

**Consolidated half year report SA-PS 2001**

(according to the § 46 section 8 of the Cabinets Decree as at 22 December 1998 - Dz.U. Nr 163, poz. 1160)

**(for the issuer of securities providing production, building, trade or service business)**For the half year comprising the period from: **1.01.2001** to **30.06.2001**

date 19 October 2001

|                             |                         |                          |
|-----------------------------|-------------------------|--------------------------|
| <b>AGORA Spółka Akcyjna</b> |                         |                          |
| (full name of the issuer)   |                         |                          |
| <b>AGORA SA</b>             | <b>MEDIA</b>            |                          |
| (short name of the issuer)  | (proper classification) |                          |
| <b>00-732</b>               | <b>WARSZAWA</b>         |                          |
| (postal code)               | (locality)              |                          |
|                             | <b>Czerska</b>          | <b>8/10</b>              |
|                             | (street name)           | (street numer)           |
| <b>(0-22) 840-09-11</b>     | <b>(0-22) 840-00-67</b> | <b>investor@agora.pl</b> |
| (telephone number)          | (fax number)            | (e-mail)                 |
| <b>526-03-05-644</b>        | <b>11559486</b>         |                          |
| (NIP)                       | (REGON)                 |                          |

**KPMG Polska Audyt Sp. z o.o.**

date 12 October 2001

(Enterprise entitled to performe audit)

(date of issue)

**Consolidated half year report contains:**

- Consolidated financial statements
- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Introduction                                   | <input checked="" type="checkbox"/> Schedule of changes in the consolidated equity |
| <input checked="" type="checkbox"/> Consolidated balance                           | <input checked="" type="checkbox"/> Consolidated cash flow                         |
| <input checked="" type="checkbox"/> Consolidated trade and profit and loss account | <input checked="" type="checkbox"/> Notes  |

## Appendix

- Appendix 1 - The report of the entitled entity to issue an audit report
- Appendix 2 - Extract of financial statements of Agora SA with auditors report
- Appendix 3 - Management Board's report on the Groups performance
- Appendix 4 - Extract of financial statements of the entities excluded from the consolidation

| SELECTED FINANCIAL DATA (Current period)   | thousand PLN      | thousand EURO  |
|--|-------------------|----------------|
| <b>I. Net revenue from the sale of finished goods, merchandise and raw materials</b> | <b>406 544</b>    | <b>113 215</b> |
| <b>II. Profit (loss) on operating activities</b>                                     | <b>85 766</b>     | <b>23 884</b>  |
| <b>III. Profit before taxation</b>   | <b>181 652</b>    | <b>50 587</b>  |
| <b>IV. Net profit (loss)</b>   | <b>159 221</b>    | <b>44 340</b>  |
| <b>V. Assets (as at 30.06.2001)</b>  | <b>1 125 144</b>  | <b>332 313</b> |
| <b>VI. Total liabilities (as at 30.06.2001)</b>                                      | <b>83 178</b>     | <b>24 567</b>  |
| <b>- short-term liabilities</b>  | <b>74 395</b>     | <b>21 973</b>  |
| <b>VII. Equity (as at 30.06.2001)</b>  | <b>998 372</b>    | <b>294 870</b> |
| <b>VIII. Share capital (as at 30.06.2001)</b>  | <b>56 758</b>     | <b>16 764</b>  |
| <b>IX. Number of shares (as at 30.06.2001)</b>                                       | <b>56 757 525</b> |                |
| <b>X. Book value per share (PLN/EURO) (as at 30.06.2001)</b>                         | <b>17,59</b>      | <b>5,20</b>    |
| <b>XI. Net profit per ordinary share (PLN/EURO)</b>                                  | <b>4,15</b>       | <b>1,16</b>    |

Half year report according to the law should be passed on to the Securities and Stock Exchange Board,  
Stock Exchange of Securities in Warsaw S.A. and Polish Press Agency.

thousands

Translation

## INTRODUCTION

Main activities of the Group are in media sector that is mainly newspaper and periodicals edition - EKD 2212 and advertising services EKD 7440 (press advertisement) also radio broadcasting through associates and subsidiaries and internet activities.

Presented financial statements contain data for the 6 months ended, and on the 30 June 2001, with comparative figures for the 6 months ended, and on the 30 June 2000.

There were no qualifications to auditor's opinions regarding Group's consolidated financial statements issued in prior years.

### 1. Basis for preparation of consolidated financial statements

Consolidated financial statements for the period from 1 January to the 30 June 2001 include the parent's company Agora SA (Agora, parent company) financial statements and its subsidiary Agora Poligrafia Sp. z o.o.

Subsidiaries and associates listed in explanatory note number 18, which are not material as ruled by the Accounting Act, were not consolidated as provided in the Decree of the Ministry of Finance of 19 November 1999 regarding stricter from these set in the Accounting Act dated 29 September 1994 (art. 56 par. 1-3), criteria for companies listed on the stock exchange or seeking permission to be listed (D.U. no. 99.96.1126). The subsidiary was consolidated under full method of consolidation.

In the situation when a company was acquired within the year, only the result of operations from the date commencing control over a subsidiary was included in consolidation. Incepted company is assumed as subsidiary when the parent company holds more than half of the voting rights or have significant impact on the entity.

Full consolidation method assumes aggregating respective balance sheet, profit and loss account and cash flow statement items of Agora SA and its subsidiaries with deduction of the following items:

- value of the shares held by the parent company in its subsidiary and part of the net assets of the subsidiary as of the book value at the date of inception,
- inter-company receivables and payables,
- inter-company revenues and costs,
- profits and losses of inter-company transactions included in the consolidated assets and equity and liabilities,
- dividends paid/ received by the subsidiary to/ from the parent company.

In the consolidated subsidiary - Agora-Poligrafia Sp. z o.o. a consolidated goodwill appeared, which constitutes excess of purchase price of the shares over the proportionate part of the net assets of those entities.

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## 2. Intangible fixed assets

Intangible fixed assets are valued at acquisition price or at development cost and are amortised using the straight line method over the following periods:

|                                  |           |
|----------------------------------|-----------|
| Computer software                | 2-3 years |
| Perpetual usufruct               | 10 years  |
| Licences, patents and trademarks | 5 years   |
| Goodwill                         | 5 years   |
| Other                            | 5 years   |

## 3. Consolidated goodwill

Goodwill represents the excess of the cost of an acquisition over the Company's share of net assets of the acquired entity. Goodwill is presented as a separate position in the consolidated financial statements and amortised using the straight-line method over 5 years.

## 4. Tangible fixed assets

Tangible fixed assets are recorded at acquisition price or at the cost of production, reconstruction or improvement. Tangible fixed assets are subject to periodical statutory revaluation in accordance with the regulations of the Accounting Act.

Tangible fixed assets are depreciated using the straight-line or reducing balance methods over their estimated useful lives. Depreciation commences from the month following the month in which a fixed asset was acquired or transferred from construction in progress. Starting from 1 January 2000 tangible fixed assets of value lower than PLN 3,500 have been fully depreciated in the month following the month in which a fixed asset was acquired or transferred from construction in progress.

The principle depreciation rates used are as follows:

|                             |             |
|-----------------------------|-------------|
| Buildings and constructions | 2,5-10,0%   |
| Plant and machinery         | 5,0-60,0%   |
| Vehicles                    | 14,0-20,0%  |
| Other                       | 10,0- 25,0% |

During the year, new depreciation periods from 6 to 16 years, with 10% residual value in a few cases, were determined for printing presses put to use in 2000, while the depreciation periods of previously existing presses did not exceed 10 years.

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Expenditure on repairs or maintenance of tangible fixed assets which do not improve or extend the useful life of the asset are expensed as incurred; significant improvements are capitalised.

**5. Assets under construction**

Assets under construction are valued at either the acquisition price or the production cost of the tangible or intangible fixed assets which will be brought into use on completion.

**6. Investments**

Investments classified as long-term assets are carried at the lower of cost and net realisable value, less amounts provided for to recognise other than temporary diminution in the value of the investment.

Long term loans granted are valued at the actual amounts together with interest accrued to the balance sheet date less provisions.

Purchased loans and debts are valued at purchase cost.

**7. Inventory**

Inventory is valued at the lower of cost or cost of production which approximates actual cost and net realisable value. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

Printing-ink is valued at actual prices, finished goods at net realisable value, goods for resale at cost, others on the first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

In the balance sheet inventory is stated net of provisions made for slow moving or obsolete stock.

**8. Debtors, claims and creditors**

Debtors, claims and creditors denominated in Polish Zloty are recorded at nominal value. At the balance sheet date they are valued at amounts due.

Debtors, claims and creditors denominated in foreign currencies are translated to Polish Zloty at the average NBP exchange rate at the transaction date unless customs documents (SAD) indicate a different rate. Foreign currency balances are restated at the balance sheet date at the average NBP exchange rate for the respective foreign currency.

Debtors balances at the balance sheet are stated net of provisions for doubtful debts.

The group provides for receivables in dispute, doubtful debts including also all debts overdue for at least 3 months.

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**9. Short-term securities**

Short-term securities are stated at cost plus premiums accruing to the balance sheet date, which approximates to market value; movements on their valuation are recorded in income. Investments in shares of Polish investment funds that pay monthly dividends are stated at cost which approximates their fair market value.

**10. Cash in hand and at bank**

Cash denominated in Polish Zloty is stated at nominal value.

Cash denominated in foreign currencies is translated to Polish Zloty using the average NBP exchange rate for the respective foreign currency at the balance sheet date. Exchange differences are disclosed as financial revenue or costs.

**11. Inter-period settlements of costs and deferred income**

Inter-period settlements represent prepaid costs concerning future reporting periods. Accruals consist of possible costs of a current period, that an amount or date of the liability are unknown at the year end. Deferred income represents payments received in connection with the future services and positive foreign exchange differences from valuation of assets and liabilities other than cash, shares and securities.

**12. Equity**

Share capital is disclosed in nominal value of registered shares, resulting from the Parent Company's statute and commercial register. As at 30 June 2001 share capital was PLN 56,757,525 and represented 56,757,525 shares of nominal value of PLN 1 each.

Share premium in reserve capital from Agora's IPO in 1999 is reported net of the IPO's costs decreased by the tax shield on the costs.

Reserve capital has been created by transfers from net income, reduction of share capital with no payments, reduction of revaluation reserve connected with sale or liquidation of revalued fixed assets and share premium. The creation of reserves is in accordance with the statutes of the parent company and the subsidiary.

**13. Provisions**

Provisions represent provisions for doubtful debtors that reduce balance of debtors. The Group also recognises a provision for temporary differences relating to corporate income tax, caused by time difference between revenue or costs according to the accounting act and tax regulations. Positive difference is disclosed as an obligatory charge on the net income, i.e. as a provision for a corporate income tax. Negative difference is disclosed as a prepaid expense if there is a possibility of its settlement within the next financial year and the following financial years. In the balance sheet positive and negative differences are presented net as a deferred tax provision or asset. For calculation of positive or negative difference state of settlements as at the year end is taken into consideration.

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**14. Bank credits and loans**

Bank credits and loans denominated in Polish Zloty are carried at their principal amount. Bank credits and loans denominated in foreign currencies are carried at their principal amount translated to Polish Zloty at the average NBP exchange rate for the respective foreign currency at the balance sheet date.

**15. Revenues and expenses**

Sales revenue comprises revenue earned (net of returns, discounts and allowances) from the provision of products or services to third parties. Revenues are recognised when the conditions of sale have been met and no significant uncertainties remain regarding the acceptance of the goods and/or services. Sales revenues are stated net of value added tax (VAT). Revenues and matching them costs are recognised on the accrual basis regardless the actual payment date.

The Companies of the Group prepare their profit and loss statement in the both calculative (by function) and comparative (by expenditure) formats.

**16. Other operating revenue and expenses**

Other operating revenue and expenses are connected with the Group's operation and have influence on the income from operating activities. Revenues represent: revenue from the sale of fixed assets, value of resolved provisions for doubtful debts and economy risk except for provisions connected with financial risk, fines and compensations received and fixed assets received as a contribution. Other operating costs represent: value of fixed assets sold, provisions created for doubtful debts and economy risk except for provisions connected with financial risk, fines and compensations paid, contributions made and adjustments of stocks value.

**17. Financial revenue and expenses**

Financial revenue and expenses represent interests resulting from bank credits and loans given and received, foreign exchange differences, commissions, revenue and expenses connected with ownership of shares and other securities including value of created and resolved provisions connected with financial risk, also interest received, results on short-term securities.

**18. Foreign exchange differences**

Foreign exchange differences arising from the balance sheet date restatement of cash, investments and securities are recorded as follows:

- gains - financial income,
- losses - financial expenses.

The excess of foreign exchange losses over gains resulting from the balance sheet date restatement of assets and liabilities (other than cash, investments and securities) denominated

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in a specific currency is included in financial expenses. An excess of foreign exchange gains over losses for a particular currency is included in deferred income.

**19. Extraordinary gains and losses**

Extraordinary gains and losses result from unrepeatable events that are not connected with regular company's operation.

**20. Motivation plan for the company's employees**

In April 1998 Agora SA introduced an incentive plan (plan) for employees on management positions and non executive high performing employees in the company and the subsidiaries. Employees included in the plan might be rewarded depending on stage of realisation of targets specified in the plan. The rewards will be paid in cash and shares. The company has created a provision for costs resulting from the plan. The amount of the provision has been calculated as an estimated amount of rewards based on the realisation of planned targets.

**21. Obligatory charges**

An obligatory charge is represented by current corporate income tax and deferred income tax. The corporate income tax in 2001 amounts to 28% (2000 -30%) of gross income calculated on base of the accounting regulations and adjusted for non taxable revenue and non tax deductible expenses, deductions allowed as specified in the tax regulations. For information on deferred taxes please see point 13.

**22. Investment relief**

The fixed assets under the investment relief are depreciated using the rates set in the Group's depreciation plan. The depreciation of the finished assets under the scheme is not tax allowed cost up to the amount of an investment relief taken. The amount of investment tax relief which is an acceleration of depreciation of tangible fixed assets reduce profit/loss before taxation for calculation of the tax base. The Parent Company creates provisions for corporate income tax connected with the investment relief.

**23. Change in accounting policy**

During the year, the Group changed its accounting policy regarding costs associated with the public offering of the shares of the Agora. Following the change the offering costs net of any tax savings, are netted against proceeds from the share issue. The purpose of the change is to comply with the International Accounting Standards.

**24. Significant differences between the presented financial statements prepared under the Polish Accounting Act (PAA) and financial statements under the International Accounting Standards (IAS)**

Actual differences in accounting methods and policies adopted by the Group in preparation of the Accounts under the PAA and IAS.

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1. Under IAS unrealised foreign exchange differences are recognised in the income statement of the period when they arise. An excess of foreign exchange gains over losses resulting from the balance sheet date restatement of assets and liabilities (other than cash, investments and securities) denominated in a foreign currency for a particular currency is included in deferred income.
2. In the consolidated financial statements the goodwill on acquisition of Cox's minority interest in ACTV Sp. z o.o. calculated under IAS exceeds value used under PAA by the net book amount of PLN 2 087 thousand.  
Impact of that difference on the net profit and equity in the IAS financial statements is presented below in the reconciliation of the main numbers of the PAA accounts to IAS accounts (items no 2).
3. In the IAS financial statements treasury bills are disclosed as cash equivalents while under PAA they are classified as short term investments.
4. In the IAS financial statements computer software is disclosed as tangible fixed assets while under PAA it is classified as intangible fixed assets.
5. Some revenues and expenses classified under PAA as financial which relate directly to the Group's operating activities, for example foreign exchange differences on trade receivables and payables under IAS are classified as operating expenses or revenues.
6. As a consequence of the above presented differences the difference in the differed tax provision appears, which alters the current years profit and retained earnings.

