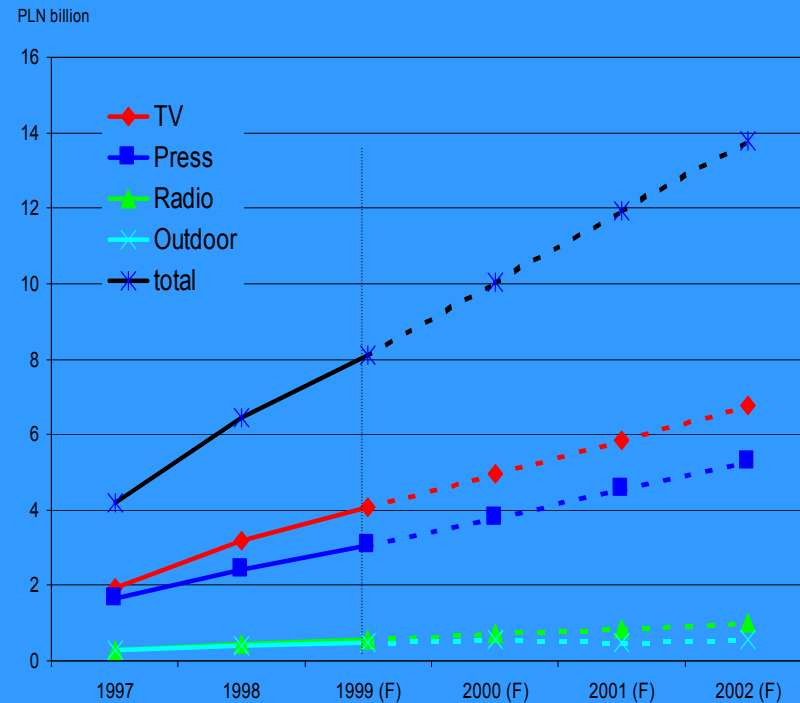
- Polish economy on the upswing again
- Ad market expanding rapidly (over 25 % estimated in FY of 99)
- New categories of ad spend coming on stream

Advertising market dynamics

**GDP growth forecast
2000-2002**



**Ad spend by sector
1997-2002**



Source: Agora (actuals 1997-98, forecasts for 99 - 02)

➔ Strong secular trend of GDP growth

Advertising market dynamics (cont'd)

- Structural changes driving ad spend growth:
 - New GSM & DCS licenses
 - Deregulation of fixed line telephony
 - Financial services, phase 3 of pensions reform
 - Increased need for OEMs/car dealers to advertise
 - Increasing demand for home appliances and growing home/construction business

