

SA-OSr II/2004

(quarter/year)

(for the issuer of securities providing production, building, trade or service business)

According to the § 57 section 2, § 58 section 1 § of the Cabinets Decree as at 16 October 2001

- Dz.U. No 139, item no. 1569 and of 2002 No 31, item no. 280

Management Board of AGORA SA announces

For the 2nd quarter of the year 2004

5 August 2004

SELECTED FINANCIAL DATA	'000 PLN		'000 EURO	
	2 quarters cumulatively from 1/01/2004 to 30/06/2004	2 quarters cumulatively prior year from 1/01/2003 to 30/06/2003	2 quarters cumulatively from 1/01/2004 to 30/06/2004	2 quarters cumulatively prior year from 1/01/2003 to 30/06/2003
I. Net sales of merchandise and finished products	474 954	426 235	100 581	99 090
II. Profit on operating activities	25 397	27 570	5 378	6 409
III. Profit before taxation	14 685	16 035	3 110	3 728
IV. Net profit (loss)	11 781	8 234	2 495	1 914
V. Net cash flow from operating activities	57 876	69 236	12 256	16 096
VI. Cash flow from investment activities	(48 958)	(65 311)	(10 368)	(15 183)
VII. Cash flow from financing activities	(5 445)	(25 543)	(1 153)	(5 938)
VIII. Total net cash flows	3 473	(21 618)	735	(5 026)
IX. Total assets	1 380 317	1 401 384	303 466	312 140
X. Liabilities and provisions for liabilities	309 314	329 112	68 004	73 305
XI. Long-term liabilities	122 065	122 066	26 836	27 189
XII. Short-term liabilities	102 054	108 103	22 437	24 079
XIII. Equity	1 070 155	1 071 313	235 276	238 621
XIV. Share capital	56 758	56 758	12 478	12 642
XV. Number of shares	56 757 525	56 757 525	56 757 525	56 757 525
XVI. Net profit per ordinary share (in PLN / EUR)	0,10	0,26	0,02	0,06
XVII. Diluted profit / (loss) after taxation per ordinary share (in PLN / EUR)	-	-	-	-
XVIII Book value per share (in PLN / EUR)	18,85	18,88	4,15	4,20
XIX. Diluted book value per share (in PLN / EUR)	-	-	-	-
XX. Declared dividend per one share (in PLN / EUR)	-	-	-	-

CONSOLIDATED BALANCE SHEET	as at 30/06/2004 (current year)	as at 31/03/2004 (current year)	as at 30/06/2003 (prior year)	as at 31/03/2003 (prior year)
	-	-	-	-
I. Fixed assets	1 084 135	1 109 693	1 161 162	1 188 457
1. Intangible fixed assets, including	98 515	102 665	101 768	105 461
- goodwill	7 089	9 403	10 282	10 573
2. Goodwill of subordinated entities	182 501	184 067	174 903	175 169
3. Tangible fixed assets	764 153	785 477	846 409	868 365
4. Long-term debtors	148	144	43	48
4.1. From related entities	-	-	-	-
4.2. From other entities	148	144	43	48
5. Long-term investments	20 966	20 430	28 951	28 125
5.1. Real estate property	-	-	-	-
5.2. Intangible fixed assets	-	-	-	-
5.3. Long-term financial assets	20 966	20 430	28 951	28 125
a) in related entities	17 366	16 180	16 675	12 512
- shares in subordinated entities accounted for under the equity method	93	-	862	-
- shares in subsidiaries and co-owned subsidiaries excluded from consolidation	3 055	3 055	1 476	1 398
b) in other entities	3 600	4 250	12 276	15 613
5.4. Other long-term investments	-	-	-	-
6. Long-term interperiod settlements	17 852	16 910	9 088	11 289
6.1. Deferred tax assets	17 023	16 041	7 920	9 958
6.2. Others	829	869	1 168	1 331
II. Current assets	296 182	252 851	240 222	207 181
1. Inventories	12 339	12 490	13 162	13 058
2. Short-term receivables	150 249	123 801	130 404	116 877
2.1. From related entities	960	3 187	1 490	1 492
2.2. From other entities	149 289	120 614	128 914	115 385
3. Short-term investments	122 675	101 430	87 684	70 185
3.1. Short-term financial assets	122 675	101 430	87 684	70 185
a) in related entities	2 409	931	1 331	562
b) in other entities	67 492	62 816	58 490	14 177
c) cash and cash equivalents	52 774	37 683	27 863	55 446
3.2. Other short-term investments	-	-	-	-
4. Short-term interperiod settlements	10 919	15 130	8 972	7 061
Total assets	1 380 317	1 362 544	1 401 384	1 395 638