**Reconciliation of the main numbers of the PAA accounts to IAS accounts:**

30 June 2001

|  |           |
|--|-----------|
| Net profit under PAA:  | 159 221   |
| 1. Depreciation of fixed assets that have been fully depreciated for PAA                                       | (602)     |
| 2. Amortisation of the excess of goodwill on acquisition of Cox's minority interest in ACTV Sp. z o.o.         | (782)     |
| 3. Adjusting for PAA unrealised foreign exchange differences   | (463)     |
| 4. Adjustment to deferred tax provision  | 365       |
| Net profit under IAS:  | 157 739   |
| Equity under PAA:  | 998 372   |
| 1. IAS net value as at 1 January 2001 of fixed assets that have been fully depreciated for PAA                 | 1 205     |
| 2. IAS net value as at 1 January 2001 of goodwill on acquisition of Cox's minority interest in ACTV Sp. z o.o. | 2 869     |
| 3. Unrealised foreign exchange gains   | 2 079     |
| 4. Adjustment of deferred tax provision  | (986)     |
| 6. Difference between PAA and IAS net profit   | (1 482)   |
| Equity under IAS:  | 1 002 057 |

**CONSOLIDATED BALANCE SHEET**

|  | Note | 30 June 2001      | 31 December 2000  | 31 June 2000      |
|--|------|-------------------|-------------------|-------------------|
| <b>ASSETS</b>  |      |                   |                   |                   |
| <b>I. Fixed assets</b>                                       | -    | <b>745 207</b>    | <b>724 626</b>    | <b>646 999</b>    |
| 1. Intangible fixed assets                                   | 1    | 32 863            | 19 797            | 19 620            |
| 2. Consolidated goodwill                                     | 2    | -                 | -                 | -                 |
| 3. Tangible fixed assets                                     | 3    | 679 047           | 654 633           | 586 612           |
| 4. Financial fixed assets                                    | 4    | 33 297            | 50 196            | 40 767            |
| - shares in entities consolidated under the equity method    | -    | -                 | -                 | -                 |
| 5. Long-term debtors   | 5    | -                 | -                 | -                 |
| <b>II. Current assets</b>                                    | -    | <b>377 408</b>    | <b>321 455</b>    | <b>358 575</b>    |
| 1. Inventory   | 6    | 25 210            | 25 666            | 18 253            |
| 2. Short-term debtors  | 7    | 113 312           | 106 354           | 108 633           |
| 3. Own shares for sale                                       | 8    | -                 | -                 | -                 |
| 4. Short-term securities                                     | 9    | 106 340           | 151 462           | 186 820           |
| 5. Cash and cash equivalents                                 | 10   | 132 546           | 37 973            | 44 869            |
| <b>III. Prepaid expenses and other assets</b>                | 11   | <b>2 529</b>      | <b>1 348</b>      | <b>1 135</b>      |
| 1. Deferred corporate income taxes recoverable               | -    | -                 | -                 | -                 |
| 2. Other   | -    | 2 529             | 1 348             | 1 135             |
| <b>Total assets</b>  | -    | <b>1 125 144</b>  | <b>1 047 429</b>  | <b>1 006 709</b>  |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                  |      |                   |                   |                   |
| <b>I. Equity</b>   | -    | <b>998 372</b>    | <b>839 150</b>    | <b>762 748</b>    |
| 1. Share capital   | 12   | 56 758            | 56 758            | 56 758            |
| 2. Outstanding share capital contributions (negative figure) | -    | -                 | -                 | -                 |
| 3. Reserve capital   | 13   | 781 759           | 607 685           | 607 166           |
| 4. Revaluation reserve                                       | -    | 634               | 643               | 740               |
| 5. Other reserve capital                                     | 14   | -                 | -                 | -                 |
| 6. Foreign exchange rate differences on overseas branches    | -    | -                 | -                 | -                 |
| 7. Foreign exchange rate differences on consolidation        | -    | -                 | -                 | -                 |
| 8. Accumulated profit/(loss) from previous years             | 15   | -                 | -                 | 424               |
| 9. Profit after taxation for the financial year              | -    | 159 221           | 174 064           | 97 660            |
| <b>II. Reserve capital from consolidation</b>                | 16   | -                 | -                 | -                 |
| <b>III. Minority interest</b>                                | 17   | -                 | -                 | -                 |
| <b>II. Provisions</b>  | -    | <b>26 963</b>     | <b>5 092</b>      | <b>5 887</b>      |
| 1. Provisions for deferred tax                               | 18   | 15 989            | 5 092             | 5 887             |
| 2. Other   | 19   | 10 974            | -                 | -                 |
| <b>III. Liabilities</b>                                      | -    | <b>83 178</b>     | <b>184 919</b>    | <b>218 716</b>    |
| 1. Long-term liabilities                                     | 20   | 8 783             | 91 158            | 86 027            |
| 2. Short-term liabilities                                    | 21   | 74 395            | 93 761            | 132 689           |
| <b>IV. Accrued expenses and deferred income</b>              | 22   | <b>16 631</b>     | <b>18 268</b>     | <b>19 358</b>     |
| <b>Total equity and liabilities</b>                          | -    | <b>1 125 144</b>  | <b>1 047 429</b>  | <b>1 006 709</b>  |
| <b>Book value</b>  |      | <b>998 372</b>    | <b>839 150</b>    | <b>762 748</b>    |
| <b>Number of shares</b>                                      |      | <b>56 757 525</b> | <b>56 757 525</b> | <b>56 757 525</b> |
| <b>Book value per share in PLN</b>                           |      | <b>17,59</b>      | <b>14,78</b>      | <b>13,44</b>      |
| <b>Predicted number of shares</b>                            |      | -                 | -                 | -                 |
| <b>Diluted book value per share in PLN</b>                   |      | -                 | -                 | -                 |

**Off balance sheet liabilities**

|  | 30 June 2001 | 31 December 2000 | 31 June 2000 |
|--|--------------|------------------|--------------|
| a) total value of guarantees given         | 1 300        | 9 520            | 9 520        |
| - to subsidiaries                          | 500          | 500              | 500          |
| - to associates                            | 800          | 9 020            | 9 020        |
| - to parent company                        | -            | -                | -            |
| - to other entities                        | -            | -                | -            |
| b) other                                   | -            | -                | -            |
| <b>Total off balance sheet liabilities</b> | <b>1 300</b> | <b>9 520</b>     | <b>9 520</b> |

The Group guaranteed bank loans taken by two companies: Trefl Sp. z o.o., BOR Sp. z o.o., amounting to PLN 500 thousand and PLN 800 thousand, respectively. The guarantee expires on the 30 July 2001.

During the year 2000 the Group has changed the accounting rules for the costs associated with the initial public offering of its shares in 1999, as described in additional notes 16 and 17. As a result of these changes total equity presented as at the 30 June 2000 and calculation of book value per share were changed respectively.

**CONSOLIDATED PROFIT AND LOSS**

|  |    | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|--|----|------------------------------|------------------------------|
| <b>I. Net sales of merchandise and finished products</b>             | -  | 406 544                      | 406 795                      |
| 1. Net sales of finished products                                    | 23 | 402 665                      | 404 314                      |
| 2. Net sales of merchandise and materials                            | 24 | 3 879                        | 2 481                        |
| <b>II. Cost of merchandise, finished products sold and materials</b> | -  | (214 424)                    | (185 687)                    |
| 1. Cost of finished products sold                                    | 25 | (211 430)                    | (183 702)                    |
| 2. Cost of merchandise and materials sold                            | -  | (2 994)                      | (1 985)                      |
| <b>III. Gross profit on sales (I-II)</b>                             | -  | 192 120                      | 221 108                      |
| IV. Selling expenses   | -  | (45 055)                     | (38 064)                     |
| V. Administrative and general expenses                               | -  | (53 160)                     | (56 939)                     |
| <b>VI. Profit on sales (III-IV-V)</b>                                | -  | 93 905                       | 126 105                      |
| VII. Other operating revenues  | 26 | 2 186                        | 4 223                        |
| VIII. Other operating expenses                                       | 27 | (10 325)                     | (9 669)                      |
| <b>IX. Profit on operating activities (VI+VII+VIII)</b>              | -  | 85 766                       | 120 659                      |
| X. Dividends income  | 28 | 2 420                        | 2 085                        |
| XI. Income from other financial assets                               | 29 | -                            | -                            |
| XII. Other financial income  | 30 | 132 149                      | 25 092                       |
| XIII. Financial expenses   | 31 | (38 687)                     | (14 435)                     |
| <b>XIV. Profit on ordinary activities (IX+X+XI+XII-XIII)</b>         | -  | 181 648                      | 133 401                      |
| <b>XV. Extraordinary items (XV.1. - XV.2.)</b>                       | -  | 4                            | 65                           |
| 1. Extraordinary gains   | 32 | 4                            | 66                           |
| 2. Extraordinary losses  | 33 | -                            | (1)                          |
| <b>XVI. Goodwill amortisation</b>                                    | -  | -                            | -                            |
| <b>XVII. Consolidated reserve capital amortisation</b>               | -  | -                            | -                            |
| <b>XVIII. Profit before taxation</b>                                 | -  | 181 652                      | 133 466                      |
| XIX. Corporate income tax  | 34 | (22 431)                     | (35 806)                     |
| XX. Other obligatory charges   | 35 | -                            | -                            |
| XXI. Net earnings from shares in associated entities                 | -  | -                            | -                            |
| XXII. Minority interest share in profit                              | -  | -                            | -                            |
| <b>XXIII. Profit / (Loss) after taxation</b>                         | 36 | 159 221                      | 97 660                       |

|   |   |            |            |
|---|---|------------|------------|
| <b>Profit / (Loss) after taxation (for 12 months)</b>                   | - | 235 625    | 169 088    |
| <b>Weighted average number of ordinary shares</b>                       | - | 56 757 525 | 56 757 525 |
| <b>Net profit per ordinary share in PLN</b>                             | - | 4,15       | 2,98       |
| <b>Weighted average expected number of ordinary shares</b>              | - | -          | -          |
| <b>Diluted profit / (loss) after taxation per ordinary share in PLN</b> | - | -          | -          |

**Calculation of profit per share.**

Profit per share was calculated by dividing the net profit for the preceding 12 months by the weighted average number of shares that participate in dividends.

**CHANGES IN CONSOLIDATED EQUITY**

|   | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|---|------------------------------|------------------------------|
| <b>I. Equity opening balance</b>  | <b>839 150</b>               | <b>664 978</b>               |
| a) changes in the accounting policy   | -                            | -                            |
| b) corrections of fundamental errors  | -                            | -                            |
| <b>I.a. Opening balance of equity after reconciliation to comparable data</b>                                 | <b>839 150</b>               | <b>664 978</b>               |
| <b>1. Share capital opening balance</b>   | <b>56 758</b>                | <b>56 758</b>                |
| 1.1. Changes in share capital   | -                            | -                            |
| a) additions  | -                            | -                            |
| b) disposals  | -                            | -                            |
| 1.2. Share capital closing balance  | 56 758                       | 56 758                       |
| <b>2. Outstanding share capital contributions as at the beginning of the year</b>                             | -                            | -                            |
| 2.1. Changes in outstanding share capital contributions   | -                            | -                            |
| a) additions  | -                            | -                            |
| b) disposals  | -                            | -                            |
| 2.2. Outstanding share capital contributions as at the year end   | -                            | -                            |
| <b>3. Reserve capital opening balance</b>   | <b>607 685</b>               | <b>474 815</b>               |
| 3.1. Changes in capital reserves  | 174 074                      | 132 351                      |
| a) additions  | 174 074                      | 132 351                      |
| - net profit appropriation (over statutory minimum value)   | 174 064                      | 132 222                      |
| - fixed assets disposals  | 10                           | 16                           |
| - adjustment following the merger of Agora SA with Trans-Serwis SA of 1 January 2000                          | -                            | 113                          |
| b) disposals  | -                            | -                            |
| 3.2. Reserve capital closing balance  | 781 759                      | 607 166                      |
| <b>4. Revaluation reserve opening balance</b>   | <b>643</b>                   | <b>756</b>                   |
| 4.1. Changes in revaluation reserves  | (9)                          | (16)                         |
| a) additions  | -                            | -                            |
| b) disposals  | (9)                          | (16)                         |
| - fixed assets disposals  | (9)                          | (16)                         |
| 4.2. Revaluation reserve closing balance  | 634                          | 740                          |
| <b>5. Other capital reserve opening balance</b>   | -                            | -                            |
| 5.1. Changes in other capital reserves  | -                            | -                            |
| a) additions  | -                            | -                            |
| b) disposals  | -                            | -                            |
| 5.2. Other capital reserve closing balance  | -                            | -                            |
| <b>6. Foreign exchange rate differences on overseas branches</b>  | -                            | -                            |
| <b>7. Foreign exchange rate differences on consolidation</b>  | -                            | -                            |
| <b>8. Accumulated profit from previous years, opening balance</b>   | <b>174 064</b>               | <b>132 649</b>               |
| <b>8.1. Accumulated profit from previous years opening balance</b>  | <b>174 064</b>               | -                            |
| - changes in the accounting policy  | -                            | -                            |
| - corrections of fundamental errors   | -                            | -                            |
| <b>8.2. Opening balance of accumulated profit from previous years after reconciliation to comparable data</b> | <b>174 064</b>               | <b>132 649</b>               |
| a) additions  | -                            | -                            |
| - net profit appropriation  | -                            | -                            |
| b) disposals  | (174 064)                    | (132 225)                    |
| - transfer to capital reserves  | (174 064)                    | (132 222)                    |
| - payment of dividends  | -                            | -                            |
| - transfer to special reserves  | -                            | (3)                          |
| 8.3. Closing balance of accumulated profit from previous years  | -                            | 424                          |
| 8.4. Opening balance of accumulated loss from the prior year  | -                            | -                            |
| <b>8.5. Opening balance of accumulated loss from the prior year after reconciliation to comparable data</b>   | -                            | -                            |
| a) additions  | -                            | -                            |
| b) disposals  | -                            | -                            |
| <b>8.6. Closing balance of accumulated loss from the prior year</b>   | -                            | -                            |
| <b>8.7. Closing balance of accumulated profit/(loss) from the prior year</b>                                  | -                            | -                            |
| <b>9. Net result</b>  | <b>159 221</b>               | <b>97 660</b>                |
| a) net profit   | 159 221                      | 97 660                       |
| b) net loss   | -                            | -                            |
| <b>II. Closing balance of equity</b>  | <b>998 372</b>               | <b>762 748</b>               |

As a consequence of changing accounting policy comparable data presented in this note was changed respectively - as described in additional notes 16 and 17.

**CONSOLIDATED CASH FLOW STATEMENT**

|  | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|--|------------------------------|------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES (I+/-II) - indirect method</b>             | <b>116 724</b>               | <b>107 588</b>               |
| <b>I. Profit after taxation</b>  | <b>159 221</b>               | <b>97 660</b>                |
| <b>II. Total adjustments</b>   | <b>(42 497)</b>              | <b>9 928</b>                 |
| 1. Profit (loss) of minority shareholders  | -                            | -                            |
| 2. Share in profit of consolidated companies, using equity method                    | -                            | -                            |
| 3. Depreciation (including goodwill revaluation or capital reserve on consolidation) | 41 898                       | 23 103                       |
| 4. Foreign exchange rates (gains) / losses   | 14 398                       | 2 842                        |
| 5. Interests and dividends   | (4 225)                      | 794                          |
| 6. (Profit) / Loss on investment activity  | (108 273)                    | (3 661)                      |
| 7. Change in other provisions  | 10 974                       | -                            |
| 8. Corporate income tax (disclosed in profit and loss statement)                     | 22 431                       | 35 806                       |
| 9. Corporate income tax paid   | (10 507)                     | (22 281)                     |
| 10. Change in inventory position   | 456                          | 226                          |
| 11. Change in accounts receivable position   | 1 712                        | (28 022)                     |
| 12. Change in short-term liabilities (except for bank credits and loans)             | (5 343)                      | 3 271                        |
| 13. Change in interperiod settlements  | (3 033)                      | 4 786                        |
| 14. Change in deferred income  | 574                          | 887                          |
| 15. Other adjustments  | (3 559)                      | (7 823)                      |
| <b>B. CASH FLOW FROM INVESTMENT ACTIVITIES (I-II)</b>                                | <b>(6 206)</b>               | <b>(93 750)</b>              |
| <b>I. Cash inflows from investing activities</b>                                     | <b>485 771</b>               | <b>267 572</b>               |
| 1. Sales of intangible fixed assets  | -                            | -                            |
| 2. Sales of tangible fixed assets  | 488                          | 275                          |
| 3. Sales of financial fixed assets including:  | 41 264                       | -                            |
| - in subsidiaries  | -                            | -                            |
| - in associates  | -                            | -                            |
| - in parent company  | -                            | -                            |
| 4. Sales of short-term securities  | 434 226                      | 263 973                      |
| 5. Long-term loans repaid  | 25                           | 34                           |
| 6. Dividends received  | 2 420                        | 2 085                        |
| 7. Interest received   | 3 643                        | 5                            |
| 8. Other   | 3 705                        | 1 200                        |
| <b>II. Cash outflows from investing activities</b>                                   | <b>(491 977)</b>             | <b>(361 322)</b>             |
| 1. Purchase of intangible fixed assets   | (17 011)                     | (2 870)                      |
| 2. Purchase of tangible fixed assets   | (70 096)                     | (131 180)                    |
| 3. Purchase of financial fixed assets including:                                     | (2 083)                      | (1 284)                      |
| - in subsidiaries  | (992)                        | (1 284)                      |
| - in associates  | (1 091)                      | -                            |
| - in parent company  | -                            | -                            |
| 4. Purchase of own shares  | -                            | -                            |
| 5. Purchase of short-term securities   | (379 249)                    | (221 842)                    |
| 6. Long-term loans granted   | (5 095)                      | (3 114)                      |
| 7. Dividends paid to minority shareholders   | -                            | -                            |
| 8. Other expenses  | (18 443)                     | (1 032)                      |

|  |                 |               |
|--|-----------------|---------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES (I-II)</b>                           | <b>(15 945)</b> | <b>(516)</b>  |
| <b>I. Inflows from financing activities</b>                                    | -               | -             |
| 1. Long-term bank credits and loans received                                   | -               | -             |
| 2. Issue of bonds and other long-term debt securities                          | -               | -             |
| 3. Short-term bank credits and loans received                                  | -               | -             |
| 4. Issue of bonds and other short-term debt securities                         | -               | -             |
| 5. Inflows from own shares issued  | -               | -             |
| 6. Capital payments  | -               | -             |
| 7. Other   | -               | -             |
| <b>II. Cash outflows from financing activities</b>                             | <b>(15 945)</b> | <b>(516)</b>  |
| 1. Long-term bank credits and loans repaid                                     | -               | -             |
| 2. Redemption of bonds and other long-term securities                          | -               | -             |
| 3. Short-term bank credits and loans repaid                                    | -               | -             |
| 4. Redemption of bonds and other short-term debt securities                    | -               | -             |
| 5. Expenses related to shares and bonds issues                                 | -               | -             |
| 6. Redemption of shares  | -               | -             |
| 7. Dividends and other payments to shareholders                                | -               | -             |
| 8. Payments to members of the Company's governing bodies                       | -               | -             |
| 9. Charitable contributions  | (618)           | (516)         |
| 10. Payments of liabilities related to finance lease agreements                | -               | -             |
| 11. Interest paid  | -               | -             |
| 12. Other expenditures   | (15 327)        | -             |
| <b>D. NET CASH FLOWS, TOTAL (A+/-B+/-C)</b>                                    | <b>94 573</b>   | <b>13 322</b> |
| <b>E. CHANGE OF CASH POSITION IN BALANCE SHEET</b>                             | <b>94 573</b>   | <b>13 322</b> |
| - including change in cash position due to foreign exchange differences        | -               | -             |
| <b>F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>     | <b>37 973</b>   | <b>31 547</b> |
| <b>G. CASH AND CASH EQUIVALENTS AND THE END OF THE FINANCIAL YEAR (F+/- D)</b> | <b>132 546</b>  | <b>44 869</b> |

## Notes

### Note 1.

| <b>INTANGIBLE FIXED ASSETS</b>  | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) Settlement of start-up expenses or organisational expenses of raising additional capital | 59                  | 16 458              |
| b) Research and development expenditure   | 1                   | 2                   |
| c) Purchased goodwill   | 1 240               | 2 024               |
| d) Concessions, patents, licenses and similar assets  | -                   | -                   |
| e) Computer software  | 22 248              | 7 872               |
| f) Perpetual usufruct over land acquired  | 9 235               | 10 636              |
| g) Other intangible fixed assets  | 80                  | 98                  |
| h) Prepayments for intangible fixed assets  | -                   | 1 032               |
| i) changes in accounting policy   | -                   | (18 502)            |
| <b>Total intangible fixed assets</b>  | <b>32 863</b>       | <b>19 620</b>       |

As described in the additional explanatory notes 16 and 17, the comparative figures for 2000 have been restated to conform with the change in accounting policy.