 ***New opportunities to leverage our competitive strength***

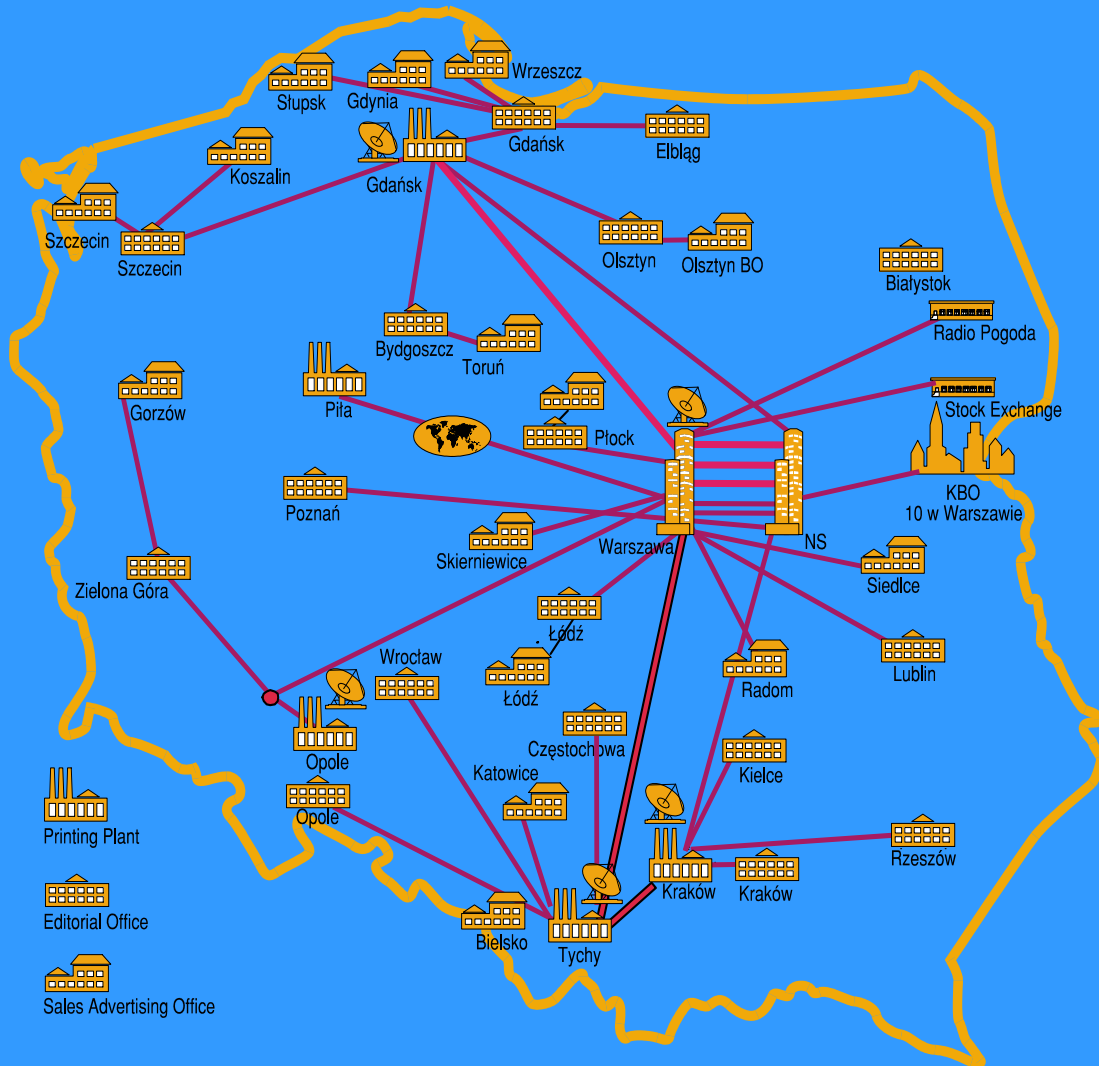
Current position

Publishing

Radio

Television

Publishing - unique structure



- National products, 20 local supplements, national thematic sections with locally zoned pages
- National and local advertising
- The distribution system connected via fiber optic/satellite Wide Area Network
- State of the art, automated production technology