Liabilities and shareholders' equity	-	-	-	-
I. Equity	1 070 155	1 049 302	1 071 313	1 058 294
1. Share capital	56 758	56 758	56 758	56 758
2. Outstanding share capital contributions (negative figure)	-	-	(1)	-
3. Entity's own shares (negative figure)	-	-	-	-
4. Reserve capital	1 007 666	1 016 231	1 015 891	963 626
5. Revaluation reserve	444	488	545	549
6. Other reserve capital	-	-	-	-
7. Foreign exchange translation differences on consolidation	-	-	-	-
a) foreign exchange gains	-	-	-	-
b) foreign exchange losses	-	-	-	-
8. Accumulated profit/(loss) from previous years	(6 494)	(14 869)	(10 115)	42 146
9. Net profit for the year	11 781	(9 306)	8 234	(4 785)
10. Write-offs from net profit for the financial year (negative figure)	-	-	-	-
II. Minority interest	848	1 351	959	1 689
III. Negative goodwill of subordinated entities	-	-	-	-
IV. Liabilities and provisions for liabilities	309 314	311 891	329 112	335 655
1. Provisions for liabilities	54 121	58 295	67 414	66 361
1.1. Deferred tax liability	45 523	44 021	52 327	50 170
1.2. Provision for retirement severances and similar benefits	1 498	1 666	1 818	1 476
a) long-term provisions	1 479	1 644	1 542	1 442
b) short-term provisions	19	22	276	34
1.3. Other provisions	7 100	12 608	13 269	14 715
a) long-term provisions	882	1 034	9 031	10 477
b) short-term provisions	6 218	11 574	4 238	4 238
2. Long-term liabilities	122 065	130 782	122 066	139 500
2.1. To related entities	-	-	-	-
2.2. To other entities	122 065	130 782	122 066	139 500
3. Short-term liabilities	102 054	84 987	108 103	94 255
3.1. To related entities	1 401	865	402	83
3.2. To other entities	83 012	66 493	92 470	78 963
3.3. Special funds	17 641	17 629	15 231	15 209
4. Interperiod settlements	31 074	37 827	31 529	35 539
4.1. Negative goodwill	-	-	-	-
4.2. Other interperiod settlements	31 074	37 827	31 529	35 539
a) long-term	3 071	3 385	5 155	5 695
b) short-term	28 003	34 442	26 374	29 844
Total equity and liabilities	1 380 317	1 362 544	1 401 384	1 395 638
Book value	1 070 155	1 049 302	1 071 313	1 058 294
Number of shares	56 757 525	56 757 525	56 757 525	56 757 525
Book value per share in PLN	18,85	18,49	18,88	18,65

Since first quarter of 2004 the Group has presented the deferred tax assets and liabilities separately. Consequently deferred tax assets and deferred tax liabilities increased respectively by:

as at 30.06.2003 PLN 7,920 thousand
as at 31.03.2003 PLN 9,958 thousand

After the publication of financial statements as at 31 March 2004, according to the auditor's suggestions, the Group has changed the balance sheet presentation of monetary assets with maturities up to 3 months (treasury papers and certificates in investment funds), which are now classified as "short terms financial assets in other entities" whereas they used to be presented as "cash and cash equivalents". Consequently the balance of "Cash and cash equivalents" as at 31 March 2004 has been decreased and "short term financial assets in other entities" increased by PLN 62,816 thousand in comparison to previously presented data.

Off balance sheet items '000PLN	as at 30/06/2004 (current year)	as at 31/03/2004 (current year)	as at 30/06/2003 (prior year)	as at 31/03/2003 (prior year)
2. Contingent liabilities	3 280	3 280	3 369	3 369
2.1. To related entities	1 523	1 523	1 458	1 050
- guarantees given	1 523	1 523	1 458	1 050
2.2. To other entities	1 757	1 757	1 911	2 319
- guarantees given	284	284	200	200
- collateral for payment of services	1 473	1 473	1 711	2 119
Total off balance sheet positions	3 280	3 280	3 369	3 369

CONSOLIDATED PROFIT AND LOSS	2nd quarter from 1/04/2004 to 30/06/2004	cumulatively from 1/01/2004 to 30/06/2004	2nd quarter from 1/04/2003 to 30/06/2003	cumulatively from 1/01/2003 to 30/06/2003
I. Net sales of finished products, merchandise and materials	264 801	474 954	227 647	426 235
- to related entities	1 376	2 696	1 172	2 028
1. Net sales of finished products	252 085	460 290	225 725	422 464
2. Net sales of merchandise and materials	12 716	14 664	1 922	3 771
II. Cost of finished products, merchandise and materials	(156 188)	(296 084)	(140 392)	(272 204)
- from related entities	(802)	(1 681)	(424)	(1 282)
1. Cost of finished products sold	(146 986)	(285 817)	(139 185)	(269 272)
2. Cost of merchandise and materials sold	(9 202)	(10 267)	(1 207)	(2 932)
III. Gross profit on sales (I-II)	108 613	178 870	87 255	154 031
IV. Distribution expenses	(51 438)	(87 864)	(37 075)	(67 755)
V. Administrative expenses	(26 468)	(54 688)	(27 905)	(58 839)
VI. Profit on sales (III-IV-V)	30 707	36 318	22 275	27 437
VII. Other operating income	4 610	9 274	6 348	11 577
1. Profit from disposal of non-financial fixed assets	29	91	99	186
2. Subsidies	641	711	43	111
3. Other operating revenues	3 940	8 472	6 206	11 280
VIII. Other operating expenses	(6 574)	(20 195)	(5 603)	(11 444)
1. Loss from disposal of non-financial fixed assets	-	-	-	-
2. Revaluation of non-financial assets	(2 861)	(6 791)	(3 542)	(6 988)
3. Other operating expenses	(3 713)	(13 404)	(2 061)	(4 456)
IX. Profit on operating activities (VI+VII-VIII)	28 743	25 397	23 020	27 570
X. Financial revenues	3 669	8 257	4 171	7 061
1. Dividends and shares in profits, including	-	-	-	-
- from related entities	-	-	-	-
2. Interest, including	1 956	3 966	1 980	4 723
- from related entities	728	1 510	503	1 019
3. Profit from investments disposed	541	1 098	80	80
4. Revaluation of investments	-	167	533	597
5. Others	1 172	3 026	1 578	1 661
XI. Financial expenses	(6 457)	(12 350)	(5 315)	(12 948)
1. Interest, including	(2 280)	(4 420)	(2 497)	(5 458)
- to related entities	(16)	(16)	-	-
2. Loss from investments disposed	-	-	-	-
3. Revaluation of investments	(3 335)	(6 411)	(1 620)	(4 460)
4. Others	(842)	(1 519)	(1 198)	(3 030)
XII. Profit (loss) on sale of shares or part of shares in subordinated entities	-	-	-	322
XIII. Profit (loss) on ordinary activities (IX+X+XI+/-XII)	25 955	21 304	21 876	22 005
XIV Extraordinary items (XIV.1. - XIV.2.)	-	-	3	26
1. Extraordinary gains	-	-	3	26
2. Extraordinary losses	-	-	-	-
XV. Goodwill amortisation from subordinated entities	(3 317)	(6 619)	(2 931)	(5 996)
XVI. Negative goodwill amortisation from subordinated entities	-	-	-	-
XVII. Profit before taxation (XII+/-XIII)	22 638	14 685	18 948	16 035
XVIII. Income tax expense	(980)	(1 556)	(5 051)	(6 459)
a) Current tax expense	(459)	(717)	(855)	(1 436)
b) Deferred tax expense	(521)	(839)	(4 196)	(5 023)
XIX. Other obligatory charges (increases of a loss)	-	-	-	-
XX. Share in net results of subordinated entities accounted for under the equity method	(275)	(974)	(600)	(851)
XXI. Minority interest's share in profit	(296)	(374)	(278)	(491)
XXII. Net profit (Loss) (XIV-XV-XVI+/-XVII)	21 087	11 781	13 019	8 234
Profit / (Loss) after taxation (for 12 months)	5 665		14 645	
Weighted average number of ordinary shares	56 757 525		56 757 525	
Net profit per ordinary share in PLN	0,10		0,26	