Translation

| <b>TABLE OF INTANGIBLE FIXED ASSETS MOVEMENTS (by type of expenditure)</b> |   |                             |             |  |                      |                               |                                  |  |                                      |
|--|---|-----------------------------|-------------|--|----------------------|-------------------------------|----------------------------------|--|--------------------------------------|
|  | a) start-up expenses or organisational expenses of raising additional capital | b) research and development | c) goodwill | d) concessions, patents, licences and similar assets | e) computer software | f) perpetual usufruct of land | g) other intangible fixed assets | h) prepayments for intangible fixed assets | <b>Total intangible fixed assets</b> |
| a) gross value at the beginning of the period                              | 161   | 5                           | 3 917       | -  | 18 753               | 14 010                        | 165                              | -  | 37 011                               |
| b) additions:  | -   | -                           | -           | -  | 22 846               | -                             | -                                | -  | 22 846                               |
| - purchases  | -   | -                           | -           | -  | 10 507               | -                             | -                                | -  | 10 507                               |
| - transfer from construction in progress                                   | -   | -                           | -           | -  | 12 339               | -                             | -                                | -  | 12 339                               |
| c) disposals   | -   | -                           | -           | -  | (3 735)              | -                             | -                                | -  | (3 735)                              |
| - writing off fully depreciated assets                                     | -   | -                           | -           | -  | (3 735)              | -                             | -                                | -  | (3 735)                              |
| d) gross value at end of the period  | 161   | 5                           | 3 917       | -  | 37 864               | 14 010                        | 165                              | -  | 56 122                               |
| e) accumulated amortisation at the beginning of the period                 | 85  | 4                           | 2 285       | -  | 10 689               | 4 075                         | 76                               | -  | 17 214                               |
| f) amortisation for the period   | 17  | -                           | 392         | -  | 4 927                | 700                           | 9                                | -  | 6 045                                |
| - planned  | 17  | -                           | 392         | -  | 8 661                | 700                           | 9                                | -  | 9 779                                |
| - writing off fully depreciated assets                                     | -   | -                           | -           | -  | (3 735)              | -                             | -                                | -  | (3 735)                              |
| - others   | -   | -                           | -           | -  | 1                    | -                             | -                                | -  | 1                                    |
| g) accumulated amortisation at end of the period                           | 102   | 4                           | 2 677       | -  | 15 616               | 4 775                         | 85                               | -  | 23 259                               |
| h) net value at end of the period  | 59  | 1                           | 1 240       | -  | 22 248               | 9 235                         | 80                               | -  | 32 863                               |

During the period fully depreciated software of cost of PLN 3,735 thousand was removed from the intangible fixed assets register.

**Note 2.**

| <b>CONSOLIDATED GOODWILL</b>                 | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| Consolidated goodwill - subsidiary companies | -                   | -                   |
| Consolidated goodwill - associated entities  | -                   | -                   |
| <b>Total consolidated goodwill</b>           | -                   | -                   |

| <b>CHANGE OF CONSOLIDATED GOODWILL -<br/>SUBSIDIARY COMPANIES</b>                    | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) gross value at beginning of the year  | 428                 | 457                 |
| b) additions   | -                   | -                   |
| c) disposals   | -                   | -                   |
| - adjustment following the merger of Agora SA with Trans-Serwis SA of 1 January 2000 | -                   | (29)                |
| d) gross value at year end   | 428                 | 428                 |
| e) accumulated depreciation at beginning of the year                                 | 428                 | 457                 |
| f) depreciation charge for the year  | -                   | -                   |
| - adjustment following the merger of Agora SA with Trans-Serwis SA of 1 January 2000 | -                   | (29)                |
| g) accumulated depreciation at year end  | 428                 | 428                 |
| <b>h) net value at year end</b>  | -                   | -                   |

| <b>CHANGE OF CONSOLIDATED GOODWILL -<br/>ASSOCIATED ENTITIES</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) gross value at beginning of the year                          | -                   | -                   |
| b) additions   | -                   | -                   |
| c) disposals   | -                   | -                   |
| d) gross value at year end                                       | -                   | -                   |
| e) accumulated depreciation of goodwill at beginning of the year | -                   | -                   |
| f) depreciation charge of goodwill for the year                  | -                   | -                   |
| g) accumulated depreciation of consolidated goodwill at year end | -                   | -                   |
| <b>h) net value at year end</b>                                  | -                   | -                   |

| <b>CALCULATION OF CONSOLIDATED GOODWILL IN<br/>SUBSIDIARY COMPANIES</b>  | <b>Agora Poligrafia<br/>Sp. z o.o.</b> |
|--|--|
| Acquisition date of shares in consolidated companies                     | 01-02-98                               |
| Percentage of shares in share capital of consolidated companies          | 100%                                   |
| <b>1. Book value of shares of Agora S.A. in consolidated companies</b>   | <b>72</b>                              |
| 2. 100% of equity in consolidated companies at acquisition date          | (356)                                  |
| 3. Revaluation of buildings and construction to market value             | -                                      |
| 4. Revaluation of land (right to usufruct of land) to market value       | -                                      |
| <b>5. Consolidated goodwill</b>  | <b>428</b>                             |
| Until 31 December 1998 the following appropriations have been performed: | -                                      |
| 6. One-off charge of consolidated goodwill in 1998                       | (428)                                  |
| <b>7. Consolidated goodwill at year end</b>                              | <b>-</b>                               |

**Note 3.**

| <b>TANGIBLE FIXED ASSETS</b>       | <b>30 June 2001</b> | <b>30 June 2000</b> |
|------------------------------------|---------------------|---------------------|
| a) Fixed assets, including:        | 561 112             | 184 154             |
| - freehold land                    | 8 989               | 8 989               |
| - buildings and constructions      | 152 076             | 60 252              |
| - equipment and machines           | 394 861             | 111 218             |
| - vehicles                         | 3 498               | 2 001               |
| - other                            | 1 688               | 1 694               |
| b) Construction in progress        | 86 309              | 384 125             |
| c) Prepayments for investments     | 31 626              | 18 333              |
| <b>Total tangible fixed assets</b> | <b>679 047</b>      | <b>586 612</b>      |

| <b>FIXED ASSETS (OWNERSHIP STRUCTURE)</b>   | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) owned  | 561 112             | 184 154             |
| b) used on the basis of rental, lease or other agreement of similar nature,<br>including: | -                   | -                   |
| <b>Total fixed assets</b>   | <b>561 112</b>      | <b>184 154</b>      |

| <b>OFF-BALANCE FIXED ASSETS</b>  | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| Used on the basis of rental, lease or other agreement of similar nature,<br>including: | -                   | -                   |
| <b>Total off-balance fixed assets</b>  | -                   | -                   |

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| TABLE OF TANGIBLE FIXED ASSETS MOVEMENTS (by group) |                 |                               |                                    |            |                      |                     |
|---|-----------------|-------------------------------|------------------------------------|------------|----------------------|---------------------|
|   | - freehold land | - buildings and constructions | - machines and technical equipment | - vehicles | - other fixed assets | fixed assets, Total |
| a) opening balance of fixed assets, gross value     | 8 989           | 163 261                       | 469 308                            | 4 813      | 9 556                | 655 927             |
| b) additions:                                       | -               | 447                           | 27 411                             | 533        | 372                  | 28 763              |
| - purchases   | -               | 206                           | 16 665                             | 533        | 372                  | 17 776              |
| - transfers from construction in progress           | -               | 240                           | 7 475                              | -          | -                    | 7 715               |
| - built in-house                                    | -               | -                             | 2 999                              | -          | -                    | 2 999               |
| - others  | -               | 1                             | 272                                | -          | -                    | 273                 |
| c) disposals:                                       | -               | (272)                         | (1 167)                            | (479)      | (161)                | (2 079)             |
| - sale  | -               | -                             | (198)                              | (421)      | (12)                 | (631)               |
| - liquidation                                       | -               | -                             | (903)                              | -          | (148)                | (1 051)             |
| - donations   | -               | -                             | -                                  | -          | (1)                  | (1)                 |
| - others  | -               | (272)                         | (66)                               | (58)       | -                    | (396)               |
| d) closing balance of fixed assets, gross value     | 8 989           | 163 436                       | 495 552                            | 4 867      | 9 767                | 682 611             |
| e) opening balance of cumulative depreciation       | -               | 7 748                         | 74 062                             | 1 322      | 7 730                | 90 862              |
| f) amortisation per period:                         | -               | 3 612                         | 26 629                             | 47         | 349                  | 30 637              |
| - planned   | -               | 3 612                         | 27 657                             | 344        | 506                  | 32 119              |
| - liquidation                                       | -               | -                             | (861)                              | -          | (149)                | (1 010)             |
| - donations   | -               | -                             | -                                  | -          | (1)                  | (1)                 |
| - sales   | -               | -                             | (167)                              | (297)      | (7)                  | (471)               |
| g) closing balance of cumulative depreciation       | -               | 11 360                        | 100 691                            | 1 369      | 8 079                | 121 499             |
| h) closing balance of fixed assets, net value       | 8 989           | 152 076                       | 394 861                            | 3 498      | 1 688                | 561 112             |

**Note 4.**

| <b>FINANCIAL FIXED ASSETS</b>                                    | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) own shares  | -                   | -                   |
| b) shares in consolidated companies consolidated by means of the | -                   | -                   |
| - in subsidiaries  | -                   | -                   |
| - in associated entities   | -                   | -                   |
| c) other shares, including:                                      | 20 385              | 34 339              |
| - in subsidiary companies not consolidated                       | 15 367              | 10 914              |
| - in associated entities not consolidated                        | 4 874               | 840                 |
| d) long term loans granted, including                            | 10 027              | 6 428               |
| - to subsidiary companies not consolidated                       | 6 567               | 4 352               |
| - to associated entities not consolidated                        | -                   | 1 692               |
| e) other securities, including:                                  | -                   | -                   |
| - subsidiary companies not consolidated                          | -                   | -                   |
| - associated entities  | -                   | -                   |
| f) other property rights (by kind)                               | -                   | -                   |
| g) other financial fixed assets                                  | 2 885               | -                   |
| - additional capital contributions to companies not consolidated | 2 885               | -                   |
| <b>Total financial fixed assets</b>                              | <b>33 297</b>       | <b>40 767</b>       |

For a reason of comparability shares in subsidiaries as at 30 June 2001 were increased by shares in Trefl Sp. z o.o. (which became subsidiaries of Agora) by the amount of PLN 985 thousand. Consequently shares in associated companies are reduced by PLN 985 thousand. Loans granted to Trefl Sp. z o.o. amounting to PLN 156 thousand were transferred from loans to associates to loans to subsidiaries.

Translation

| CHANGE IN FINANCIAL FIXED ASSETS (DIVIDED INTO GROUPS) |                   |                   |                           |                     |                                    |                   |                           |                     |
|--|-------------------|-------------------|---------------------------|---------------------|------------------------------------|-------------------|---------------------------|---------------------|
|  | <b>a) shares:</b> | - in subsidiaries | - in associated companies | - in parent Company | <b>b) long-term loans granted:</b> | - to subsidiaries | - to associated companies | - to parent Company |
| <b>a) opening balance</b>                              | <b>41 752</b>     | <b>14 375</b>     | <b>4 749</b>              | -                   | <b>8 444</b>                       | <b>6 302</b>      | <b>1 780</b>              | -                   |
| <b>b) additions</b>                                    | <b>2 091</b>      | <b>992</b>        | <b>1 091</b>              | -                   | <b>11 962</b>                      | <b>1 874</b>      | <b>2 866</b>              | -                   |
| - purchases  | 2 091             | 992               | 1 091                     | -                   | -                                  | -                 | -                         | -                   |
| - loans granted  | -                 | -                 | -                         | -                   | 5 245                              | 1 785             | -                         | -                   |
| - interest accrued                                     | -                 | -                 | -                         | -                   | 295                                | 89                | 173                       | -                   |
| - released provisions                                  | -                 | -                 | -                         | -                   | 3 729                              | -                 | -                         | -                   |
| - additional capital contributions                     | -                 | -                 | -                         | -                   | -                                  | -                 | -                         | -                   |
| - transfer of provision from long term to short term   | -                 | -                 | -                         | -                   | 2 693                              | -                 | 2 693                     | -                   |
| <b>c) disposals</b>                                    | <b>(23 458)</b>   | -                 | <b>(966)</b>              | -                   | <b>(10 379)</b>                    | <b>(1 609)</b>    | <b>(4 646)</b>            | -                   |
| - transfer to short term loan                          | -                 | -                 | -                         | -                   | (4 427)                            | (705)             | (3 360)                   | -                   |
| - interest repaid                                      | -                 | -                 | -                         | -                   | (3 598)                            | -                 | -                         | -                   |
| - provision for interest                               | -                 | -                 | -                         | -                   | (295)                              | (89)              | (173)                     | -                   |
| - loan into shares swap                                | -                 | -                 | -                         | -                   | (729)                              | (729)             | -                         | -                   |
| - provision for loan into shares swap                  | (966)             | -                 | (966)                     | -                   | (903)                              | -                 | (903)                     | -                   |
| - sells share  | (22 492)          | -                 | -                         | -                   | -                                  | -                 | -                         | -                   |
| - other  | -                 | -                 | -                         | -                   | (427)                              | (86)              | (210)                     | -                   |
| <b>d) closing balance</b>                              | <b>20 385</b>     | <b>15 367</b>     | <b>4 874</b>              | -                   | <b>10 027</b>                      | <b>6 567</b>      | -                         | -                   |
| <b>Financial fixed assets, Total</b>                   | <b>20 385</b>     | <b>15 367</b>     | <b>4 874</b>              | -                   | <b>10 027</b>                      | <b>6 567</b>      | -                         | -                   |

|  | c) other securities: | - of subsidiaries | - of associated companies | - of a parent Company | d) other equity rights (divided into groups) |   |   | e) other financial fixed assets | Financial fixed assets, Total |
|--|----------------------|-------------------|---------------------------|-----------------------|--|---|---|---------------------------------|-------------------------------|
|  |                      |                   |                           |                       | -  | - | - |                                 |                               |
| <b>a) opening balance</b>                            | -                    | -                 | -                         | -                     | -  | - | - | -                               | <b>50 196</b>                 |
| <b>b) additions</b>                                  | -                    | -                 | -                         | -                     | -  | - | - | <b>2 885</b>                    | <b>16 938</b>                 |
| - purchases  | -                    | -                 | -                         | -                     | -  | - | - | -                               | 2 091                         |
| - loans granted                                      | -                    | -                 | -                         | -                     | -  | - | - | -                               | 5 245                         |
| - interest accrued                                   | -                    | -                 | -                         | -                     | -  | - | - | -                               | 295                           |
| - released provisions                                | -                    | -                 | -                         | -                     | -  | - | - | -                               | 3 729                         |
| - additional capital contributions                   | -                    | -                 | -                         | -                     | -  | - | - | 2 885                           | 2 885                         |
| - transfer of provision from long term to short term | -                    | -                 | -                         | -                     | -  | - | - | -                               | 2 693                         |
| <b>c) disposals</b>                                  | -                    | -                 | -                         | -                     | -  | - | - | -                               | <b>(33 837)</b>               |
| - transfer to short term loan                        | -                    | -                 | -                         | -                     | -  | - | - | -                               | (4 427)                       |
| - interest repaid                                    | -                    | -                 | -                         | -                     | -  | - | - | -                               | (3 598)                       |
| - provision for interest                             | -                    | -                 | -                         | -                     | -  | - | - | -                               | (295)                         |
| - loan into shares swap                              | -                    | -                 | -                         | -                     | -  | - | - | -                               | (729)                         |
| - provision for loan into shares swap                | -                    | -                 | -                         | -                     | -  | - | - | -                               | (1 869)                       |
| - sells share  | -                    | -                 | -                         | -                     | -  | - | - | -                               | (22 492)                      |
| - other  | -                    | -                 | -                         | -                     | -  | - | - | -                               | (427)                         |
| d) closing balance                                   | -                    | -                 | -                         | -                     | -  | - | - | 2 885                           | 33 297                        |
| <b>Financial fixed assets, Total</b>                 | -                    | -                 | -                         | -                     | -  | - | - | <b>2 885</b>                    | <b>33 297</b>                 |

