

Agora SA**Consolidated balance sheets as at 30 September 1999 and 1998**

(all amounts in PLN thousands unless otherwise indicated)

	As of 30 September	
	1999	1998
Assets		
Current assets:		
Cash and cash equivalents	166 312	13 781
Short-term securities	158 834	1 272
Accounts receivable and prepayments	82 225	122 420
Inventories	18 026	12 713
	<u>425 397</u>	<u>150 186</u>
Long-term assets:		
Property, plant and equipment	368 030	189 811
Intangible assets	39 072	23 316
Investments	35 434	49 575
	<u>442 536</u>	<u>262 702</u>
Total assets	<u>867 933</u>	<u>412 888</u>
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable and accrued charges	81 551	59 633
Short-term borrowings	46 078	74 708
	<u>127 629</u>	<u>134 341</u>
Long-term liabilities:		
Long-term borrowings	77 358	99 747
Deferred income taxes	11 726	6 825
	<u>89 084</u>	<u>106 572</u>
Shareholders' equity:		
Ordinary shares	56 758	44 141
Retained earnings and other reserves	594 462	127 834
	<u>651 220</u>	<u>171 975</u>
Total liabilities and shareholders' equity	<u>867 933</u>	<u>412 888</u>

Starting 30 June 1999 the Group changed balance sheet presentation with respect to treasury bills. In order to reflect the intended use of such assets, they are now being presented under the "Cash and cash equivalents" caption of the balance sheet. The comparative balance sheet as of 30 September 1998 has been restated to conform to the current presentation. The effect of the change is an increase of the Cash and cash equivalents and decrease of Short - term securities by an amount of 7,606 KPLN as at 30 September 1999 and 1,456 KPLN as at 30 September 1998.

Agora SA
Consolidated income statements for the nine months
ended 30 September 1999 and 1998

(all amounts in PLN thousands unless otherwise indicated)

	9 months ended 30 September	
	1999	1998
Sales	495 217	389 340
Operating costs	(354 885)	(281 125)
Operating profit before associated undertakings and other charges	140 332	108 215
Other charges		(34 743)
Share of losses in associated undertakings	-	(29 830)
Amortisation of goodwill in associated undertakings	-	(20 546)
Provision for losses on other investments	(2 400)	
Profit after associated undertakings and other charges	137 932	23 096
Interest and financial items	(461)	(768)
Profit (loss) before income taxes and minority interests	137 471	22 328
Income taxes	(47 315)	(28 329)
Net profit (loss) for the period	90 156	(6 001)
Earnings (losses) per share (in PLN)	1,66	(0,14)

Effective 30 June 1999 the Group changed income statement presentation with respect to financial income and costs (mainly: interest, foreign exchange differences) related to financing activities (bank loans and other borrowings), investment activities and items classified as cash and cash equivalents. Certain items now presented as interest and financial items were previously included in operating costs.

The comparative income statement for the 9 months ended 30 September 1998 has been restated to conform to the changed presentation.

The effect of the change is an decrease of the operating costs and decrease of Interest and financial items by an amount of 3,635 KPLN in the income statement for the 9 months ended 30 September 1998.

Agora SA
Consolidated cash flow statements for the nine months
ended 30 September 1999 and 1998

(all amounts in PLN thousands unless otherwise indicated)

	9 months ended 30 September	
	1999	1998
Operating activities		
Operating profit before associated undertakings and other charges	140 332	108 215
Depreciation of plant, property and equipment	26 761	13 583
Amortisation of intangible assets	2 980	1 726
(Profit)/loss on disposal of plant, property and equipment	555	(1 330)
	170 628	122 194
Other charges	-	(34 743)
Movement in operating working capital	(11 533)	(24 412)
Net cash inflow before interest and tax	159 095	63 039
Interest received	4 952	2 268
Interest paid	(4 589)	(2 524)
Foreign exchange result	21 695	(1 747)
Tax paid	(32 029)	(18 788)
Net cash from operating activities	149 124	42 248
Investing activities		
Capital expenditure, net	(122 044)	(112 854)
Acquisition of subsidiary undertaking, net of cash acquired	0	(14 646)
Acquisition of minority interests	0	-
Acquisition of long-term investments, net	(2 111)	(6 759)
Redemption/(acquisition) of short-term commercial papers	(159 767)	6 833
Dividends received	288	-
Net cash used in investing activities	(283 634)	(127 426)
Financing activities		
Increase / (decrease) in borrowings	(77 416)	74 183
Additional capital contributions	379 755	-
Dividends paid	0	-
Public offering expenditure	(18 760)	-
Net cash from financing activities	283 579	74 183
Change in cash and cash equivalents	149 069	(10 995)
Movements in cash and cash equivalents		
At start of period	17 243	24 776
Increase	149 069	(10 995)
At end of period	166 312	13 781