Presented above earnings per share figure is annualised for the period from 1 July 2003 to 30 June 2004.

CHANGES IN CONSOLIDATED EQUITY	2nd quarter from 1/04/2004 to 30/06/2004	cumulatively from 1/01/2004 to 30/06/2004	2nd quarter from 1/04/2003 to 30/06/2003	cumulatively from 1/01/2003 to 30/06/2003
I. Equity opening balance	1 049 302	1 065 246	1 058 294	1 063 079
a) changes in the accounting policy	-	(6 872)	-	-
b) corrections of fundamental errors	-	-	-	-
I.a. Opening balance of equity after reconciliation to comparable data	1 049 302	1 058 374	1 058 294	1 063 079
1. Share capital opening balance	56 758	56 758	56 758	56 758
1.1. Changes in share capital	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
1.2. Share capital closing balance	56 758	56 758	56 758	56 758
2. Outstanding share capital contributions as at the beginning of the year	-	-	-	-
2.1. Changes in outstanding share capital contributions	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
2.2. Outstanding share capital contributions as at the period end	-	-	-	-
3. Agora's own shares as the beginning of the year	-	-	-	-
3.1. Changes in Agora's own shares	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
3.2. Agora's own shares as at the year ended	-	-	-	-
4. Reserve capital opening balance	1 016 231	1 015 997	963 626	963 620
4.1. Changes in capital reserves	(8 565)	(8 331)	52 265	52 271
a) additions	2 162	2 162	52 409	52 415
- net profit appropriation (over statutory minimum value)	2 118	2 118	52 405	52 405
- fixed assets disposals	44	44	4	10
b) disposals	(10 727)	(10 493)	(144)	(144)
- loss coverage of incorporated City Magazine Sp. z o.o.	-	-	(144)	(144)
- cover of loss resulting from change of accounting policy	(378)	(378)	-	-
- consolidation adjustments	(234)	-	-	-
- cover of loss from consolidation of radio companies	(10 115)	(10 115)	-	-
4.2. Reserve capital closing balance	1 007 666	1 007 666	1 015 891	1 015 891
5. Revaluation reserve opening balance	488	488	549	555
5.1. Changes in revaluation reserves	(44)	(44)	(4)	(10)
a) additions	-	-	-	-
b) disposals	(44)	(44)	(4)	(10)
- fixed assets disposals	(44)	(44)	(4)	(10)
5.2. Revaluation reserve closing balance	444	444	545	545
6. Other capital reserve opening balance	-	-	-	-
6.1. Changes in other capital reserves	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
6.2. Other capital reserve closing balance	-	-	-	-
7. Foreign exchange differences form translation of subordinated entities	-	-	-	-
8. Accumulated profit (loss) from previous years, opening balance	(24 175)	(7 997)	37 361	42 146
8.1. Accumulated profit from previous years, opening balance	2 118	2 118	37 361	42 146
a) changes in the accounting policy	-	-	-	-
b) corrections of fundamental errors	-	-	-	-
8.2. Opening balance of accumulated profit from previous years after reconciliation to comparable data	2 118	2 118	37 361	42 146
a) additions	-	-	144	144
- loss of incorporated City Magazine Sp. z o.o. to be covered	-	-	144	144
b) disposals	(2 118)	(2 118)	(52 405)	(52 405)
- transfer to capital reserves	(2 118)	(2 118)	(52 405)	(52 405)
8.3. Closing balance of accumulated profit from previous years	-	-	(14 900)	(10 115)
8.4. Opening balance of accumulated loss from the prior years	(26 293)	(10 115)	-	-
- changes in the accounting policy	-	(6 872)	-	-
- adjustments of fundamental errors	-	-	-	-
8.5. Opening balance of accumulated loss from the prior years after reconciliation to comparable data	(26 293)	(16 987)	-	-
a) additions	-	-	-	-
b) disposals	10 493	10 493	-	-
- cover of loss resulting from change of accounting policy	378	378	-	-
- cover of loss from consolidation of radio companies	10 115	10 115	-	-
8.6. Closing balance of accumulated loss from the prior years	(15 800)	(6 494)	-	-
8.7. Closing balance of accumulated profit/(loss) from the prior years	(15 800)	(6 494)	(14 900)	(10 115)