Publishing - editorial quality

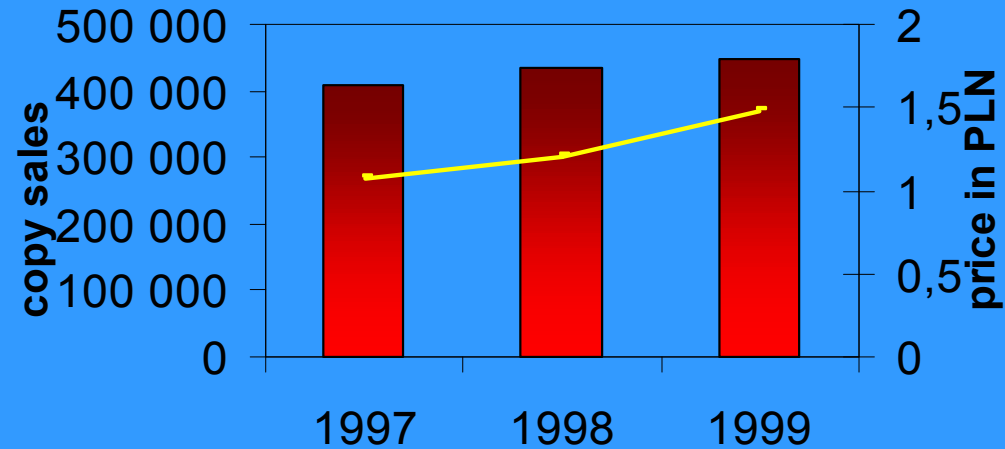
Gazeta Wyborcza

- The most important media voice in Poland
- Independent, acknowledged for integrity and high quality journalism and photography
- Opinion leader, agent of change in political, social and consumer domains
- Modern newspaper with accessible language, attractive layout, colour and convenient format
- A great read: informative, passionate, practical & feisty



Broad readership base weighted toward middle class

Publishing - copy sales

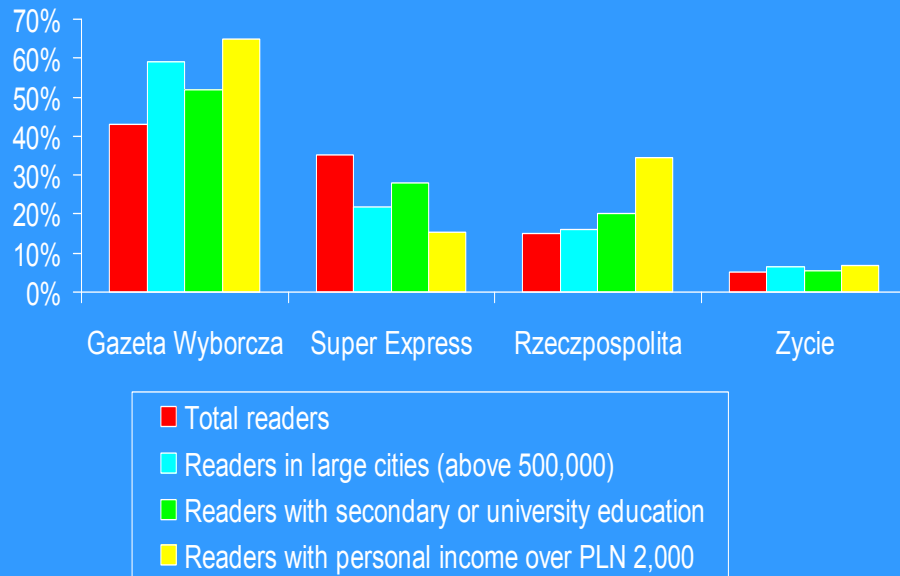


	1998	1999	Change
Daily copy sales	436K	447K	2.6%
Revenues from copy sales (PLN)	107m	137 m	27%
Average copy price	1.2 PLN	1.48 PLN	23.4%