| SHARES IN SUBSIDIARIES AND AFFILIATED COMPANIES (INVESTMENTS) |   |             |   |                     |                                 |  |                             |                                    |                                  |   |  |  |
|---|---|-------------|---|---------------------|---------------------------------|--|-----------------------------|------------------------------------|----------------------------------|---|--|--|
| No.   | a                                       | b           | c   | d                   | e                               | f  | g                           | h                                  | i                                | j   | k  | l  |
|   | Company<br>(with its legal status)      | location    | Company's<br>activity                           | Kind of<br>relation | consolidation<br>method<br>used | control<br>overtaking/<br>influence date | shares<br>purchase<br>price | amounts<br>provided<br>for (total) | shares<br>balance sheet<br>value | percentage<br>of share<br>in share<br>capital | percentage<br>of votes<br>on Shareholders<br>meeting | other<br>than in j) or k)<br>kind of<br>domination |
| 1   | KKK FM SA                               | Wroclaw     | local radio station                             | subsidiary          | excluded from consolidation     | 1.02.98                                  | 468                         | -                                  | 468                              | 51,0%   | 51,0%  | -  |
| 2   | Inforadio Sp. z o.o.                    | Warszawa    | supra-regional radio station                    | affiliated          | excluded from consolidation     | 1.02.98                                  | 3 766                       | (3 766)                            | -                                | 41,6%   | 41,6%  | -  |
| 3   | Elita Sp. z o.o.                        | Bydgoszcz   | local radio station                             | subsidiary          | excluded from consolidation     | 1.02.98                                  | 3 586                       | -                                  | 3 586                            | 99,0%   | 99,0%  | -  |
| 4   | Radio Treff Sp. z o.o.                  | Sopot       | local radio station                             | subsidiary          | excluded from consolidation     | 1.02.98                                  | 1 584                       | -                                  | 1 584                            | 58,9%   | 58,9%  | -  |
| 5   | Jan Babczyszyn Radio Jazz FM Sp. z o.o. | Poznan      | local radio station                             | affiliated          | excluded from consolidation     | 1.02.98                                  | 353                         | -                                  | 353                              | 42,0%   | 42,0%  | -  |
| 6   | IM 40 Sp. z o.o.                        | Warszawa    | local radio station                             | subsidiary          | excluded from consolidation     | 1.02.98                                  | 1 260                       | -                                  | 1 260                            | 72,0%   | 72,0%  | -  |
| 7   | Radio Wawel Sp. z o.o.                  | Kraków      | local radio station                             | subsidiary          | excluded from consolidation     | 1.02.98                                  | 2                           | -                                  | 2                                | 50,0%   | 50,0%  | -  |
| 8   | Lokalne Rozglosnie Radiowe Sp. z o.o.   | Warszawa    | radio activity                                  | subsidiary          | excluded from consolidation     | 1.02.98                                  | 804                         | -                                  | 804                              | 100,0%  | 100,0%   | -  |
| 9   | O'LE Sp. z o.o.                         | Opole       | local radio station                             | subsidiary          | excluded from consolidation     | 1.02.98                                  | 1 929                       | -                                  | 1 929                            | 100,0%  | 100,0%   | -  |
| 10  | Karolina Sp. z o.o.                     | Tychy       | local radio station                             | subsidiary          | excluded from consolidation     | 26.03.98                                 | 1 499                       | -                                  | 1 499                            | 100,0%  | 100,0%   | -  |
| 11  | CITY Radio Sp. z o.o.                   | Czestochowa | local radio station                             | subsidiary          | excluded from consolidation     | 25.06.98                                 | 1 699                       | -                                  | 1 699                            | 100,0%  | 100,0%   | -  |
| 12  | Biuro Obslugi Radiowej Sp. z o.o.       | Poznan      | radio, TV, commercial services                  | affiliated          | excluded from consolidation     | 9.09.98                                  | 430                         | -                                  | 430                              | 46,0%   | 46,0%  | -  |
| 13  | BARYS Sp. z o.o.                        | Tychy       | radio, TV, commercial, market research services | subsidiary          | excluded from consolidation     | 17.12.99                                 | 533                         | -                                  | 533                              | 90,0%   | 90,0%  | -  |
| 14  | ZUH UZNAM Sp z o.o.                     | Swinoujscie | local radio station                             | subsidiary          | excluded from consolidation     | 29.12.99                                 | 348                         | -                                  | 348                              | 100,0%  | 100,0%   | -  |
| 15  | Centrum Handlu Internetowego Sp. z o.o. | Warszawa    | e-commerce and trading, utilities, production   | affiliated          | excluded from consolidation     | 15.11.00                                 | 3 000                       | -                                  | 3 000                            | 50,0%   | 50,0%  | -  |
| 16  | ROM Sp. z o.o.                          | Warszawa    | local radio station                             | subsidiary          | excluded from consolidation     | 12.01.00                                 | 663                         | -                                  | 663                              | 49,0%   | 49,0%  | majority in Management Board                       |
| 17  | City Magazine Sp. z o.o.                | Warszawa    | free press magazine publishing                  | subsidiary          | excluded from consolidation     | 4.05.2001                                | 992                         | -                                  | 992                              | 100,0%  | 100,0%   | -  |
| 18  | Radio Wanda Sp. z o.o.                  | Kraków      | radio, TV, commercial, market research services | affiliated          | excluded from consolidation     | 22.06.2001                               | 1 091                       | -                                  | 1 091                            | 24,0%   | 24,0%  | -  |

## SHARES IN SUBSIDIARIES AND AFFILIATED COMPANIES (INVESTMENTS), cont.

| No. | a<br>Company  | m<br>share capital of a company : |  |                    |                        |   |                          | n<br>Company's<br>liabilities,<br>- long-term | o<br>Company's<br>receivables: |       | p<br>Total<br>Company<br>assets | r<br>Sales<br>revenue | s<br>Outstanding<br>share capital<br>contribution | t<br>dividends/shares<br>in profits<br>for last accounting<br>year received or<br>receivable |       |
|-----|---|-----------------------------------|--|--------------------|------------------------|---|--------------------------|---|--------------------------------|-------|---------------------------------|-----------------------|---|--|-------|
|     |   | share<br>capital                  | capital called<br>but not paid in (a<br>negative figure) | reserve<br>capital | other<br>capital items | unappropriated<br>result from<br>previous years | net<br>profit/(loss<br>) |   | -                              | -     |                                 |                       |   |  |       |
|     |   |                                   |  |                    |                        |   |                          |   |                                |       |                                 |                       |   |  |       |
| 1   | KKK FM S.A.   | 629                               | -  | -                  | (1 467)                | (1 575)   | 108                      | 1 914   | -                              | 779   | -                               | 1 121                 | 1 308   | -  | -     |
| 2   | Inforadio Sp. z o.o.  | 7 245                             | -  | 641                | (47 834)               | (42 436)  | (5 398)                  | 43 581  | 42 861                         | 1 271 | -                               | 4 536                 | 1 300   | -  | -     |
| 3   | Elita Sp. z o.o.  | 3 629                             | -  | -                  | (3 284)                | (3 087)   | (197)                    | 599   | 170                            | 301   | -                               | 944                   | 632   | -  | -     |
| 4   | Radio Trefl Sp. z o.o.  | 2 683                             | -  | -                  | (3 254)                | (3 213)   | (41)                     | 1 868   | 222                            | 627   | -                               | 1 347                 | 1 500   | -  | -     |
| 5   | Jan Babczyszyn Radio<br>Jazz FM Sp. z o.o.                              | 600                               | -  | -                  | (389)                  | (488)   | 99                       | 461   | -                              | 419   | -                               | 672                   | 714   | -  | -     |
| 6   | IM 40 Sp. z o.o.  | 1 000                             | -  | 465                | 1 508                  | -   | 1 508                    | 704   | -                              | 2 860 | -                               | 3 679                 | 5 557   | -  | 2 420 |
| 7   | Radio Wawel Sp. z o.o. (the<br>company has not commenced<br>operations) | 4                                 | -  | -                  | -                      | -   | -                        | -   | -                              | -     | -                               | -                     | -   | -  | -     |
| 8   | Lokalne Rozglosnie<br>Radiowe Sp. z o.o.                                | 804                               | -  | 25                 | (599)                  | (365)   | (234)                    | 830   | 554                            | 546   | -                               | 1 067                 | 791   | -  | -     |
| 9   | O'le Sp. z o.o.   | 1 994                             | -  | -                  | (2 140)                | (1 788)   | (352)                    | 597   | 274                            | 162   | -                               | 451                   | 346   | -  | -     |
| 10  | Karolina Sp. z o.o.   | 1 100                             | -  | -                  | 996                    | -   | 996                      | 1 958   | 839                            | 1 833 | -                               | 4 119                 | 3 474   | -  | -     |
| 11  | City Radio Sp. z o.o.   | 1 701                             | -  | 14                 | (3 114)                | (2 827)   | (287)                    | 1 843   | 1 006                          | 340   | -                               | 457                   | 482   | -  | -     |
| 12  | Biuro Obslugi<br>Radiowej Sp. z o.o.                                    | 935                               | -  | 500                | (2 023)                | (1 006)   | (1 017)                  | 3 164   | -                              | 1 947 | -                               | 2 756                 | 4 422   | -  | -     |
| 13  | BARYS Sp. z o.o.  | 269                               | -  | -                  | (1 705)                | (982)   | (723)                    | 1 924   | 1 123                          | 149   | -                               | 490                   | 171   | -  | -     |
| 14  | UZNAM Sp z o.o.   | 31                                | -  | 417                | (982)                  | (651)   | (331)                    | 1 054   | 902                            | 132   | -                               | 523                   | 121   | -  | -     |
| 15  | Centrum Handlu Internetowego<br>Sp. z o.o.                              | 6 000                             | -  | -                  | (1 919)                | -   | (1 919)                  | 3 450   | -                              | 405   | -                               | 7 531                 | 113   | -  | -     |
| 16  | ROM Sp. z o.o.  | 684                               | -  | 5                  | (4 490)                | (3 678)   | (812)                    | 4 418   | 3 257                          | 448   | -                               | 702                   | 202   | -  | -     |
| 17  | City Magazine Sp. z o.o.  | 50                                | -  | 2 500              | (1 531)                | (1 532)   | 1                        | 304   | -                              | 622   | -                               | 1 326                 | 2 209   | -  | -     |
| 18  | Radio Wanda Sp. z o.o.  | 50                                | -  | -                  | -                      | -   | -                        | -   | -                              | -     | -                               | -                     | -   | -  | -     |

The financial data for Centrum Handlu Internetowego is presented for the period from inception of its activities that is from December 2000 till 30 June 2001.

| SHARES IN OTHER ENTITIES (INVESTMENTS) |                                      |          |                   |                      |                              |  |                                       |   |
|--|--------------------------------------|----------|-------------------|----------------------|------------------------------|--|---------------------------------------|---|
|  | a                                    | b        | c                 | d                    | e                            | f  | g                                     | h   |
| No.                                    | Name of entity, legal form           | Location | Activity          | Book value of shares | % of share capital           | Share in the total number of votes on shareholders meeting | Value of shares unpaid by the Company | Dividends received or due for the last year |
| 1                                      | Polskie Badania Internetu Sp. z o.o. | Warszawa | internet research | 16                   | 16,67%                       | 16,67%   | -                                     | -   |
| 2                                      | Other                                | -        | -                 | 128                  | less than 1% in each company | less than 1% in each company                               | -                                     | -   |
| 3                                      | -                                    | -        | -                 | -                    | -                            | -  | -                                     | -   |
| 4                                      | -                                    | -        | -                 | -                    | -                            | -  | -                                     | -   |
| 5                                      | -                                    | -        | -                 | -                    | -                            | -  | -                                     | -   |

| LONG TERM LOANS GRANTED (CURRENCY STRUCTURE)                            | 30 June 2001  | 30 June 2000 |
|---|---------------|--------------|
| a) in Polish zloty  | 10 027        | 6 428        |
| b) in foreign currencies (by currencies and after translation into PLN) | -             | -            |
| b1. unit/currency   | -             | -            |
| thousand PLN  | -             | -            |
| .....   | -             | -            |
| b2. other currencies in thousand PLN                                    | -             | -            |
| <b>Total long term loans granted</b>                                    | <b>10 027</b> | <b>6 428</b> |

Long term loans were granted in Polish zloty (PLN), however, the loan agreements rules to translate the value of loan and due interest according to USD exchange rate binding on the day of loan repayment.

| LONG TERM SECURITIES, SHARES AND OTHER PROPERTY RIGHTS (CURRENCY STRUCTURE) | 30 June 2001  | 30 June 2000  |
|---|---------------|---------------|
| a) in Polish zloty  | 20 385        | 34 339        |
| b) in foreign currencies (by currencies and after translation into PLN)     | -             | -             |
| b1. unit/currency   | -             | -             |
| thousand PLN  | -             | -             |
| .....   | -             | -             |
| b2. other currencies in thousand PLN  | -             | -             |
| <b>Total long term securities, shares and property rights</b>               | <b>20 385</b> | <b>34 339</b> |

| LONG TERM SECURITIES, SHARES AND OTHER PROPERTY RIGHTS (BY LIQUIDITY)  | 30 June 2001 | 30 June 2000 |
|--|--------------|--------------|
| A. Readily marketable, quoted on the stock exchange (balance sheet value)  | -            | -            |
| a) shares (balance sheet value):   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| b) bonds (balance sheet value)   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| c) other - grouped by kind (balance sheet value):  | -            | -            |
| c1 ...   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| ...  | -            | -            |
| B. Readily marketable, quoted on the controlled over the counter market (balance sheet value)                                    | -            | -            |
| a) shares (balance sheet value):   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| b) bonds (balance sheet value)   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| c) other - grouped by kind (balance sheet value):  | -            | -            |
| c1 ...   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| ...  | -            | -            |
| C. Readily marketable, quoted neither on the stock exchange nor on the controlled over the counter markets (balance sheet value) | -            | -            |
| a) shares (balance sheet value):   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |
| b) bonds (balance sheet value)   | -            | -            |
| - adjustments updating the value (balance)   | -            | -            |
| - the value according to purchase price  | -            | -            |

|   |               |               |
|---|---------------|---------------|
| c) other - grouped by kind (balance sheet value):                 | -             | -             |
| c1 ...  | -             | -             |
| - adjustments updating the value (balance)                        | -             | -             |
| - the value according to purchase price                           | -             | -             |
| ...   | -             | -             |
| D. Securities with restricted marketability (balance-sheet value) | 20 385        | 34 339        |
| a) shares (balance sheet value):                                  | 20 385        | 34 339        |
| - adjustments updating the value (balance)                        | (3 766)       | (101 318)     |
| - the value according to purchase price                           | 24 151        | 135 657       |
| b) bonds (balance sheet value)                                    | -             | -             |
| - adjustments updating the value (balance)                        | -             | -             |
| - the value according to purchase price                           | -             | -             |
| c) other - grouped by kind (balance sheet value):                 | -             | -             |
| c1 ...  | -             | -             |
| - adjustments updating the value (balance)                        | -             | -             |
| - the value according to purchase price                           | -             | -             |
| ...   | -             | -             |
| Total value per purchase price                                    | 24 151        | 135 657       |
| Total adjustments updating the value (balance)                    | (3 766)       | (101 318)     |
| <b>Total balance sheet value</b>                                  | <b>20 385</b> | <b>34 339</b> |

| <b>OTHER FINANCIAL ASSETS (BY CURRENCY STRUCTURE)</b>     | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) in PLN   | 2 885               | -                   |
| b) in foreign currency (per currency translated into PLN) | -                   | -                   |
| b1. unit/currency .....                                   | -                   | -                   |
| thousand PLN  | -                   | -                   |
| .....   | -                   | -                   |
| b2. other currency in thousand PLN                        | -                   | -                   |
| <b>Total other financial assets</b>                       | <b>2 885</b>        | <b>-</b>            |

### Note 5.

| <b>LONG TERM RECEIVABLES</b>                  | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) trade long term receivables, including:    | -                   | -                   |
| - from subsidiary companies                   | -                   | -                   |
| - from associated entities                    | -                   | -                   |
| - from parent company                         | -                   | -                   |
| b) other long term receivables, including     | -                   | -                   |
| - from subsidiary companies                   | -                   | -                   |
| - from associated entities                    | -                   | -                   |
| - from parent company                         | -                   | -                   |
| Net long term receivables                     | -                   | -                   |
| c) provision for receivables (positive value) | -                   | -                   |
| <b>Gross long term receivables</b>            | <b>-</b>            | <b>-</b>            |

| <b>CHANGE IN LONG TERM RECEIVABLES</b>                   | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) value as at the beginning of the period               | -                   | -                   |
| b) additions:  | -                   | -                   |
| c) disposals:  | -                   | -                   |
| <b>Long term receivables as at the end of the period</b> | -                   | -                   |

| <b>CHANGE IN PROVISION FOR LONG TERM RECEIVABLES</b>                   | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) value as at the beginning of the period                             | -                   | -                   |
| b) additions:  | -                   | -                   |
| c) disposal  | -                   | -                   |
| d) writing down  | -                   | -                   |
| <b>Provision for long term receivables as at the end of the period</b> | -                   | -                   |

| <b>LONG TERM RECEIVABLES (BY CURRENCY STRUCTURE)</b>      | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) in Polish currency                                     | -                   | -                   |
| b) in foreign currency (per currency translated into PLN) | -                   | -                   |
| b1. unit/currency .....                                   | -                   | -                   |
| thousand PLN  | -                   | -                   |
| .....   | -                   | -                   |
| b2. other currency in thousand PLN                        | -                   | -                   |
| <b>Total long term receivables</b>                        | -                   | -                   |

**Note 6.**

| <b>INVENTORY</b>                      | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---------------------------------------|---------------------|---------------------|
| a) Raw materials                      | 24 248              | 16 827              |
| b) Semi-products and work in progress | -                   | -                   |
| c) Finished products                  | -                   | -                   |
| d) Merchandise                        | 665                 | 734                 |
| e) Prepayments for inventory          | 297                 | 692                 |
| <b>Total inventory</b>                | <b>25 210</b>       | <b>18 253</b>       |

The balance of raw materials as at 30 June 2001 includes a printing press that is no longer in use and has been offered for resale. The carrying cost of the assets is PLN 5,927 thousand, which includes the net book value of the equipment of PLN 4,778 thousand, and capitalised removal costs of PLN 1,149 thousand.