9. Net result	21 087	11 781	13 019	8 234
a) net profit	21 087	11 781	13 019	8 234
b) net loss	-	-	-	-
c) profit write-offs	-	-	-	-
II. Equity closing balance	1 070 155	1 070 155	1 071 313	1 071 313
III. Equity after the proposed profit distribution or providing for a loss	1 070 155	1 070 155	1 071 313	1 071 313

Opening balance of equity has been decreased by PLN 6,872 thousand being the fair value of embedded derivatives net of deferred tax recognised as at 31 December 2003.

CONSOLIDATED CASH FLOW STATEMENT	2nd quarter from 1/04/2004 to 30/06/2004	cumulatively from 1/01/2004 to 30/06/2004	2nd quarter from 1/04/2003 to 30/06/2003	cumulatively from 1/01/2003 to 30/06/2003
A. Cash flow from operating activities - indirect method	36 706	57 876	34 894	69 236
I. Profit after taxation	21 087	11 781	13 019	8 234
II. Total adjustments	15 619	46 095	21 875	61 002
1. Profit (loss) of minority shareholders	296	374	278	491
2. Share in profit of companies consolidated under the equity method	275	974	600	851
3. Depreciation	31 533	63 712	35 120	71 450
- Goodwill or negative goodwill write-offs	3 317	6 619	2 931	5 996
4. Foreign exchange (gains) / losses	162	(15)	-	-
5. Interests and dividends	2 191	4 234	2 364	5 157
6. Investment (income) / loss	4 471	6 700	502	1 027
7. Change in provisions	(4 174)	1 088	1 053	2 972
8. Change in inventory position	151	2 827	(104)	1 577
9. Change in accounts receivable position	(27 502)	(27 022)	(13 477)	6 450
10. Change in short-term liabilities (except for bank credits and loans)	11 569	4 093	422	(23 109)
11. Change in interperiod settlements	(3 049)	(10 834)	(3 720)	(5 891)
12. Other adjustments	(304)	(36)	(1 163)	27
III. Net cash flow from operating activities (I+/-II)	36 706	57 876	34 894	69 236
B. Cash flow from investment activities	(13 519)	(48 958)	(56 815)	(65 311)
I. Cash inflows from investing activities	398	1 680	133	10 741
1. Proceeds from sale of tangible and intangible fixed assets	68	148	133	341
2. Proceeds from sale of real estate property investments and intangible fixed assets	-	-	-	-
3. From financial assets, including:	-	1 202	-	10 400
a) assets in related entities	-	1 202	-	10 400
- financial assets disposed of	-	-	-	400
- dividends and shares in profits	-	-	-	-
- repayment of long-term loans granted	-	-	-	-
- interests	-	34	-	-
- other inflows from financial assets	-	1 168	-	10 000
b) assets in other entities	-	-	-	-
- financial assets disposed of	-	-	-	-
- dividends and shares in profits	-	-	-	-
- repayment of long-term loans granted	-	-	-	-
- interests	-	-	-	-
- other inflows from financial assets	-	-	-	-
4. Other investment inflows	330	330	-	-
II. Cash outflows from investing activities	(13 917)	(50 638)	(56 948)	(76 052)
1. Acquired intangible assets and tangible fixed assets	(5 278)	(16 487)	(6 873)	(17 524)
2. Investments in real estate property and intangible assets	-	-	-	-
3. Financial assets, including:	(8 639)	(34 151)	(50 075)	(58 231)
a) assets in related entities	(4 376)	(9 031)	(6 894)	(8 814)
- financial assets acquired	(1 527)	(3 862)	(3 693)	(4 180)
- long-term loans granted	(2 849)	(5 169)	(3 201)	(4 634)
b) assets in other entities	(4 263)	(25 120)	(43 110)	(49 346)
- financial assets acquired	(4 263)	(25 120)	(42 911)	(48 412)
- long-term loans granted	-	-	(199)	(934)
4. Dividends paid to minority shareholders	-	-	-	-
5. Other investment outflows	-	-	-	(297)
III. Cash flow from investment activities (I-II)	(13 519)	(48 958)	(56 815)	(65 311)
C. Cash flow from financing activities	(8 096)	(5 445)	(5 662)	(25 543)
I. Inflows from financing activities	-	224	3 962	3 962
1. Net inflows from issuing shares and other capital instruments and additional capital contributions	-	-	-	-
2. Bank credits and loans	-	224	3 962	3 962
3. Issue of debt securities	-	-	-	-
4. Other financial inflows	-	-	-	-