 ***Copy sales increasing***

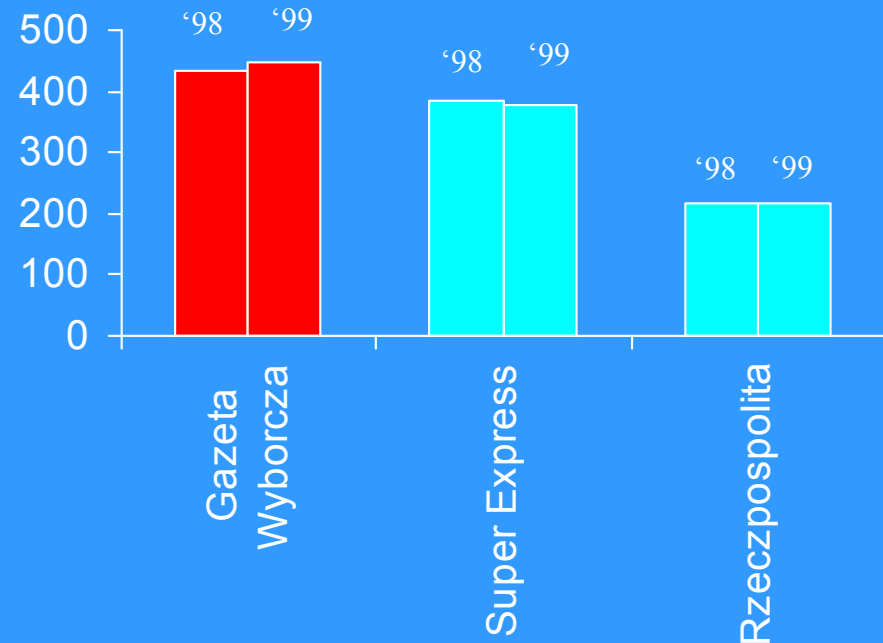
Publishing - national competition

Readership Market Share 1999



Source: SMG/KRC

Copy Sales 1999



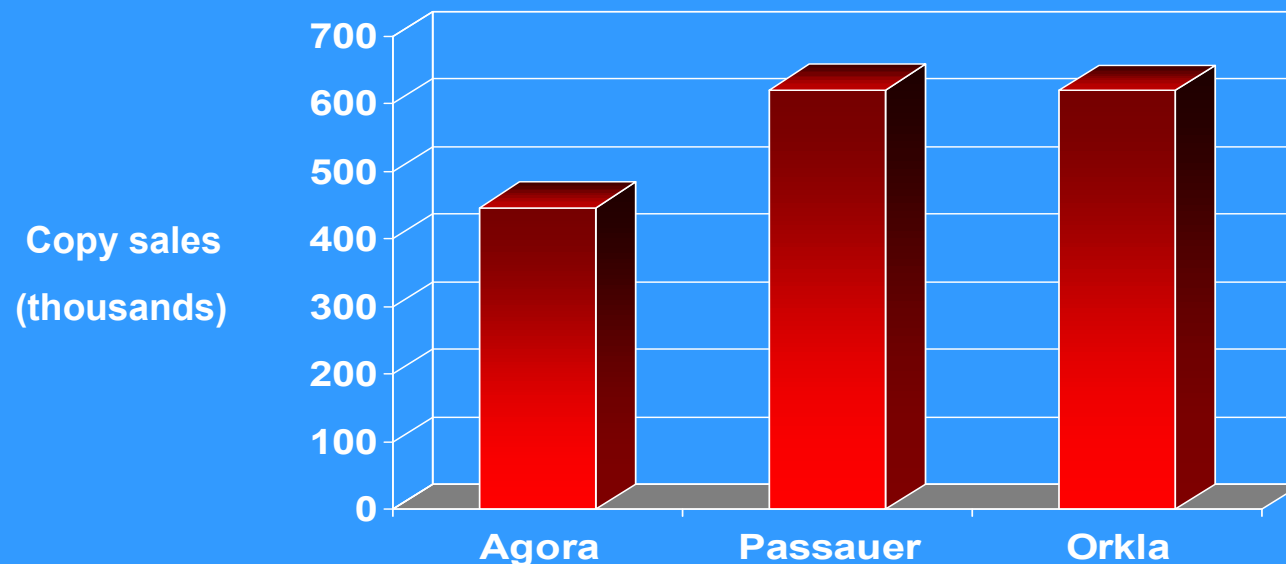
Source: Circulation Audit Office



Gazeta's growth comes from a broad-based appeal and attraction to the growing middle class