**Note 7.**

| <b>CURRENT DEBTORS</b>  | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) Trade debtors  | 89 461              | 91 196              |
| - subsidiary companies  | 1 606               | 731                 |
| - associated entities   | 302                 | 261                 |
| - parent company  | -                   | -                   |
| b) Other debtors - subsidiary companies                                     | 2 328               | 4 001               |
| c) Other debtors - associated entities                                      | 1 500               | -                   |
| d) Other debtors - parent company   | -                   | -                   |
| e) Taxation, subsidy and social security debtors                            | 2 663               | 5 503               |
| f) Dividends and other participation in earnings                            | -                   | -                   |
| g) Other debtors  | 17 360              | 7 930               |
| h) Debtors subject to legal proceedings for which provision was not created | -                   | 3                   |
| <b>Net current debtors</b>  | <b>113 312</b>      | <b>108 633</b>      |
| i) Provision for doubtful debt (positive figure)                            | 40 689              | 26 137              |
| <b>Current debtors, gross value</b>   | <b>154 001</b>      | <b>134 770</b>      |

| <b>MOVEMENTS IN PROVISION FOR SHORT TERM DEBTS</b>            | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) Balance at the beginning of the year                       | 29 044              | 25 151              |
| b) Additions  | 14 955              | 6 667               |
| - provision for debts subject to legal proceedings            | 980                 | 806                 |
| - provision for outstanding interest                          | 322                 | -                   |
| - provision for doubtful debts                                | 10 018              | 5 861               |
| -provision for interest receivable reclassified to short term | 314                 | -                   |
| -provision for long term loan reclassified to short term      | 2 693               | -                   |
| -provision for share prepayments                              | 628                 | -                   |
| c) Utilisation  | (1 462)             | (1 840)             |
| - debts written-off   | (397)               | (206)               |
| - penalty interest written-off                                | (1 065)             | (1 634)             |
| d) Release  | (1 848)             | (3 841)             |
| - settlement of payments provided for                         | (1 848)             | (3 841)             |
| <b>Debt provision closing balance</b>                         | <b>40 689</b>       | <b>26 137</b>       |

| <b>DEBTORS (BY CURRENCY)</b>                        | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) in Polish currency                               | 152 710             | 133 150             |
| b) in foreign currencies                            | 1 291               | 1 620               |
| b1. unit/currency thousand USD                      | 214                 | 252                 |
| thousand PLN  | 852                 | 1 115               |
| b2. unit/currency thousand DEM                      | 180                 | 136                 |
| thousand PLN  | 311                 | 281                 |
| .....   | -                   | -                   |
| b3. other currencies (translated) into thousand PLN | 128                 | 224                 |
| <b>Total short term debtors</b>                     | <b>154 001</b>      | <b>134 770</b>      |

| <b>AGEING OF TRADE DEBTORS (NOMINAL VALUE) AS AT THE YEAR END</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a. Due within 1 month   | 37 550              | 50 842              |
| b. Due between 1 and 3 months                                     | 149                 | 769                 |
| c. Due between 3 and 6 months                                     | 136                 | 62                  |
| d. Due between 6 months and 1 year                                | 157                 | 1 200               |
| e. Due after 1 year   | -                   | 53                  |
| f. Overdue trade debtors  | 87 783              | 61 614              |
| Total trade debtors (nominal value)                               | 125 775             | 114 540             |
| g. Provision for doubtful debts (negative figure)                 | (36 314)            | (23 344)            |
| <b>Total trade debtors (net)</b>                                  | <b>89 461</b>       | <b>91 196</b>       |

Trade debtors turnover related to regular sales cycle is:

- advertisements 7 - 21 days
- newspapers 7 - 25 days

| <b>AGEING OF OVERDUE TRADE DEBTORS (NOMINAL VALUE) AS AT THE YEAR END - UNSETTLED WITHIN:</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a. 1 month  | 40 219              | 24 455              |
| b. between 1 and 3 months   | 12 670              | 14 119              |
| c. between 3 and 6 months   | 9 134               | 5 517               |
| d. between 6 months and 1 year  | 8 269               | 4 555               |
| e. after 1 year   | 17 491              | 12 968              |
| <b>Total overdue trade debtors (nominal value)</b>  | <b>87 783</b>       | <b>61 614</b>       |
| f. Provision for doubtful debts (negative figure)   | (36 314)            | (23 144)            |
| <b>Total overdue trade debtors (net)</b>  | <b>51 469</b>       | <b>38 470</b>       |

Out of the total value of debtors of PLN 154,001 thousand the overdue debtors are:

- trade debtors of PLN 87,783 thousand, including PLN 51,469 thousand not provided for,
- As at 30 June 2001 disputed debtors amounted to PLN 1,656 thousand and were fully provided for. Provisions for trade debtors amount to PLN 36,314 thousand and cover all doubtful accounts or overdue for at least 90 days.

## Note 8.

| OWN SHARES FOR SALE |        |                |                        |         |
|---------------------|--------|----------------|------------------------|---------|
| Amount              | Amount | Purchase price | Purpose for purchasing | Purpose |
| -                   | -      | -              | -                      | -       |
| -                   | -      | -              | -                      | -       |
| -                   | -      | -              | -                      | -       |
| -                   | -      | -              | -                      | -       |

  

| SHARES OF AGORA SA IN POSSESSION OF RELATED COMPANIES |        |                   |                     |
|---|--------|-------------------|---------------------|
| Company name, location                                | Amount | Acquisition price | Balance sheet value |
| -   | -      | -                 | -                   |
| -   | -      | -                 | -                   |
| -   | -      | -                 | -                   |
| -   | -      | -                 | -                   |

**Note 9.**

| SHORT-TERM SECURITIES, SHARES AND OTHER PROPERTY RIGHTS        | 30 June 2001   | 30 June 2000   |
|--|----------------|----------------|
| a) Shares  | -              | -              |
| - in subsidiary companies                                      | -              | -              |
| - in associated entities                                       | -              | -              |
| - in parent company  | -              | -              |
| b) Other short-term securities                                 | 62 604         | 186 820        |
| - in subsidiary companies                                      | 365            | -              |
| - in associated entities                                       | 176            | 643            |
| - in parent company  | -              | -              |
| c) Other securities and property rights                        | 43 736         | -              |
| - shares in investment funds                                   | 43 736         | -              |
| <b>Total short-term securities, shares and property rights</b> | <b>106 340</b> | <b>186 820</b> |

| SHORT-TERM SECURITIES, SHARES AND PROPERTY RIGHTS (BY CURRENCY) | 30 June 2001   | 30 June 2000   |
|---|----------------|----------------|
| a) in PLN currency  | 106 340        | 186 820        |
| b) Denominated in foreign currencies                            | -              | -              |
| b1. unit/currency thousand ...../.....<br>thousand PLN          | -              | -              |
| .....   | -              | -              |
| b2. other currencies translated in thousand PLN                 | -              | -              |
| <b>Total short-term securities, shares and property rights</b>  | <b>106 340</b> | <b>186 820</b> |

| SHORT-TERM SECURITIES, SHARES AND PROPERTY RIGHTS (BY LIQUIDITY)                                     | 30 June 2001 | 30 June 2000 |
|--|--------------|--------------|
| A. Readily marketable securities, quoted on stock exchanges (balance-sheet value)                    | -            | -            |
| a) shares (balance-sheet value)  | -            | -            |
| - market value (net)   | -            | -            |
| - purchase cost  | -            | -            |
| b) bonds (balance-sheet value)   | -            | -            |
| - market value (net)   | -            | -            |
| - purchase cost  | -            | -            |
| c) other (balance-sheet value)   | -            | -            |
| c1 ...   | -            | -            |
| - market value (net)   | -            | -            |
| - purchase cost  | -            | -            |
| ...  | -            | -            |
| B. Readily marketable securities, quoted on regulated, over-the counter-market (balance-sheet value) | -            | -            |
| a) shares (balance-sheet value)  | -            | -            |
| - market value (net)   | -            | -            |
| - purchase cost  | -            | -            |
| b) bonds (balance-sheet value)   | -            | -            |
| - market value (net)   | -            | -            |
| - purchase cost  | -            | -            |
| c) other (balance-sheet value)   | -            | -            |
| c1 ...   | -            | -            |
| - market value (net)   | -            | -            |
| - purchase cost  | -            | -            |

|  |                |                |
|--|----------------|----------------|
| ...  | -              | -              |
| C. Readily marketable securities, not quoted on stock exchanges or regulated over-the-counter market (balance-sheet value) | 106 340        | 186 820        |
| a) shares (balance-sheet value)  | -              | -              |
| - market value (net)   | -              | -              |
| - purchase cost  | -              | -              |
| b) bonds (balance-sheet value)   | -              | 3 243          |
| - market value (net)   | -              | 3 243          |
| - purchase cost  | -              | 3 036          |
| c) other, including: (balance-sheet value)   | 106 340        | 183 577        |
| c1 corporate bonds ( balance sheet value)  | 62 604         | 144 193        |
| - market value (net)   | 62 604         | 144 193        |
| - purchase cost  | 60 441         | 136 076        |
| c2 treasury bills (balance sheet bonds)  | -              | 13 384         |
| - market value (net)   | -              | 13 384         |
| - purchase cost  | -              | 12 734         |
| c3 shares in an investment funds   | 43 736         | 26 000         |
| - market value (net)   | 43 736         | 26 000         |
| - purchase cost  | 40 000         | 26 000         |
| ...  | -              | -              |
| D. Securities with restricted marketability (balance-sheet value)  | -              | -              |
| a) shares (balance-sheet value)  | -              | -              |
| - estimated market value (net)   | -              | -              |
| - purchase cost  | -              | -              |
| b) bonds (balance-sheet value)   | -              | -              |
| - estimated market value (net)   | -              | -              |
| - purchase cost  | -              | -              |
| c) other (balance-sheet value)   | -              | -              |
| c1 ...   | -              | -              |
| - estimated market value (net)   | -              | -              |
| - purchase cost  | -              | -              |
| ...  | -              | -              |
| Total purchase / acquisition cost  | 100 441        | 177 846        |
| Total valuation adjustment (net)   | 5 899          | 8 974          |
| Total market value   | 106 340        | 186 820        |
| <b>Total book value</b>  | <b>106 340</b> | <b>186 820</b> |

**Note 10.**

| CASH AND CASH EQUIVALENTS              | 30 June 2001   | 30 June 2000  |
|--|----------------|---------------|
| a. Cash in hand                        | 300            | 308           |
| b. Cash at bank                        | 132 202        | 44 295        |
| c. Other                               | 44             | 266           |
| <b>Total cash and cash equivalents</b> | <b>132 546</b> | <b>44 869</b> |

| CASH AND CASH EQUIVALENTS (BY CURRENCY) | 30 June 2001   | 30 June 2000  |
|---|----------------|---------------|
| a) PLN currency                         | 67 923         | 31 849        |
| b) in foreign currencies                | 64 623         | 13 020        |
| b1. unit/currency thousand USD          | 1 692          | 2 828         |
| thousand PLN                            | 6 748          | 12 417        |
| b2. unit/currency thousand DEM          | -              | 21            |
| thousand PLN                            | -              | 46            |
| b3. unit/currency thousand EURO         | 17 103         | 107           |
| thousand PLN                            | 57 780         | 450           |
| b4. unit/currency thousand ...../.....  | -              | -             |
| thousand PLN                            | -              | -             |
| .....                                   | -              | -             |
| b5. other currencies in thousand PLN    | 95             | 107           |
| <b>Total cash and cash equivalents</b>  | <b>132 546</b> | <b>44 869</b> |

**Note 11.**

| <b>MOVEMENT IN DEFERRED TAX ASSETS</b>    | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| Deferred tax asset at beginning of period | -                   | -                   |
| a) increases                              | -                   | -                   |
| b) decreases                              | -                   | -                   |
| Deferred tax asset at the end of period   | -                   | -                   |

| <b>OTHER PREPAID EXPENSES</b>     | <b>30 June 2001</b> | <b>30 June 2000</b> |
|-----------------------------------|---------------------|---------------------|
| a) prepaid expenses, incl.:       | 2 529               | 1 135               |
| - Social Fund                     | 1 202               | 853                 |
| - rents                           | 222                 | 136                 |
| - perpetual leasehold fee         | 426                 | 70                  |
| - computer services               | 428                 | -                   |
| b) other prepaid expenses, incl.: | -                   | -                   |
| <b>Total prepaid expenses</b>     | <b>2 529</b>        | <b>1 135</b>        |

**Note 12.**

| <b>EQUITY</b>                         |                         |                    |                     |  |                   |                       |                                     |
|---------------------------------------|-------------------------|--------------------|---------------------|--|-------------------|-----------------------|-------------------------------------|
| Nominal value of one share = 1,00 PLN |                         |                    |                     |  |                   |                       |                                     |
| Series/<br>issue                      | Type of shares          | Type of preference | Number of<br>shares | Value of<br>series/<br>issue in<br>nominal | Origin of capital | Registratio<br>n date | Right to<br>dividend<br>(from date) |
| A                                     | Registered              | 5 votes per share  | 4 281 600           | 4 282                                      | conversion        | 1.04.98               | 1.01.97                             |
| B                                     | ordinary and registered | none               | 39 108 900          | 39 109                                     | conversion        | 1.04.98               | 1.01.97                             |
| C                                     | Registered              | 5 votes per share  | 750 000             | 750  | conversion        | 1.04.98               | 1.01.97                             |
| D                                     | ordinary and registered | none               | 2 267 025           | 2 267                                      | issued            | 29.03.99              | 1.01.98                             |
| E                                     | ordinary                | none               | 9 000 000           | 9 000                                      | issued            | 29.03.99              | 1.01.98                             |
| F                                     | ordinary                | none               | 1 350 000           | 1 350                                      | issued            | 29.03.99              | 1.01.98                             |
| <b>Total number of shares</b>         |                         |                    | <b>56 757 525</b>   |  |                   |                       |                                     |
| <b>Total equity</b>                   |                         |                    |                     | <b>56 758</b>                              |                   |                       |                                     |

Shareholders who have at least 5% of total voting rights on General Shareholders Meeting (GSM), at the 30 June 2001:

- AGORA-HOLDING Sp. z o.o., based in Warszawa - 44,58 % of total voting rights on GSM,
- COX Poland Investments, Inc., based in Wilmington, USA - 10,25 % of total voting rights on GSM,
- Bankers Trust Company, based in New York City, USA - 8,07 % of total voting rights on GSM.

**Note 13.**

| <b>RESERVE CAPITAL</b>   | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) Share premium   | 353 646             | 353 646             |
| b) Statutory reserves  | -                   | -                   |
| c) Capital reserves established in accordance with the statute / (deed), in excess of legal requirements | 426 403             | 251 916             |
| d) Additional capital contributions from shareholders  | 1 038               | 1 038               |
| e) Other   | 672                 | 566                 |
| <b>Total reserve capital</b>   | <b>781 759</b>      | <b>607 166</b>      |

The Group has changed the balance sheet classification of the costs associated with the initial public offering of its shares in 1999. Therefore the 2000 comparative figure of share premium was restated as described in additional notes 16 and 17.