II. Cash outflows from financing activities	(8 096)	(5 669)	(9 624)	(29 505)
1. Entity's own shares acquired	-	-	-	-
2. Dividends and other payments to shareholders/owners	(799)	(799)	(1 008)	(1 008)
3. Payments, other than dividends to shareholders, distributions of profit	-	-	-	-
4. Bank credits and loans repaid	(5 106)	(619)	(6 175)	(14 144)
5. Debt securities redeemed	-	-	-	(9 000)
6. Other financial liabilities	-	-	-	-
7. Rentals paid under finance leasing contracts	-	-	(76)	(185)
8. Interest	(2 191)	(4 251)	(2 365)	(5 168)
9. Other financial outflows	-	-	-	-
III. Cash flow from financing activities (I-II)	(8 096)	(5 445)	(5 662)	(25 543)
D. Total net cash flows (A.III+/-B.III+/-C.III)	15 091	3 473	(27 583)	(21 618)
E. Change of cash position in the balance sheet	15 091	3 473	(27 583)	(21 618)
- including change in cash position due to foreign exchange differences	(87)	(12)	(12)	26
F. Cash and cash equivalents at the beginning of the financial year	37 683	49 301	55 446	49 481
G. Cash and cash equivalents at the end of the financial year (F+/- D)	52 774	52 774	27 863	27 863
- including restricted cash	4 952	4 952	3 807	3 807

Due to change of presentation of certain items in cash flow statement the comparative figures for first half of 2003 have been restated in the following way:

- depreciation has been increased by PLN 586 thousand (transfer of goodwill amortisation from "other adjustments" in operating activities),
- transfer of impairment losses in the amount of PLN 956 thousand from "other adjustments" to "(profit) loss on investment activity" in operating activities,
- items "change in interperiod settlements" and "change in provisions" decreased by PLN 917 thousand - adjustment relates to separate disclosure of deferred tax assets and deferred tax liabilities.

Extract of quarterly financial statements of Agora SA

BALANCE SHEET '000 PLN	as at 30/06/2004 (current year)	as at 31/03/2004 (current year)	as at 30/06/2003 (prior year)	as at 31/03/2003 (prior year)
Assets	-	-	-	-
I. Fixed assets	1 081 944	1 097 341	1 130 151	1 151 909
1. Intangible fixed assets, including	91 327	95 411	95 297	98 727
- goodwill	2 582	4 756	5 217	5 369
2. Tangible fixed assets	638 805	656 994	711 304	729 421
3. Long-term debtors	426	120	43	332
3.1. From related entities	284	-	-	284
3.2. From other entities	142	120	43	48
4. Long-term investments	334 728	329 467	316 610	314 723
4.1. Real estate property	-	-	-	-
4.2. Intangible fixed assets	-	-	-	-
4.3. Long-term financial assets	334 728	329 467	316 610	314 723
a) in related entities	331 574	325 663	304 417	299 110
- shares in subordinated entities accounted for under the equity method	-	-	-	-
b) in other entities	3 154	3 804	12 193	15 613
4.4. Other long-term investments	-	-	-	-
5. Long-term interperiod settlements	16 658	15 349	6 897	8 706
5.1. Deferred tax asset	16 641	15 349	6 897	8 706
5.2. Others	17	-	-	-
II. Current assets	245 835	213 348	208 100	165 166
1. Inventories	9 262	9 246	10 650	10 940
2. Short-term receivables	127 493	106 553	124 199	99 593
2.1. From related entities	3 543	7 243	19 114	4 343
2.2. From other entities	123 950	99 310	105 085	95 250
3. Short-term investments	102 605	87 037	68 590	51 768
3.1. Short-term financial assets	102 605	87 037	68 590	51 768
a) in related entities	3 743	2 107	2 082	1 446
b) in other entities	66 343	60 113	51 060	7 077
c) cash and cash equivalents	32 519	24 817	15 448	43 245
3.2. Other short-term investments	-	-	-	-
4. Short-term interperiod settlements	6 475	10 512	4 661	2 865
Total assets	1 327 779	1 310 689	1 338 251	1 317 075
Liabilities and shareholders' equity	-	-	-	-
I. Equity	1 052 579	1 037 087	1 054 111	1 030 222
1. Share capital	56 758	56 758	56 758	56 758
2. Outstanding share capital contributions (negative figure)	-	-	-	-
3. Entity's own shares (negative figure)	-	-	-	-
4. Reserve capital	981 214	973 746	973 690	901 211
5. Revaluation reserve	444	488	545	549
6. Other reserve capital	-	-	-	-
7. Accumulated profit/(loss) from previous years	-	7 424	-	72 475
8. Net profit for the year	14 163	(1 329)	23 118	(771)
9. Write-offs from net profit for the financial year (negative figure)	-	-	-	-
II. Liabilities and provisions for liabilities	275 200	273 602	284 140	286 853
1. Provisions for liabilities	50 745	54 280	61 800	61 217
1.1. Deferred tax liability	45 426	43 853	52 059	49 971
1.2. Provision for retirement severances and similar benefits	1 357	1 513	1 417	1 476
a) long-term provisions	1 338	1 491	1 403	1 442
b) short-term provisions	19	22	14	34
1.3. Other provisions	3 962	8 914	8 324	9 770
a) long-term provisions	-	-	8 324	9 770
b) short-term provisions	3 962	8 914	-	-
2. Long-term liabilities	122 065	130 782	122 065	139 500
2.1. To related entities	-	-	-	-
2.2. To other entities	122 065	130 782	122 065	139 500
3. Short-term liabilities	84 160	64 792	81 451	62 989
3.1. To related entities	10 277	10 415	7 879	4 885
3.2. To other entities	59 757	40 177	61 235	45 737
3.3. Special funds	14 126	14 200	12 337	12 367
4. Interperiod settlements	18 230	23 748	18 824	23 147
4.1. Negative goodwill	-	-	-	-
4.2. Other interperiod settlements	18 230	23 748	18 824	23 147
a) long-term	1	1	18	27
b) short-term	18 229	23 747	18 806	23 120
Total equity and liabilities	1 327 779	1 310 689	1 338 251	1 317 075
Book value	1 052 579	1 037 087	1 054 111	1 030 222
Number of shares	56 757 525	56 757 525	56 757 525	56 757 525
Book value per share in PLN	18,55	18,27	18,57	18,15
Predicted number of shares	-	-	-	-
Diluted book value per share in PLN	-	-	-	-