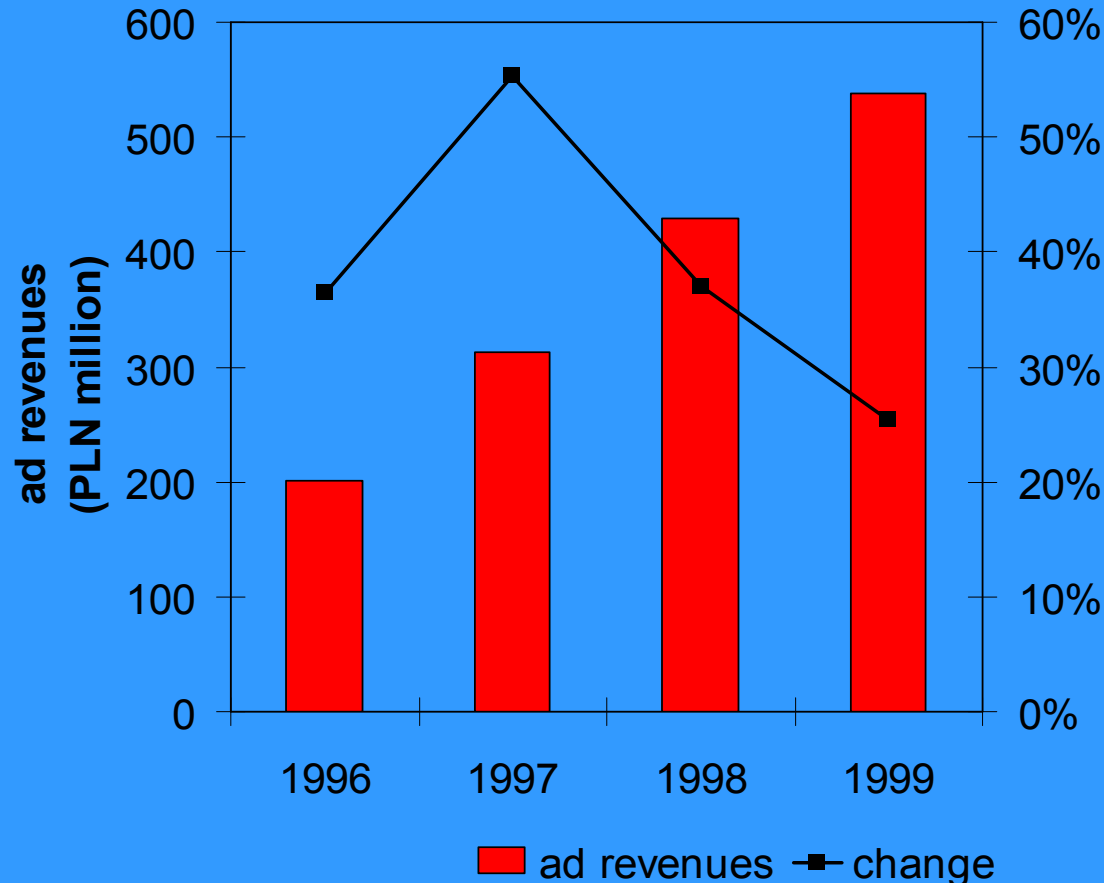
Publishing - local competition

- In key local markets outside of Warsaw we compete against two groups: Passauer Neue Presse (8 markets out of 20) and Orkla Media (9 markets out of 20)



Gazeta spending significant resources for building readership in strategic markets