**Note 14.**

| <b>OTHER RESERVE CAPITAL (BY APPROPRIATION)</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| -   | -                   | -                   |
| -   | -                   | -                   |
| <b>Total other reserve capital</b>              | <b>-</b>            | <b>-</b>            |

**Note 15.**

| <b>ACCUMULATED PROFIT / (LOSS) FROM PREVIOUS YEARS</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) Accumulated profit (positive figure)                | -                   | 424                 |
| b) Accumulated loss (negative figure)                  | -                   | -                   |
| <b>Accumulated profit / (loss) from previous years</b> | <b>-</b>            | <b>424</b>          |

**Note 16.**

| <b>CONSOLIDATED RESERVE CAPITAL</b>                    | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) Consolidated reserve capital - subsidiary companies | -                   | -                   |
| b) Consolidated reserve capital - associated companies | -                   | -                   |
| <b>Total consolidated reserve capital</b>              | -                   | -                   |

| <b>MOVEMENT ON CONSOLIDATED RESERVE CAPITAL - SUBSIDIARY COMPANIES</b>        | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) gross value at the beginning of the year                                   | -                   | -                   |
| b) additions:   | -                   | -                   |
| c) disposals:   | -                   | -                   |
| d) gross value at year end  | -                   | -                   |
| e) appropriation of consolidated reserve capital at the beginning of the year | -                   | -                   |
| f) appropriation of consolidated reserve capital for the year                 | -                   | -                   |
| g) appropriation of consolidated reserve capital at year end                  | -                   | -                   |
| h) net value at year end  | -                   | -                   |

| <b>MOVEMENT ON CONSOLIDATED RESERVE CAPITAL - ASSOCIATED COMPANIES</b>        | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) gross value at the beginning of the year                                   | -                   | -                   |
| b) additions:   | -                   | -                   |
| c) disposals:   | -                   | -                   |
| d) gross value at year end  | -                   | -                   |
| e) appropriation of consolidated reserve capital at the beginning of the year | -                   | -                   |
| f) appropriation of consolidated reserve capital for the year                 | -                   | -                   |
| g) appropriation of consolidated reserve capital at year end                  | -                   | -                   |
| h) net value at year end  | -                   | -                   |

**Note 17.**

| <b>MOVEMENT ON SHARE CAPITAL OF MINORITY SHAREHOLDERS</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) Balance at the beginning of the year                   | -                   | -                   |
| b) additions:   | -                   | -                   |
| c) disposals:   | -                   | -                   |
| d) Balance at year end                                    | -                   | -                   |

**Note 18.**

| <b>MOVEMENTS IN DEFERRED TAX PROVISION</b>                    | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| Balance at beginning of year                                  | 5 092               | 4 343               |
| a) additions:   | 18 005              | 9 180               |
| - investment relief   | 1 614               | 4 113               |
| - tax on valuation of commercial papers and t-bills           | 1 651               | 2 754               |
| - tax on released / utilised provisions                       | 8 341               | -                   |
| - tax on share issue costs                                    | 598                 | -                   |
| - tax on salaries   | 1 172               | 857                 |
| - tax on a difference between tax and accounting depreciation | 4 491               | 1 437               |
| - other   | 138                 | 19                  |
| b) decreases:   | (7 108)             | (7 636)             |
| - tax on depreciation of assets under an investment relief    | (1 326)             | (613)               |
| - tax on prior year revaluation of bonds sold in current year | (722)               | (2 388)             |
| - tax on created provisions                                   | (1 629)             | -                   |
| - tax on accrued interest on loans and credits                | -                   | (865)               |
| - tax on unrealised foreign exchange losses                   | (2 778)             | (1 469)             |
| - tax on salaries   | (653)               | (2 295)             |
| - other   | -                   | (6)                 |
| Balance at the end of year                                    | <b>15 989</b>       | <b>5 887</b>        |

The Group has changed the policy regarding balance sheet classification of the costs associated with the initial public offering of its shares in 1999, therefore the 2000 comparative figures were restated as described in additional notes 16 and 17.

**Note 19.**

| <b>OTHER PROVISIONS</b>                        | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| - provisions for certain and probable losses   | 1 374               | -                   |
| - provisions for guarantees given to Inforadio | 9 600               | -                   |
| <b>Total other provisions</b>                  | <b>10 974</b>       | <b>-</b>            |

| <b>MOVEMENTS IN OTHER PROVISIONS (EXCLUSIVE OF RECEIVABLES PROVISION)</b> |   |   |   |   |                        |
|---|---|---|---|---|------------------------|
|   | Provision against certain and probable losses | - | - | - | Total other provisions |
| a) Balance of other provisions at the beginning of the year               | -   | - | - | - | -                      |
| b) additions  | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| c) utilisation  | -   | - | - | - | -                      |
| - reimbursements received   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| d) released   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| -   | -   | - | - | - | -                      |
| e) Balance of other provisions at year end                                | -   | - | - | - | -                      |

**Note 20.**

| <b>LONG-TERM LIABILITIES</b>                                | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) long-term bank credits, incl.:                           | -                   | -                   |
| - from parent company                                       | -                   | -                   |
| b) long-term loans, incl.:                                  | -                   | 86 027              |
| - from subsidiaries   | -                   | -                   |
| - from associated entities                                  | -                   | -                   |
| - from parent company                                       | -                   | -                   |
| c) liabilities relating to long-term debt securities issued | -                   | -                   |
| d) liabilities relating to other securities                 | -                   | -                   |
| e) finance lease commitments                                | -                   | -                   |
| f) other long-term liabilities                              | 8 783               | -                   |
| - f/x hedging transactions                                  | 8 777               | -                   |
| - trade   | 6                   | -                   |
| <b>Total long-term liabilities</b>                          | <b>8 783</b>        | <b>86 027</b>       |

Net liabilities arising from cross-currency loan consist of a loan payable to a bank in the amount of PLN 51,659 thousand, net of deposits receivable from the same bank in the aggregate amount of PLN 42,882 thousand (the PLN equivalent of EURO 12,693 thousand converted at the 30 June 2001 rate). The loan payable bears interest at 18.12%, and the deposit earn interest at 5.26%.

The loan is being repaid in blended monthly instalments of PLN 2,345 thousand and the deposit is being repaid in blended monthly refunds of EURO 500 thousand.

| <b>AGEING OF LONG TERM LIABILITIES</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) between 1 and 3 years               | 8 783               | -                   |
| b) between 3 and 5 years               | -                   | -                   |
| c) after 5 years                       | -                   | 86 027              |
| <b>Total long-term liabilities</b>     | <b>8 783</b>        | <b>86 027</b>       |

| <b>LONG-TERM LIABILITIES (BY CURRENCY)</b>                                       | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) long-term liabilities in Polish currency                                      | 8 783               | -                   |
| b) long-term liabilities in foreign currencies (translated into Polish currency) | -                   | 86 027              |
| b1. unit/currency thousands/ USD   | -                   | 19 593              |
| thousands PLN  | -                   | 86 027              |
| b2. unit/currency ...../.....  | -                   | -                   |
| thousands PLN  | -                   | -                   |
| .....  | -                   | -                   |
| b3. other currencies in thousands PLN  | -                   | -                   |
| <b>Total long-term liabilities</b>   | <b>8 783</b>        | <b>86 027</b>       |



**Note 21.**

| <b>SHORT-TERM LIABILITIES</b>                                      | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) bank loans, incl.:  | -                   | -                   |
| - from subsidiaries  | -                   | -                   |
| - from associated entities   | -                   | -                   |
| - from parent company  | -                   | -                   |
| b) loans, incl.:   | -                   | -                   |
| - from subsidiaries  | -                   | -                   |
| - from associated entities   | -                   | -                   |
| - from parent company  | -                   | -                   |
| c) liabilities relating to short-term debt securities issued       | -                   | -                   |
| d) liabilities relating to other short-term debt securities issued | -                   | -                   |
| e) trade payables, to:   | 49 357              | 111 583             |
| - subsidiaries   | 114                 | 141                 |
| - associated entities  | -                   | 20                  |
| - parent company   | -                   | -                   |
| f) advance payments received                                       | -                   | -                   |
| g) bills of exchange payable                                       | -                   | -                   |
| h) taxation, customs, social security payable                      | 15 819              | 13 786              |
| i) dividends payable   | -                   | -                   |
| j) salaries payable  | 123                 | 230                 |
| k) current portion of long-term liabilities, incl.:                | -                   | -                   |
| l) special funds   | 8 319               | 6 479               |
| m) other short-term liabilities, incl.:                            | 777                 | 611                 |
| - payables to employees  | 223                 | 183                 |
| <b>Total short-term liabilities</b>                                | <b>74 395</b>       | <b>132 689</b>      |

| <b>SHORT-TERM LIABILITIES (BY CURRENCY)</b>                | <b>30 June 2001</b> | <b>30 June 2000</b> |
|--|---------------------|---------------------|
| a) in Polish currency                                      | 47 554              | 49 849              |
| b) in foreign currencies (translated into Polish currency) | 26 841              | 82 840              |
| b1. unit/currency thousands/ DEM                           | 12 612              | 14 951              |
| thousands PLN  | 21 785              | 32 163              |
| b2. unit/currency thousands/ CHF                           | 2 092               | 18 420              |
| thousands PLN  | 4 648               | 49 732              |
| .....  | -                   | -                   |
| b4. other currencies in thousands PLN                      | 408                 | 945                 |
| <b>Total short-term liabilities</b>                        | <b>74 395</b>       | <b>132 689</b>      |

| <b>SPECIAL FUND (BY TYPE)</b> | <b>30 June 2001</b> | <b>30 June 2000</b> |
|-------------------------------|---------------------|---------------------|
| - Social Fund                 | 8 319               | 6 479               |
| <b>Total special funds</b>    | <b>8 319</b>        | <b>6 479</b>        |





**Note 22.**

| <b>ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>30 June 2001</b> | <b>30 June 2000</b> |
|---|---------------------|---------------------|
| a) accrued expenses, including:                             | 10 018              | 11 711              |
| - holiday pay accrual                                       | 7 803               | 6 188               |
| - accrual for employee incentive plan                       | 1 365               | 4 526               |
| - current period salaries paid out in the following period  | 850                 | 997                 |
| b) deferred income, including:                              | 6 613               | 7 647               |
| - unrealised foreign exchange rate differences              | 1 616               | 2 382               |
| - prepayments received for advertisements and subscriptions | 3 818               | 4 321               |
| - court costs to be recovered                               | 919                 | 570                 |
| - negative goodwill   | 149                 | 262                 |
| <b>Total accrued expenses and deferred income</b>           | <b>16 631</b>       | <b>19 358</b>       |

**Additional balance sheet note****Calculation of book value per share and diluted book value:**

Book value per share has been calculated by dividing share capital (at balance sheet date) by the number of shares having subscription right at the balance sheet date.

Diluted book value per share has not been calculated since the Group is not planning any new shares issue.

**Note 23.**

| <b>NET SALES OF FINISHED PRODUCTS (BY TYPE OF PRODUCTS)</b> | <b>1.01.2001 till 30.06.2001</b> | <b>1.01.2000 till 30.06.2000</b> |
|---|----------------------------------|----------------------------------|
| - sale of advertising                                       | 315 230                          | 321 973                          |
| - sale of publications                                      | 83 248                           | 79 126                           |
| - sale of services of auxiliary activity                    | 2 338                            | 1 793                            |
| - other sales   | 1 849                            | 1 422                            |
| <b>Total net sales of finished products</b>                 | <b>402 665</b>                   | <b>404 314</b>                   |

| <b>NET SALES OF FINISHED PRODUCTS (BY GEOGRAPHIC AREA)</b> | <b>1.01.2001 till 30.06.2001</b> | <b>1.01.2000 till 30.06.2000</b> |
|--|----------------------------------|----------------------------------|
| a. Domestic sales  | 402 576                          | 404 205                          |
| b. Export sales  | 89                               | 109                              |
| <b>Total net sales of finished products</b>                | <b>402 665</b>                   | <b>404 314</b>                   |

**Note 24.**

| <b>NET SALES OF MERCHANDISE AND MATERIALS (BY TYPE OF ACTIVITY)</b> | <b>1.01.2001 till 30.06.2001</b> | <b>1.01.2000 till 30.06.2000</b> |
|---|----------------------------------|----------------------------------|
| - sales of materials  | 2 236                            | 958                              |
| - sales of reinforcements and merchandise                           | 1 587                            | 1 449                            |
| - sales of albums   | 41                               | 66                               |
| - other sales   | 15                               | 8                                |
| <b>Total net sales of merchandise and materials</b>                 | <b>3 879</b>                     | <b>2 481</b>                     |

| <b>NET SALES OF MERCHANDISE AND MATERIALS (BY GEOGRAPHIC AREA)</b> | <b>1.01.2001 till 30.06.2001</b> | <b>1.01.2000 till 30.06.2000</b> |
|--|----------------------------------|----------------------------------|
| a. Domestic sales  | 3 879                            | 2 481                            |
| b. Export sales  | -                                | -                                |
| <b>Total net sales of merchandise and materials</b>                | <b>3 879</b>                     | <b>2 481</b>                     |

**Note 25.**

| <b>COST BY TYPE OF EXPENDITURE</b>                    | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|---|--------------------------------------|--------------------------------------|
| a) materials and energy                               | 95 108                               | 92 865                               |
| b) external services                                  | 52 002                               | 56 958                               |
| c) taxes and charges                                  | 2 077                                | 951                                  |
| d) payroll  | 78 498                               | 71 179                               |
| e) social security on employee payroll                | 17 995                               | 15 534                               |
| f) depreciation                                       | 41 898                               | 23 103                               |
| g) other  | 22 067                               | 18 115                               |
| Total cost by type of expenditure                     | 309 645                              | 278 705                              |
| Changes in stock and prepaid and accrued expenses     | -                                    | -                                    |
| Selling costs (negative number)                       | (45 055)                             | (38 064)                             |
| Administrative and general expenses (negative number) | (53 160)                             | (56 939)                             |
| Cost of products sold                                 | <b>211 430</b>                       | <b>183 702</b>                       |

**Note 26.**

| <b>OTHER OPERATING INCOME</b>          | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) revenue from sales of fixed assets  | 488                                  | 275                                  |
| b) subsidies                           | -                                    | -                                    |
| c) reversal of provisions              | 1 154                                | 3 567                                |
| - payment of debts provided for        | 1 121                                | 3 542                                |
| - provision for inventory              | 33                                   | 25                                   |
| d) other, including:                   | 544                                  | 381                                  |
| - court fees returned                  | 157                                  | 108                                  |
| - written - off debts repaid           | 129                                  | 15                                   |
| - negative goodwill of Trans-Serwis SA | 56                                   | 56                                   |
| <b>Total other operating income</b>    | <b>2 186</b>                         | <b>4 223</b>                         |

**Note 27.**

| <b>OTHER OPERATING EXPENSES</b>        | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) net book value of fixed assets sold | 160                                  | 253                                  |
| b) valuation adjustment to stock       | -                                    | -                                    |
| c) unplanned depreciation charges      | 40                                   | 2 309                                |
| d) provisions created for:             | 7 481                                | 5 049                                |
| - overdue debts                        | 7 481                                | 5 049                                |
| e) other, including:                   | 2 644                                | 2 058                                |
| - donations                            | 896                                  | 674                                  |
| - receivables written-off              | 1 277                                | 932                                  |
| - legal charges and suit costs         | 327                                  | 289                                  |
| - membership fees                      | 39                                   | 140                                  |
| <b>Total other operating expenses</b>  | <b>10 325</b>                        | <b>9 669</b>                         |

Unplanned depreciation charges amounting to PLN 40 thousand resulted from liquidation of fixed assets.

**Note 28.**

| <b>INCOME FROM SHARES IN OTHER ENTITIES</b>       | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|---|--------------------------------------|--------------------------------------|
| Income from shares in other entities, including:  | 2 420                                | 2 085                                |
| 1. from subsidiaries                              | 2 420                                | 1 724                                |
| 2. from associates                                | -                                    | -                                    |
| 3. from parent company                            | -                                    | -                                    |
| <b>Total income from shares in other entities</b> | <b>2 420</b>                         | <b>2 085</b>                         |

**Note 29.**

| <b>INCOME FROM OTHER FINANCIAL FIXED ASSETS</b>       | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|---|--------------------------------------|--------------------------------------|
| Income from other financial fixed assets, including:  | -                                    | -                                    |
| 1. from subsidiaries                                  | -                                    | -                                    |
| 2. from associates                                    | -                                    | -                                    |
| 3. from parent company                                | -                                    | -                                    |
| <b>Total income from other financial fixed assets</b> | <b>-</b>                             | <b>-</b>                             |

**Note 30.**

| <b>OTHER FINANCIAL INCOME</b>  | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) interest on loans granted, including:                                       | 1 309                                | 1 172                                |
| - from subsidiaries  | 1 002                                | 566                                  |
| - from associates  | 228                                  | 367                                  |
| - from parent company  | -                                    | -                                    |
| b) other interest, including:  | 8 554                                | 4 564                                |
| - from subsidiaries  | -                                    | -                                    |
| - from associates  | -                                    | -                                    |
| - from parent company  | -                                    | -                                    |
| c) profit on sale of securities and shares and other property rights           | 107 985                              | 5 947                                |
| d) gain on the revaluation of financial fixed assets and short term securities | 5 896                                | 8 936                                |
| e) foreign exchange gains  | 3 743                                | 3 012                                |
| f) provision reversal, including:  | 348                                  | 222                                  |
| - interest paid on outstanding debts   | 348                                  | 222                                  |
| - revaluation of securities of joint companies                                 | -                                    | -                                    |
| - foreign exchange on repaid TKP loan  | -                                    | -                                    |
| g) other, including:   | 4 314                                | 1 239                                |
| - net income on f/x forwards and future interest rate contracts                | 1 941                                | 1 193                                |
| - others   | 1 760                                | -                                    |
| <b>Total other financial income</b>  | <b>132 149</b>                       | <b>25 092</b>                        |

During the period Agora disposed of its 12,12% interest in shares of Telewizyjna Korporacja Partycypacyjna S.A. (TKP).

The gain on disposal of its investment, with a net book value of PLN 22,491 thousand, amounts to PLN 104,026 thousands is included above in financial income. It includes proceeds from the disposition of the shares, net interest income and foreign exchange gains. Proceeds consisted of settlement of its loan payable of PLN 81,881 thousand to its shareholder Cox Poland Investments, Inc (Cox) in exchange for 5.94% of TKP shares, cash proceeds of PLN 41,264 thousand for 6.18% of TKP shares, net interest income of PLN 1,793 thousand and net foreign exchange gains of PLN 1,579 thousand.