Since first quarter of 2004 Agora has presented the deferred tax assets and liabilities separately. Consequently deferred tax assets and deferred tax liabilities increased respectively by:

as at 30.06.2003 PLN 6,897 thousand

as at 31.03.2003 PLN 8,706 thousand

After the publication of financial statements as at 31 March 2004, according to the auditor's suggestions, Agora has changed the balance sheet presentation of monetary assets with maturities up to 3 months (treasury papers and certificates in investment funds), which are now classified as "short terms financial assets in other entities" whereas they used to be presented as "cash and cash equivalents". Consequently the balance of "Cash and cash equivalents" as at 31 March 2004 has been decreased and short term financial assets in other entities increased by PLN 60,113 thousand in comparison to previously presented data.

Off balance sheet items '000PLN	as at 30/06/2004 (current year)	as at 31/03/2004 (current year)	as at 30/06/2003 (prior year)	as at 31/03/2003 (prior year)
2. Contingent liabilities	1 523	1 523	1 050	1 050
2.1. To related entities	1 523	1 523	1 050	1 050
- guarantees given	1 523	1 523	1 050	1 050
Total off balance sheet positions	1 523	1 523	1 050	1 050

PROFIT AND LOSS	2nd quarter from 1/04/2004 to 30/06/2004	cumulatively from 1/01/2004 to 30/06/2004	2nd quarter from 1/04/2003 to 30/06/2003	cumulatively from 1/01/2003 to 30/06/2003
I. Net sales of finished products, merchandise and materials	228 554	418 360	197 795	373 487
- to related entities	6 380	13 434	6 091	12 211
1. Net sales of finished products	216 690	404 931	195 985	369 346
2. Net sales of merchandise and materials	11 864	13 429	1 810	4 141
II. Cost of finished products, merchandise and materials	(132 990)	(253 499)	(118 710)	(233 065)
- from related entities	(4 948)	(10 577)	(4 873)	(9 946)
1. Cost of finished products sold	(123 952)	(243 781)	(117 694)	(230 532)
2. Cost of merchandise and materials sold	(9 038)	(9 718)	(1 016)	(2 533)
III. Gross profit on sales (I-II)	95 564	164 861	79 085	140 422
IV. Distribution costs	(55 297)	(94 738)	(38 411)	(68 137)
V. Administrative expenses	(22 806)	(46 861)	(23 284)	(50 118)
VI. Profit on sales (III-IV-V)	17 461	23 262	17 390	22 167
VII. Other operating income	3 263	5 372	2 468	3 485
1. Profit from disposal of non-financial fixed assets	13	14	7	71
2. Subsidies	597	623	-	22
3. Other operating revenues	2 653	4 735	2 461	3 392
VIII. Other operating expenses	(4 259)	(14 604)	(3 063)	(6 393)
1. Loss from disposal of non-financial fixed assets	-	-	-	-
2. Revaluation of non-financial assets	(1 663)	(3 786)	(1 654)	(3 384)
3. Other operating expenses	(2 596)	(10 818)	(1 409)	(3 009)
IX. Profit on operating activities (VI+VII-VIII)	16 465	14 030	16 795	19 259
X. Financial revenues	6 981	15 301	22 067	27 180
1. Dividends and shares in profits, including	2 059	2 059	17 028	17 028
- from related entities	2 059	2 059	17 028	17 028
2. Interest, including	3 211	6 369	3 087	7 091
- from related entities	2 111	4 229	1 705	3 685
3. Profit from investments disposed	518	1 075	80	80
4. Revaluation of investments	-	2 812	355	1 351
5. Others	1 193	2 986	1 517	1 630
XI. Financial expenses	(7 673)	(14 701)	(10 767)	(18 248)
1. Interest, including	(2 106)	(4 133)	(2 306)	(4 755)
- to related entities	-	-	-	-
2. Loss from investments disposed	-	-	-	(4)
3. Revaluation of investments	(4 781)	(9 236)	(7 532)	(10 942)
4. Others	(786)	(1 332)	(929)	(2 547)
XII. Profit on ordinary activities (IX+X-XI)	15 773	14 630	28 095	28 191
XIII. Extraordinary items (XIII.1. - XIII.2.)	-	-	3	23
1. Extraordinary gains	-	-	3	23
2. Extraordinary losses	-	-	-	-
XIV. Profit before taxation (XII+/-XIII)	15 773	14 630	28 098	28 214
XV. Income tax expense	(281)	(467)	(4 209)	(5 096)
a) Current tax expense	-	-	(311)	(311)
b) Deferred tax expense	(281)	(467)	(3 898)	(4 785)
XVI. Other obligatory charges (increases of a loss)	-	-	-	-
XVII. Share in net results of subordinated entities accounted for under the equity method	-	-	-	-
XVIII. Net profit (Loss) (XIV-XV-XVI+/-XVII)	15 492	14 163	23 889	23 118
Profit / (Loss) after taxation (for 12 months)	(1 153)		31 283	
Weighted average number of ordinary shares	56 757 525		56 757 525	
Net profit per ordinary share in PLN	(0,02)		0,55	

Presented above earnings per share figure is annualised for the period from 1 July 2003 to 30 June 2004.