Publishing - ad revenues



■ Ad revenues in line with budget, despite economy slowing

■ 30% average price increase for national products in April

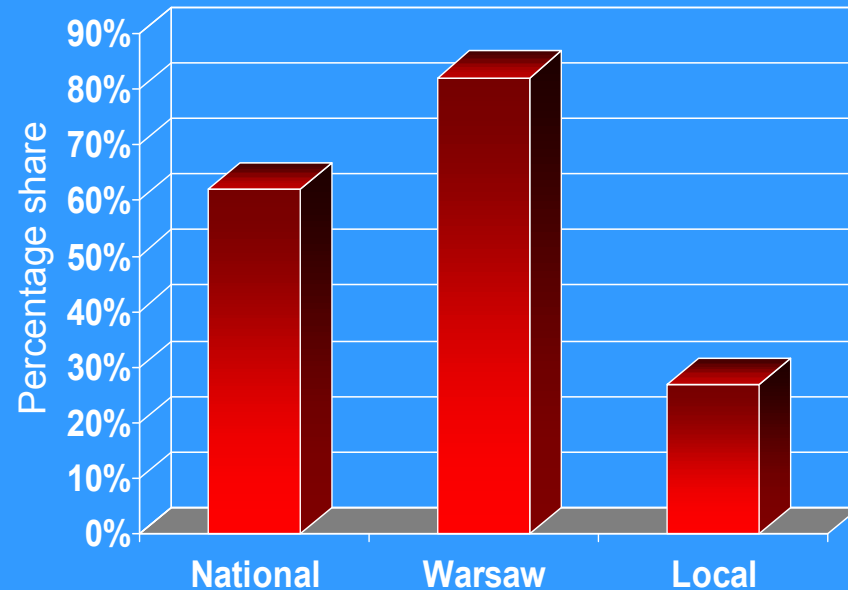
■ 30% average price increase for Warsaw in January

■ Careful pricing policy for other local products

➔ ***Excellent ad sales results despite steep price increase in most markets***

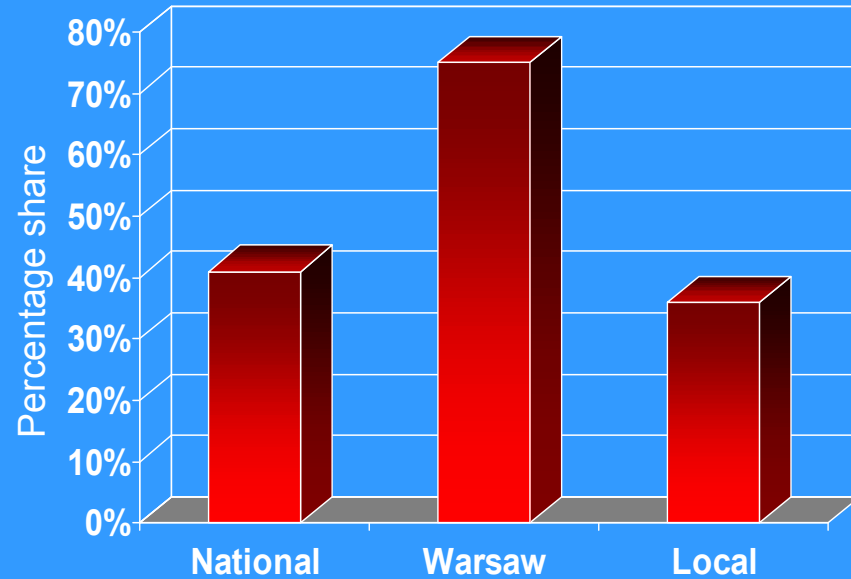
Publishing - ad market share

Revenue Share 1999



Source: Agora's advertising data base

Space Share 1999



Source: Agora's advertising data base



Consolidating where well-positioned, building share in local markets

Music Radio Group

- Fragmented market with powerful national & over 200 local stations
- Our 10 local stations account for 9.7% market share
- Nearly all stations have top ratings in their markets
- The group generates net profit in 1999

	(PLN)	FY98	FY99
Sales		12,5	32,0
EBITDA		-2,8	4,0
EBITDA margin		nm	12.3%
<i>Agora's share in sales</i>		<i>55%</i>	<i>53%</i>