The tax effect on this transaction is included in income tax charge for the period. The transaction brought about an increase in tax of PLN 2,112 thousand, while the tax due on the back of the said transactions (paid in the first half) decreased by PLN 4,558 thousand.

The sale of TKP shares increased the Company's net profit for the period by PLN 101,914 thousand (calculated as of 30 June, 2001). This impact may change during the year since TKP transactions affect tax credits settlements (which depend on the financial result for the whole 2001).

**Note 31.**

| <b>FINANCIAL EXPENSES</b>  | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) interest on loans and credits, including:                                   | -                                    | 2 884                                |
| - from subsidiaries  | -                                    | -                                    |
| - from associates  | -                                    | -                                    |
| - from parent company  | -                                    | -                                    |
| b) other interest, including:  | 6                                    | 2                                    |
| - from subsidiaries  | -                                    | -                                    |
| - from associates  | -                                    | -                                    |
| - from parent company  | -                                    | -                                    |
| c) loss on sale of financial fixed assets and short term securities            | -                                    | -                                    |
| d) loss on the revaluation of financial fixed assets and short term securities | -                                    | -                                    |
| e) foreign exchange losses   | 4 280                                | 8 341                                |
| - realised   | 1 093                                | 3 444                                |
| - unrealised   | 3 187                                | 4 897                                |
| f) created provisions, including:  | 17 920                               | 3 022                                |
| - for accrued interest on short term securities                                | -                                    | -                                    |
| - for interest accrued   | 4 449                                | 2 204                                |
| - for loans granted to related companies                                       | -                                    | 818                                  |
| - for investments in Inforadio   | 12 097                               | -                                    |
| - for f/x hedging transactions   | 1 374                                | -                                    |
| g) other financial expenses, including:  | 16 481                               | 186                                  |
| - fees on bank credits   | 126                                  | 76                                   |
| - interest on late payments to state budget                                    | 29                                   | 9                                    |
| - f/x hedging transactions   | 16 321                               | -                                    |
| <b>Total financial expenses</b>  | <b>38 687</b>                        | <b>14 435</b>                        |

**Note 32.**

| <b>EXTRAORDINARY GAINS</b>                         | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) random effects                                  | 4                                    | 17                                   |
| b) from the sale of shares in subsidiary companies | -                                    | -                                    |
| c) from the sale of shares in associated companies | -                                    | -                                    |
| d) other   | -                                    | 49                                   |
| <b>Total extraordinary gains</b>                   | <b>4</b>                             | <b>66</b>                            |

**Note 33.**

| <b>EXTRAORDINARY LOSSES</b>                        | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) random effects                                  | -                                    | 1                                    |
| b) from the sale of shares in subsidiary companies | -                                    | -                                    |
| c) from the sale of shares in associated companies | -                                    | -                                    |
| d) other, including:                               | -                                    | -                                    |
| <b>Total extraordinary losses</b>                  | <b>-</b>                             | <b>1</b>                             |

**Note 34.**

| <b>CORPORATE INCOME TAX</b>   | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|---|--------------------------------------|--------------------------------------|
| 1. Profit before taxation   | 181 652                              | 133 466                              |
| 2. Consolidation adjustments  | (128)                                | 1 457                                |
| 3. Permanent differences between profit (loss) before taxation and taxable income   | (87 682)                             | (4 582)                              |
| 4. Temporary differences between profit (loss) before taxation and taxable income   | (38 963)                             | (5 158)                              |
| 5. Other differences between profit (loss) before taxation and taxable income, including:                                   | (86)                                 | (116)                                |
| - prior period losses   | (84)                                 | (116)                                |
| 6. Tax base   | 54 793                               | 125 067                              |
| 7. Corporate income tax   | 15 342                               | 37 520                               |
| 8. Abandonment, exemption, deduction and reduction of tax   | (3 808)                              | (3 258)                              |
| 9. Corporate income tax payable   | 11 534                               | 34 262                               |
| 10. Deferred tax liability  | -                                    | -                                    |
| - opening balance   | 20 471                               | 17 910                               |
| - additions   | 7 871                                | 8 307                                |
| - disposals   | (2 048)                              | (3 019)                              |
| - closing balance   | 26 294                               | 23 198                               |
| 11. Deferred tax asset  | -                                    | -                                    |
| - opening balance   | 15 379                               | 13 567                               |
| - additions   | 5 061                                | 4 631                                |
| - disposals   | (10 135)                             | (887)                                |
| - closing balance   | 10 305                               | 17 311                               |
| 12. Difference between the increase of deferred tax liability and deferred tax asset  | 10 897                               | 1 544                                |
| 13. Corporate income tax commensurate with profit (loss) before taxation, presented in consolidated profit and loss account | <b>22 431</b>                        | <b>35 806</b>                        |

The Group has changed the policy regarding balance sheet classification of the costs associated with the initial public offering of its shares in 1999, therefore the 2000 comparative figures were restated as described in additional notes 16 and 17.

| Differences between corporate income tax presented in profit and loss statement and tax calculated on taxable income | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|--|------------------------------|------------------------------|
| Tax calculated from taxable income   | 15 342                       | 37 520                       |
| 1. Investment bonus  | 5 765                        | 9 977                        |
| - tax on investment bonus  | (1 614)                      | (2 993)                      |
| 2. Donations   | 1 820                        | 883                          |
| - tax relief on donations  | (510)                        | (265)                        |
| 3. Tax refund  | (1 684)                      | -                            |
| 4. Future corporate income tax liabilities (28% of tax base in 2001), including:                                     | 5 823                        | 5 287                        |
| - due to investment relief   | 288                          | 3 499                        |
| - due to revaluation of securities held for resale   | 929                          | 366                          |
| - due to the difference between tax and accounting depreciation  | 4 491                        | 1 438                        |
| - others   | 115                          | (16)                         |
| 5. Future corporate income tax receivables (28% of tax base in 2001), including:                                     | 5 074                        | (3 743)                      |
| - due to foreign exchange losses   | 1 587                        | (1 450)                      |
| - due to creation/release of provision for unused holiday pay and salaries   | 518                          | (1 438)                      |
| - due to accrued interest on loans and credits   | 3 999                        | (865)                        |
| - share issue costs  | 598                          | -                            |
| - provisions set up  | (1 629)                      | -                            |
| 6. Change in deferred taxation due to change in tax rates  | -                            | -                            |
| - deferred tax liability   | -                            | -                            |
| - deferred tax asset   | -                            | -                            |
| <b>Corporate income tax presented in profit and loss account</b>   | <b>22 431</b>                | <b>35 806</b>                |

**Corporate income tax on extraordinary events is calculated according to tax rates binding in the respective year.**

|  | Agora SA      | Agora Poligrafia Sp. z o.o. | Total         |
|--|---------------|-----------------------------|---------------|
| Gross profit after consolidation adjustments   | 172 800       | 8 852                       | 181 652       |
| Consolidation adjustments  | 128           | -                           | 128           |
| Net profit   | 172 672       | 8 852                       | 181 524       |
| Permanent differences  | (80 055)      | (7 627)                     | (87 682)      |
| Temporary differences  | (38 915)      | (48)                        | (38 963)      |
| Other differences between gross profit and taxable profit including, loss from prior years | -             | (86)                        | (86)          |
|  | -             | (84)                        | (84)          |
| <b>Taxable income</b>  | <b>53 702</b> | <b>1 091</b>                | 54 793        |
| <b>Corporate tax at 28% rate</b>   | <b>15 037</b> | <b>305</b>                  | 15 342        |
| Corporate tax forgiven, exempted, reduced and settled down                                 | (3 808)       | -                           | (3 808)       |
| <b>Corporate tax receivable</b>  | <b>11 229</b> | <b>305</b>                  | 11 534        |
| Deferred tax liability   | -             | -                           | -             |
| - balance at the beginning of the period   | 20 472        | -                           | 20 472        |
| - additions  | 7 871         | -                           | 7 871         |
| - disposals  | (2 048)       | -                           | (2 048)       |
| - balance at the end of the period   | 26 295        | -                           | 26 295        |
| Deferred tax asset   | -             | -                           | -             |
| - balance at the beginning of the period   | 15 378        | 1                           | 15 379        |
| - additions  | 5 061         | -                           | 5 061         |
| - disposals  | (10 134)      | (1)                         | (10 135)      |
| - balance at the end of the period   | 10 305        | -                           | 10 305        |
| <b>Difference between the increase of deferred tax liability and deferred tax asset</b>    | <b>10 896</b> | <b>1</b>                    | 10 897        |
| <b>Corporate tax commensurable to gross profit</b>   | <b>22 125</b> | <b>306</b>                  | <b>22 431</b> |

The Group's effective tax rate amounted to 12.3 % and 26,8 % for the first half of 2001 and 2000 respectively.

### Note 35.

| OTHER OBLIGATORY REDUCTIONS OF PROFIT (LOSS),<br>DUE TO: | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|--|------------------------------|------------------------------|
| -  | -                            | -                            |

|   |   |   |
|---|---|---|
| -   | - | - |
| <b>Total other obligatory reductions of profit (loss)</b> |   |   |

**Distribution of net profits of companies of the Group:**

Parent company: Agora SA:

Shareholders decided on the 27 June 2001 to distribute the 2000 profit of PLN 143,496 thousands to retained earnings.

Subsidiary:

On the 29 June 2001 the shareholder of Agora Poligrafia Sp. z o.o. decided to transfer the profits of 2000 amounting to PLN 31,387 thousands to retained earnings.

**Note 36.**

| <b>NET PROFIT (LOSS)</b>   | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| a) net profit (loss) of the parent company (after consolidation adjustments)       | 150 675                              | 86 705                               |
| b) net profit (loss) of the subsidiary companies (after consolidation adjustments) | 8 546                                | 10 955                               |
| c) net profit (loss) of the associated entities (after consolidation adjustments)  | -                                    | -                                    |
| <b>Net profit (loss)</b>   | <b>159 221</b>                       | <b>97 660</b>                        |

**Notes to the consolidated cash flow**

| <b>THE STRUCTURE OF CASH IN THE STATEMENT OF CASH FLOW</b> | <b>1.01.2001 till<br/>30.06.2001</b> | <b>1.01.2000 till<br/>30.06.2000</b> |
|--|--------------------------------------|--------------------------------------|
| Cash on hand   | 300                                  | 308                                  |
| Cash at bank   | 8 206                                | 5 304                                |
| Bank deposits  | 123 996                              | 38 991                               |
| Bills of exchange, cheques received                        | 6                                    | 26                                   |
| Cash in transit  | 38                                   | 240                                  |
| <b>Total cash</b>  | <b>132 546</b>                       | <b>44 869</b>                        |

The classification of capital group activity by operating, investing and financing activities in the cash flow statements:

I. Cash flow from operating activities includes:

- 1) Inflow from sales of merchandise, finished products and services
- 2) Inflow included in "other operating revenue" excluding revenue from the sale of fixed assets, which are disclosed in cash flow from investing activities
- 3) Any expenses regarding costs of basic activity, such as: cost of merchandise sold, cost of finished products sold, selling expenses, administrative and general expenses
- 4) Expenses regarding costs included in "other operating expenses" excluding cost of fixed assets sold and cost of unplanned depreciation

II. Cash flow from investing activities includes:

- 1) Inflow from sales of:
  - fixed assets
  - shares and other financial fixed assets
  - short-term securities
- 2) Expenses regarding the purchase of:
  - fixed assets
  - shares and other financial fixed assets
  - short-term securities
- 3) Inflow from payment of short and long term loans granted by the Company to other entities
  - as well as payment of interest on those loans
- 4) Expenses regarding the granting of long term loans to other entities
- 5) Inflow of dividends received
- 6) Interest received on bank deposits

III. Cash flow from financing activities includes:

- 1) Inflow of short and long term credits and loans received
- 2) Expenses regarding:
  - service of loans and credits received
  - payment of loans and credits
  - payment of interest on loans and credits received
- 3) Inflow from own share issues

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- 4) Expenses regarding costs of own share issues
- 5) Expenses regarding payment of dividends and other payments to owners
- 6) Any inflow regarding "other financial revenue" except for interest on loans granted, interest on bank deposits and profit from sale of securities held for resale, which are disclosed in investing activities.
- 7) Any expenses regarding "other financial expenses" except for the loss on the sale of securities held for resale, which are disclosed in investing activities

**Explanatory notes to selected items of cash flow statement****1. Change in receivables:**

|  |              |
|--|--------------|
| change in opening and closing balance sheet balances | (6 958)      |
| debt to shares swap                                  | 729          |
| loans repaid   | (25)         |
| transfer from long term to short term debt           | 1 734        |
| adjustment for investing expenses                    | 6 240        |
| others   | (8)          |
| <b>Amount per cash flow statement</b>                | <b>1 712</b> |

**2. Change in payables**

|  |                |
|--|----------------|
| change in opening and closing balance sheet balances | (19 366)       |
| adjustment for change in income tax payable          | (1 027)        |
| adjustment for decrease in investing payables        | 15 044         |
| others   | 6              |
| <b>Amount per cash flow statement</b>                | <b>(5 343)</b> |

**3. Change in accruals and prepayments**

|  |                |
|--|----------------|
| change in opening and closing balance of prepayments | (1 181)        |
| change in opening and closing balance of accruals    | (1 852)        |
| <b>Amount per cash flow statement</b>                | <b>(3 033)</b> |

**4. Change in deferred income**

|   |            |
|---|------------|
| change in opening and closing balances                          | 215        |
| adjustment for revaluation of loans granted showed in investing | 274        |
| adjustment for foreign exchange differences                     | 85         |
| <b>Amount per cash flow statement</b>                           | <b>574</b> |

**5. Long term loans taken**

|   |          |
|---|----------|
| change in opening and closing balances    | (83 369) |
| settlement of Agora's loan payable to Cox | 83 376   |
| others                                    | (7)      |
| <b>Amount per cash flow statement</b>     | <b>-</b> |

**6. Long term investments purchased**

|   |                |
|---|----------------|
| change in opening and closing balances          | 18 482         |
| additional capital paid in to related companies | 2 885          |
| increase in provision for shares in Inforadio   | (966)          |
| net book value of TKP shares disposed of        | (22 491)       |
| others  | 7              |
| <b>Amount per cash flow statement</b>           | <b>(2 083)</b> |

**7. Loans granted**

|   |                |
|---|----------------|
| change in opening and closing balances              | (1 583)        |
| foreign exchange differences                        | (274)          |
| reclassification of long debt to current term loans | (1 734)        |
| debt to shares swap                                 | (729)          |
| increase in provision for loan granted to Inforadio | (903)          |
| others  | 128            |
| <b>Amount per cash flow statement</b>               | <b>(5 095)</b> |

**8. "Other adjustments" in cash from operating activities**

|   |         |
|---|---------|
| revaluation of short term securities                  | (5 896) |
| provision for loan granted to and shares in Inforadio | 1 869   |
| donations   | 618     |

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|                                       |                |
|---------------------------------------|----------------|
| increase of other special funds       | -              |
| others                                | (150)          |
| <b>Amount per cash flow statement</b> | <b>(3 559)</b> |

**9. "Others" in cash inflows from investing activities**

|                                       |              |
|---------------------------------------|--------------|
| income from investment funds          | 1 760        |
| net income on futures and forwards    | 1 941        |
| others                                | 4            |
| <b>Amount per cash flow statement</b> | <b>3 705</b> |

**10. "Others" in cash outflows from investing activities**

|   |                 |
|---|-----------------|
| change in opening and closing balances of prepayments for additional capital paid in to related companies | (7 514)         |
| Prepayments for shares  | (2 885)         |
| Payment to Cox as per agreement   | (6 240)         |
| purchase of shares  | (1 805)         |
|   | 1               |
| <b>Amount per cash flow statement</b>   | <b>(18 443)</b> |

**11. "Other expenditure" in cash from financing activities**

|                                       |                 |
|---------------------------------------|-----------------|
| costs of f/x hedging transactions     | (15 327)        |
| <b>Amount per cash flow statement</b> | <b>(15 327)</b> |

**12. Profit / loss on investment activity in operational cash flows**

|   |                  |
|---|------------------|
| Settlement of Agora's loan payable to Cox   | (83 376)         |
| Net book value of TKP shares disposed of    | 22 491           |
| Adjustment for foreign exchange differences | (85)             |
| Cash proceeds from disposal of TKP shares   | (41 264)         |
| Payment to Cox as per agreement             | 1 805            |
| Interest repaid by TKP                      | (3 598)          |
| Others                                      | (4 246)          |
| <b>Amount per cash flow statement</b>       | <b>(108 273)</b> |

**ADDITIONAL EXPLANATORY NOTES**

1. As at 30 June 2001 the Group was involved in:

open foreign currency forwards

| Due date   | Cost   | Selling price | Interest rate |
|------------|--------|---------------|---------------|
| 06.08.2001 | 5 908  | 7 000         | 17,80 %       |
| 04.09.2001 | 5 525  | 6 000         | 17,30 %       |
| 23.07.2001 | 47 980 | 50 000        | 16,65 %       |

The above transactions were entered into to hedge against foreign currency exposure.