In 2003 the Company changed the presentation of "Cost of finished products, merchandise and materials from related parties". Now this line presents cost of goods sold to related parties. In the financial statement for second quarter of 2003 this line included the sum of costs incurred with related parties. Consequently this item has been decreased by PLN 15,042 thousand in comparison to figures presented for half year of 2003.

CHANGES IN EQUITY	2nd quarter from 1/04/2004 to 30/06/2004	cumulatively from 1/01/2004 to 30/06/2004	2nd quarter from 1/04/2003 to 30/06/2003	cumulatively from 1/01/2003 to 30/06/2003
I. Equity opening balance	1 037 087	1 038 794	1 030 222	1 030 993
a) changes in the accounting policy	-	(378)	-	-
b) corrections of fundamental errors	-	-	-	-
I.a. Opening balance of equity after reconciliation to comparable data	1 037 087	1 038 416	1 030 222	1 030 993
1. Share capital opening balance	56 758	56 758	56 758	56 758
1.1. Changes in share capital	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
1.2. Share capital closing balance	56 758	56 758	56 758	56 758
2. Outstanding share capital contributions as at the beginning of the year	-	-	-	-
2.1. Changes in outstanding share capital contributions	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
2.2. Outstanding share capital contributions as at the period end	-	-	-	-
3. Agora's own shares as the beginning of the year	-	-	-	-
3.1. Changes in Agora's own shares	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
3.2. Agora's own shares as at the year ended	-	-	-	-
4. Reserve capital opening balance	973 746	973 746	901 211	901 205
4.1. Changes in capital reserves	7 468	7 468	72 479	72 485
a) additions	7 846	7 846	72 623	72 629
- net profit appropriation (over statutory minimum value)	7 802	7 802	72 619	72 619
- fixed assets disposals	44	44	4	10
b) disposals	(378)	(378)	(144)	(144)
- loss coverage of incorporated City Magazine Sp. z o.o.	-	-	(144)	(144)
- cover of loss resulting from change of accounting policy	(378)	(378)	-	-
4.2. Reserve capital closing balance	981 214	981 214	973 690	973 690
5. Revaluation reserve opening balance	488	488	549	555
5.1. Changes in revaluation reserves	(44)	(44)	(4)	(10)
a) additions	-	-	-	-
b) disposals	(44)	(44)	(4)	(10)
- fixed assets disposals	(44)	(44)	(4)	(10)
5.2. Revaluation reserve closing balance	444	444	545	545
6. Other capital reserve opening balance	-	-	-	-
6.1. Changes in other capital reserves	-	-	-	-
a) additions	-	-	-	-
b) disposals	-	-	-	-
6.2. Other capital reserve closing balance	-	-	-	-
7. Accumulated profit from previous years, opening balance	6 095	7 802	71 704	72 475
7.1. Accumulated profit from previous years opening balance	7 802	7 802	72 619	72 619
a) changes in the accounting policy	-	-	-	-
b) corrections of fundamental errors	-	-	-	-
7.2. Opening balance of accumulated profit from previous years after reconciliation to comparable data	7 802	7 802	72 619	72 619
a) additions	-	-	-	-
b) disposals	(7 802)	(7 802)	(72 619)	(72 619)
- transfer to capital reserves	(7 802)	(7 802)	(72 619)	(72 619)
7.3. Closing balance of accumulated profit from previous years	-	-	-	-
7.4. Opening balance of accumulated loss from the prior years	(1 707)	-	(915)	(144)
- changes in the accounting policy	-	(378)	-	-
- adjustments of fundamental errors	-	-	-	-
7.5. Opening balance of accumulated loss from the prior years after reconciliation to comparable data	(1 707)	(378)	(915)	(144)
a) additions	-	-	-	-
b) disposals	378	378	144	144
- loss of incorporated City Magazine Sp. z o.o. to be covered	-	-	144	144
- cover of loss resulting from change of accounting policy	378	378	-	-
7.6. Closing balance of accumulated loss from the prior years	(1 329)	-	(771)	-
7.7. Closing balance of accumulated profit/(loss) from the prior years	(1 329)	-	(771)	-

8. Net result	15 492	14 163	23 889	23 118
a) net profit	15 492	14 163	23 889	23 118
b) net loss	-	-	-	-
c) profit write-offs	-	-	-	-
II. Equity closing balance	1 052 579	1 052 579	1 054 111	1 054 111
III. Equity after the proposed profit distribution or providing for a loss	1 052 579	1 052 579	1 054 111	1 054 111

Opening balance of equity has been decreased by PLN 378 thousand being the fair value of embedded derivatives net of deferred tax recognised as at 31 December 2003.