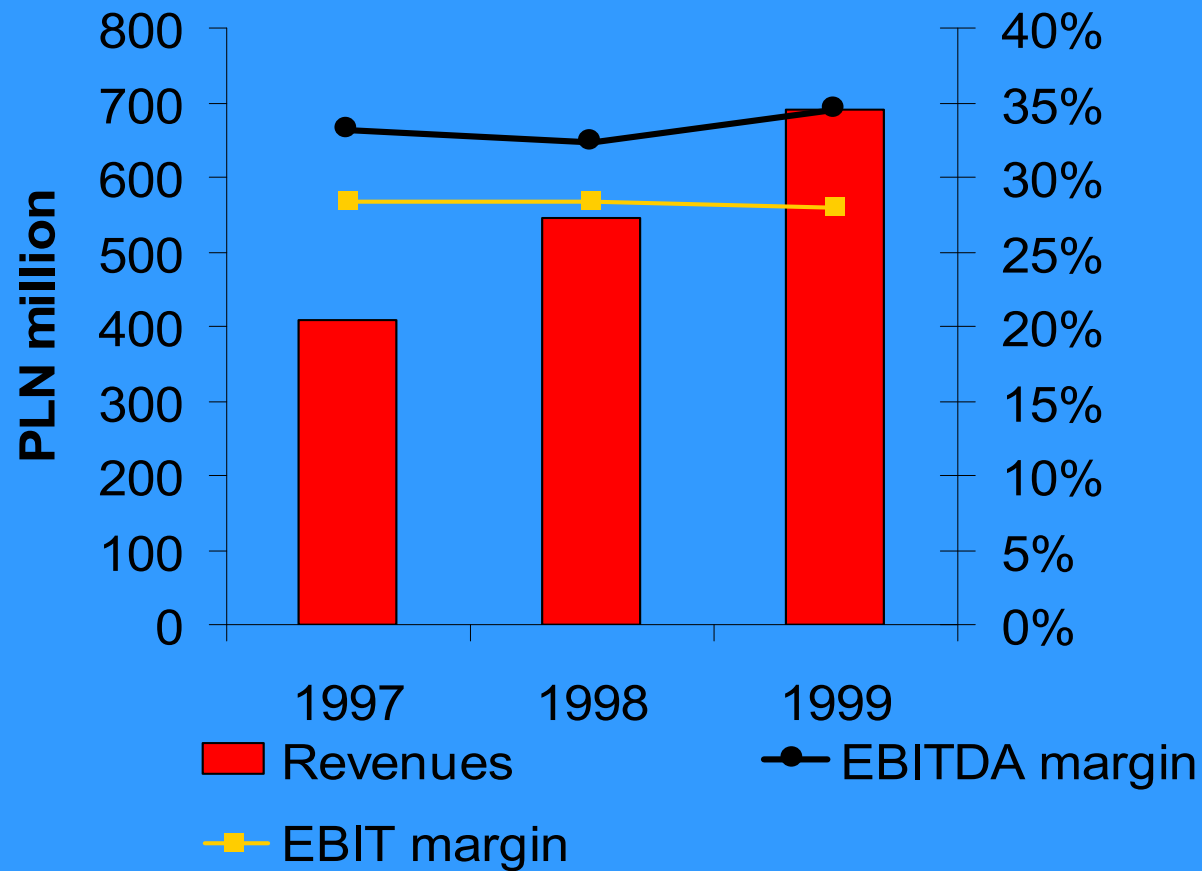
Rapidly growing and becoming profitable

Television

- Currently own 12.2% in TKP comprising Polish version of pay TV Canal+ and DDTH platform Cyfra+
- Subscriber portfolio shows healthy growth (total ca. 380K, digital 286K)
- Total DDTH (Cyfra+ and competitor) subscribers in Poland by YE99 about 500K demonstrate market appetite
- Competitor acquired by UPC (active in European consolidation play). Potential for market rationalization

 ***Better positioned to succeed***

Financial highlights



 *High margin business*

Strategy

- The newspaper doing extremely well reflecting Polish economy
- Infrastructure and product development for *Gazeta* expansion now largely in place
- Radio investments outperform aggressive expectations
- TKP investment has positive momentum
- Management focus on new business development, assisted by clean balance sheet

 *Gearing up for growth*