CASH FLOW STATEMENT	2nd quarter from 1/04/2004 to 30/06/2004	cumulatively from 1/01/2004 to 30/06/2004	2nd quarter from 1/04/2003 to 30/06/2003	cumulatively from 1/01/2003 to 30/06/2003
A. Cash flow from operating activities - indirect method	19 641	37 640	30 201	56 091
I. Profit after taxation	15 492	14 163	23 889	23 118
II. Total adjustments	4 149	23 477	6 312	32 973
1. Share in profit of companies consolidated under the equity method	-	-	-	-
2. Depreciation	22 375	45 326	26 501	53 969
3. Foreign exchange (gains) / losses	185	(9)	30	3
4. Interests and dividends	(7)	(724)	(14 897)	(13 505)
5. Investment (income) / loss	4 318	6 016	5 571	6 124
6. Change in provisions	(3 534)	1 492	583	2 663
7. Change in inventory position	(17)	1 950	290	2 149
8. Change in accounts receivable position	(24 971)	(25 857)	(9 596)	(2 770)
9. Change in short-term liabilities (except for bank credits and loans)	8 442	3 289	2 399	(12 849)
10. Change in interperiod settlements	(2 790)	(8 023)	(4 309)	(2 895)
11. Other adjustments	148	17	(260)	84
III. Net cash flow from operating activities (I+/-II)	19 641	37 640	30 201	56 091
B. Cash flow from investment activities	(9 776)	(38 698)	(55 686)	(77 460)
I. Cash inflows from investing activities	2 567	5 541	2 610	39 073
1. Proceeds from sale of tangible and intangible fixed assets	16	19	14	99
2. Proceeds from sale of real estate property investments and intangible fixed assets	-	-	-	-
3. From financial assets, including:	2 221	5 192	2 596	38 974
a) assets in related entities	2 221	5 192	2 596	38 974
- financial assets disposed of	-	-	-	400
- dividends and shares in profits	2 059	2 059	2 596	2 596
- repayment of long-term loans granted	107	370	-	34 853
- interests	55	2 763	-	1 125
- other inflows from financial assets	-	-	-	-
b) assets in other entities	-	-	-	-
- financial assets disposed of	-	-	-	-
- dividends and shares in profits	-	-	-	-
- repayment of long-term loans granted	-	-	-	-
- interests	-	-	-	-
- other inflows from financial assets	-	-	-	-
4. Other investment inflows	330	330	-	-
II. Cash outflows from investing activities	(12 343)	(44 239)	(58 296)	(116 533)
1. Acquired intangible assets and tangible fixed assets	(1 977)	(8 995)	(6 036)	(14 263)
2. Investments in real estate property and intangible assets	-	-	-	-
3. Financial assets, including:	(10 366)	(35 244)	(51 963)	(101 973)
a) assets in related entities	(4 530)	(9 551)	(8 353)	(52 627)
- financial assets acquired	(1 166)	(3 562)	(4 418)	(36 151)
- long-term loans granted	(3 364)	(5 989)	(3 935)	(16 476)
b) assets in other entities	(5 836)	(25 693)	(43 610)	(49 346)
- financial assets acquired	(5 836)	(25 693)	(43 411)	(48 412)
- long-term loans granted	-	-	(199)	(934)
4. Other investment outflows	-	-	(297)	(297)
III. Cash flow from investment activities (I-II)	(9 776)	(38 698)	(55 686)	(77 460)
C. Cash flow from financing activities	(2 163)	(4 199)	(2 312)	(4 712)
I. Inflows from financing activities	-	-	-	-
1. Net inflows from issuing shares and other capital instruments and additional capital contributions	-	-	-	-
2. Bank credits and loans	-	-	-	-
3. Issue of debt securities	-	-	-	-
4. Other financial inflows	-	-	-	-

II. Cash outflows from financing activities	(2 163)	(4 199)	(2 312)	(4 712)
1. Entity's own shares acquired	-	-	-	-
2. Dividends and other payments to shareholders/owners	-	-	-	-
3. Payments, other than dividends to shareholders, distributions of profit	-	-	-	-
4. Bank credits and loans repaid	-	-	-	-
5. Debt securities redeemed	-	-	-	-
6. Other financial liabilities	-	-	-	-
7. Rentals paid under finance leasing contracts	-	-	-	-
8. Interest	(2 128)	(4 129)	(2 277)	(4 647)
9. Other financial outflows	(35)	(70)	(35)	(65)
III. Cash flow from financing activities (I-II)	(2 163)	(4 199)	(2 312)	(4 712)
D. Total net cash flows (A.III+/-B.III+/-C.III)	7 702	(5 257)	(27 797)	(26 081)
E. Change of cash position in the balance sheet	7 702	(5 257)	(27 797)	(26 081)
- including change in cash position due to foreign exchange differences	(87)	(12)	(12)	26
F. Cash and cash equivalents at the beginning of the financial year	24 817	37 776	43 245	41 529
G. Cash and cash equivalents at the end of the financial year (F+/- D)	32 519	32 519	15 448	15 448
- including restricted cash	2 915	2 915	3 807	3 807

Due to change of presentation of certain items in cash flow statement the comparative figures for first half of 2003 have been restated in the following way:

- depreciation has been increased by PLN 307 thousand (transfer of goodwill amortisation from "other adjustments" in operating activities),
- transfer of impairment losses in the amount of PLN 6,259 thousand from "other adjustments" to "(profit) loss on investment activity" in operating activities,
- items "change in interperiod settlements" and "change in provisions" decreased by PLN 673 thousand - adjustment relates to separate disclosure of deferred tax assets and deferred tax liabilities,

According to the above mentioned Cabinets Decree dated 16 October 2001 in the financial statements lines showing nil values were omitted.

**Signatures of person authorised
to act on behalf of the Company**

Wanda Rapaczynski - President of the Management Board	<i>signed on the Polish original</i>
Piotr Niemczycki - Vice-President of the Management Board	<i>signed on the Polish original</i>
Helena Łuczywo - Vice-President of the Management Board	<i>signed on the Polish original</i>
Zbigniew Bąk - Vice-President of the Management Board	<i>signed on the Polish original</i>
Jarosław Szaliński - Member of the Management Board	<i>signed on the Polish original</i>

5 August 2004