- In addition, Agora has foreign currency contract, pursuant which it is obliged to buy EURO 500,000 for the amount of PLN 2,429 thousand, every month starting from 15 August 2002 and ending in July 2003. The fair market value of the contract approximates its fair market value at 31 December 2000.
  - Additionally Agora entered into other foreign currency hedging transaction described in the note 20.
2. As at 30 June 2001 the Group did not have material contingent liabilities other than the disclosed below the balance sheet.
3. The Group has no liability to the State, or local authorities pursuant to acquisition of buildings.
4. Until 30 June 2001 the companies comprising the Group have not discontinued any activity and do not anticipate any discontinuance in the current year.
5. In the six months ended 30 June 2001 the Group produced in-house for its own use microcomputers of the carrying value amounting to PLN 1 406 thousand, and improved existing for an amount of PLN 1 593 thousand (in total PLN 2 999 thousand).
6. In the six months ended 30 June 2001 the Group spent PLN 95 million for capital expenditure, with no direct expenditures for environmental protection. Till 30 June 2002 the Group plans to invest further PLN 249 million, including:
- building and equipping printing plant in Warsaw PLN 18 million,
  - building and equipping printing plant in Pila PLN 16 million,
  - extension of printing plant (building and machine) in Tychy PLN 2 million,
  - building the Company's head office building in Warsaw PLN 158 million,
  - extension of telecommunication and computer network PLN 38 million,
  - internet (hardware and software) PLN 17 million.

Until 30 June 2002 no direct expenditures for environmental protection are planned.

Contracted capital commitments existing at the date of signing the financial statements amounted to PLN 132 068 thousand.

7. All transactions made with related parties in the six months ended 30 June 2001 are of a regular business nature, the material ones are listed below:
- printing services of Agora Poligrafia to Agora SA totalling PLN 27 179 thousand,
  - printing machinery lease (Agora SA leases to Agora Poligrafia), with rent totalling PLN 7 449 thousand,
  - office space rental (Agora Poligrafia lets to Agora SA), with rent totalling PLN 574 thousand,

- loans granted by Agora SA to affiliates, PLN 1 785 thousand in total, including:
  - PLN 150 thousand to Radio O'le Sp. z o.o.
  - PLN 100 thousand to City Radio Sp. z o.o.
  - PLN 425 thousand to Uznam Sp. z o.o.
  - PLN 300 thousand to Barys Sp. z o.o.
  - PLN 510 thousand to ROM Sp. z o.o.
  - PLN 300 thousand to Lokalne Rozglosnie Radiowe Sp. z o.o.
- Agora SA purchased commercial papers issued by affiliates totalling PLN 335 thousand, including amounts of:
  - PLN 166 thousand purchased from Radio Trefl Sp. z o.o.
  - PLN 169 thousand purchased from Radio Jazz Sp. z o.o.
- Affiliates repurchased commercial papers from Agora SA totalling PLN 400 thousand, including amounts of:
  - PLN 200 thousand repurchased by Radio Trefl Sp. z o.o.
  - PLN 200 thousand repurchased by Radio Jazz Sp. z o.o.

Following the loan agreement signed 11 September 1997 between Agora SA and Cox Poland Investments Inc. (Cox) Agora disposed of its 12,12% interest in shares of Telewizyjna Korporacja Partycypacyjna S.A. (TKP). The whole transaction is described in note 30.

All balances of settlements of debtors, creditors and loans as at 30 June 2001 in PLN thousand:

| Company                                 | owned capital | share of votes in % | Receivables  | Liabilities   | Loans granted | Commercial papers |
|---|---------------|---------------------|--------------|---------------|---------------|-------------------|
| Agora-Holding Sp.z o.o.                 |               | -                   | -            | -             | -             | -                 |
| KKK FM SA                               | 51.0%         | 51.0%               | 340          | 36            | -             | -                 |
| Radio Jazz Sp.z o.o.                    | 42.0%         | 42.0%               | -            | -             | -             | 176               |
| IM-40 Sp.z o.o.                         | 72.0%         | 72.0%               | 47           | 89            | -             | -                 |
| Radio Trefl Sp.z o.o.                   | 58.9%         | 58.9%               | 44           | 30            | 159           | 365               |
| Elita Sp.z o.o.                         | 99.0%         | 99.0%               | 135          | 28            | 202           | -                 |
| O'le Sp.z o.o.                          | 100.0%        | 100.0%              | 219          | 27            | 274           | -                 |
| Agora Poligrafia Sp.z o.o.              | 100.0%        | 100.0%              | 4,672        | 19,239        | -             | -                 |
| Inforadio Sp. z o.o.                    | 41.6%         | 41.6%               | -            | -             | 6,973         | -                 |
| Karolina Sp.z o.o.                      | 100.0%        | 100.0%              | 103          | 59            | 897           | -                 |
| Lokalne Rozglosnie Radiowe Sp.z o.o.    | 100.0%        | 100.0%              | 12           | -             | 554           | -                 |
| City Radio Sp.z o.o.                    | 100.0%        | 100.0%              | 218          | 32            | 1,006         | -                 |
| Biuro Obslugi Radiowej Sp.z o.o.        | 46.0%         | 46.0%               | 286          | -             | -             | -                 |
| Radio Wawel Sp. z o.o.                  | 50.0%         | 50.0%               | -            | -             | -             | -                 |
| Uznam Sp.z o.o.                         | 100.0%        | 100.0%              | 35           | 4             | 902           | -                 |
| ROM Sp. z o.o.                          | 49.0%         | 49.0%               | 197          | -             | 3,621         | -                 |
| Barys Sp.z o.o.                         | 90.0%         | 90.0%               | 256          | -             | 1,448         | -                 |
| Centrum Handlu Internetowego Sp. z o.o. | 50.0%         | 50.0%               | 14           | -             | -             | -                 |
| City Magazine Sp. z o.o.                | 100.0%        | 100.0%              | 1            | -             | -             | -                 |
| Radio Wanda Sp. z o.o.                  | 24.0%         | 24.0%               | -            | -             | -             | -                 |
| <b>TOTAL</b>                            |               |                     | <b>6,579</b> | <b>19,544</b> | <b>16,036</b> | <b>541</b>        |

Revenue related to transactions with related parties in the six months ended 30 June 2001 in PLN thousand:

| Company                                 | Sales of products and services | Sales of merchandise and materials | Interest received | Other income |
|---|--------------------------------|------------------------------------|-------------------|--------------|
| Agora-Holding Sp.z o.o.                 | 5                              | -                                  | -                 | -            |
| KKK FM SA                               | 74                             | -                                  | 41                | 257          |
| Radio Jazz Sp.z o.o.                    | -                              | -                                  | -                 | 13           |
| IM-40 Sp.z o.o.                         | 829                            | -                                  | -                 | -            |
| Radio Trefl Sp.z o.o.                   | 70                             | -                                  | 6                 | 10           |
| Elita Sp.z o.o.                         | 39                             | -                                  | 18                | -            |
| O'le Sp.z o.o.                          | 41                             | -                                  | 20                | -            |
| Agora Poligrafia Sp.z o.o.              | 8,396                          | 15                                 | -                 | -            |
| Inforadio Sp. z o.o.                    | 12                             | -                                  | 228               | 2,387        |
| Karolina Sp.z o.o.                      | 244                            | 1                                  | 21                | 4            |
| Lokalne Rozglosnie Radiowe Sp.z o.o.    | 48                             | -                                  | 45                | 4            |
| City Radio Sp.z o.o.                    | 88                             | -                                  | 54                | -            |
| Biuro Obslugi Radiowej Sp.z o.o.        | 83                             | -                                  | -                 | -            |
| Radio Wawel Sp. z o.o.                  | -                              | -                                  | -                 | -            |
| Uznam Sp.z o.o.                         | 59                             | -                                  | 63                | -            |
| ROM Sp.z o.o.                           | 124                            | -                                  | 250               | -            |
| Barys Sp.z o.o.                         | 100                            | -                                  | 107               | -            |
| Centrum Handlu Internetowego Sp. z o.o. | 67                             | -                                  | -                 | -            |
| City Magazine Sp. z o.o                 | 1                              | -                                  | -                 | -            |
| Radio Wanda Sp. z o.o.                  | -                              | -                                  | -                 | -            |
| <b>TOTAL</b>                            | <b>10,280</b>                  | <b>16</b>                          | <b>853</b>        | <b>2,675</b> |

Costs related to transactions with related parties in the in the six months ended 30 June 2001 in PLN thousand.

| Company                                 | Purchases of products and services | Purchases of merchandise and materials | Provision for interest accrued | Other costs   |
|---|------------------------------------|--|--------------------------------|---------------|
| Agora-Holding Sp.z o.o.                 | -                                  | -                                      | -                              | -             |
| KKK FM SA                               | 58                                 | -                                      | 41                             | -             |
| Radio Jazz Sp.z o.o.                    | -                                  | -                                      | -                              | -             |
| IM-40 Sp.z o.o.                         | 101                                | -                                      | -                              | -             |
| Radio Trefl Sp.z o.o.                   | 29                                 | -                                      | 6                              | 3             |
| Elita Sp.z o.o.                         | 6                                  | -                                      | 18                             | -             |
| O'le Sp.z o.o.                          | 11                                 | -                                      | 20                             | -             |
| Agora Poligrafia Sp.z o.o.              | 27,873                             | 15                                     | -                              | -             |
| Inforadio Sp. z o.o.                    | -                                  | -                                      | 228                            | 14,484        |
| Karolina Sp.z o.o.                      | 167                                | 1                                      | 21                             | -             |
| Lokalne Rozglosnie Radiowe Sp.z o.o.    | 4                                  | -                                      | 45                             | -             |
| City Radio Sp.z o.o.                    | 22                                 | -                                      | 54                             | -             |
| Biuro Obslugi Radiowej Sp.z o.o.        | -                                  | -                                      | -                              | -             |
| Radio Wawel Sp. z o.o.                  | -                                  | -                                      | -                              | -             |
| Uznam Sp.z o.o.                         | -                                  | -                                      | 63                             | 1             |
| ROM Sp. z o.o.                          | 18                                 | -                                      | 250                            | 23            |
| Barys Sp.z o.o.                         | 14                                 | -                                      | 107                            | -             |
| Centrum Handlu Internetowego Sp. z o.o. | -                                  | -                                      | -                              | -             |
| City Magazine Sp. z o.o                 | 20                                 | -                                      | -                              | -             |
| Radio Wanda Sp. z o.o.                  | -                                  | -                                      | -                              | -             |
| <b>TOTAL</b>                            | <b>28,323</b>                      | <b>16</b>                              | <b>853</b>                     | <b>14,511</b> |

8. The Group did not have any joint ventures with other entities.
9. Employment:
- |   |       |
|---|-------|
| The average number of employees in total: | 3 496 |
| including:                                |       |
| - journalists                             | 1 288 |
| - white collars                           | 1 768 |
| - blue collars                            | 440   |
10. Salaries paid by the Group in the six months ended 30 June 2001 to:
- |                               |                     |
|-------------------------------|---------------------|
| Members of Board of Directors | PLN 1 429 thousand, |
| Supervisory Board Members     | PLN 112 thousand,   |
11. In the six months ended 30 June 2001 neither the Group nor its associates or subsidiaries granted any guarantees or advances to the Board of Directors or the Supervisory Board members.
12. The financial statements for the six months ended 30 June 2001 include no items regarding previous years.
13. Significant post balance sheet events.
- On 6 July 2001 on the basis of conditional share purchase agreement Agora has become an owner of shares in ROM Sp. z o.o. constituting 51% of the share capital of the company, which broadcasts Warsaw local radio Klasyka 103.7 FM. Together with previously owned shares Agora owns 100% of the share capital and is entitled to 100% votes on the General Shareholders Meeting. The purchase price amounted to PLN 779 thousand.
  - Following a sale agreement on 25 July 2001 Agora has become an owner of additional shares in Trefl Sp. z o.o. constituting 41% of the share capital of the company. Together with previously owned shares Agora now owns 99,96% of the share capital in Trefl Sp. z o.o. and is entitled to 99,96% votes at the General Shareholders Meeting. The purchase price amounted to PLN 3.2 million.
  - On August 8<sup>th</sup>, 2001 on the basis of share purchase agreement, Agora became the owner of shares constituting 90% of the share capital of Agencja Reklamowa Jowisz, which entitle Agora to 90% of all votes at the General Meeting of Shareholders. On the same day, the Management Board of Agora decided to contribute to assets of that company in the form of receivables resulting from the loan given to Association Jowisz, based in Walbrzych. Agencja Reklamowa Jowisz owns 77% of the share capital in the Twoje Radio Sp. z o.o., which broadcasts a local radio in Walbrzych.
14. In the period covered by the financial statements there have been no relations between Agora SA and its legal predecessors companies.
15. In the six months ended 30 June 2001 inflation ratio was lower than 20% and accordingly financial statements are not inflation adjusted.
16. During the year 2000, the Group changed its accounting policy regarding costs associated with the public offering of the shares of Agora. Following the change the offering costs net of any tax savings, are netted against proceeds from the share issue. The purpose of the change is to comply with the International Accounting Standards.
17. The Company changed the comparative financial statements in the following way:
- The Group has changed the balance sheet classification of the costs associated with the initial public offering of its shares in 1999. The change results in a decrease of intangible assets and shareholders equity by PLN 18,502 thousand and 13,492 thousand respectively. Additionally, the provision for deferred tax was reduced by PLN 5,010 thousand.

- As explained in note 4 radio broadcasting company: Trefl Sp. z o.o. became subsidiary of the Agora SA while previously it was an associates to the Group. Therefore the comparative data for 2000 has been adequately restated.
- There are no other differences between the presented financial data for first half of 2001 and 2000 in comparison to previously published financial statements.

18. The Parent Company excluded from the consolidation the following subsidiary and associated companies as not significant based on the Accounting Act from 29 September 1994 article 56 point 2.

Numbers are in PLN thousand

|    | Company                                 | Balance sheet total | Net sales revenues and financial income | % of Agora's balance sheet total | % of Agora's net sales revenues and financial income |
|----|---|---------------------|---|----------------------------------|--|
| 1  | Inforadio Sp. z o.o.                    | 4,536               | 1,312                                   | 0.42 %                           | 0.24 %   |
| 2  | Elita Sp. z o.o.                        | 944                 | 634                                     | 0.09 %                           | 0.12 %   |
| 3  | KKK FM SA.                              | 1,121               | 1,361                                   | 0.10 %                           | 0.25 %   |
| 4  | Radio Trefl Sp. z o.o.                  | 1,347               | 1,501                                   | 0.12 %                           | 0.27 %   |
| 5  | Jan Babczyszyn Radio Jazz FM Sp. z o.o. | 672                 | 714                                     | 0.06 %                           | 0.13 %   |
| 6  | IM-40 Sp. z o.o.                        | 3,679               | 5,758                                   | 0.34 %                           | 1.05 %   |
| 7  | O'le Sp. z o.o.                         | 451                 | 353                                     | 0.04 %                           | 0.06 %   |
| 8  | Lokalne Rozglosnie Radiowe Sp. z o.o.   | 1,067               | 795                                     | 0.10 %                           | 0.14 %   |
| 9  | Karolina Sp. z o.o.                     | 4,119               | 3,567                                   | 0.38 %                           | 0.65 %   |
| 10 | City Radio Sp. z o.o.                   | 457                 | 482                                     | 0.04 %                           | 0.09 %   |
| 11 | Biuro Obslugi Radiowej Sp. z o.o.       | 2,756               | 4,424                                   | 0.25 %                           | 0.81 %   |
| 12 | Wawel Sp. z o.o.                        | -                   | -                                       | -                                | -  |
| 13 | Barys Sp. z o.o.                        | 490                 | 173                                     | 0.05 %                           | 0.03 %   |
| 14 | Uznam Sp. z o.o.                        | 523                 | 122                                     | 0.05 %                           | 0.02 %   |
| 15 | CHI Sp. z o.o.                          | 7,531               | 594                                     | 0.69 %                           | 0.11 %   |
| 16 | ROM Sp. z o.o.                          | 702                 | 210                                     | 0.06 %                           | 0.04 %   |
| 17 | City Magazine Sp. z o.o.                | 1,326               | 2,229                                   | 0.12 %                           | 0.41 %   |
| 18 | Radio Wanda Sp. z o.o.                  | -                   | -                                       | -                                | -  |
|    | Razem                                   | 31,721              | 24,229                                  | 2.91 %                           | 4.41 %   |
|    | Agora SA                                | 1,088,426           | 548,839                                 | 100.00 %                         | 100.00 %   |

**AUDITORS' REVIEW REPORT  
ON THE MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD  
FROM 1 JANUARY 2001 TO 30 JUNE 2001**

To the shareholders of Agora SA

We have reviewed consolidated financial statements of Agora SA Group with the seat in Warsaw, ul. Czerska 8/10, comprising:

- 1) introduction;
- 2) the consolidated balance sheet as at 30 June 2001 with total assets and total equity and liabilities of PLN 1,125,144 thousand;
- 3) the consolidated profit and loss statement for the period from 1 January 2001 to 30 June 2001 with a net profit of PLN 159,221 thousand;
- 4) the statement of movements in consolidated equity for the period from 1 January 2001 to 30 June 2001 with the increase in the equity of PLN 159,222 thousand;
- 5) the consolidated statement of cash flows for the period from 1 January 2001 to 30 June 2001 with an increase in cash of PLN 94,573 thousand;
- 6) notes to the consolidated financial statements.

The Management of the parent company is responsible for consistency, true and fair presentation of the information disclosed in consolidated financial statements. Our responsibility was to review these consolidated financial statements.

The review has been conducted in compliance with the professional norm No 6 established by the Polish National Council of the Certified Auditors.

A review is limited primarily to applying analytical procedures to financial data and accounting books and inquires of management and personnel responsible for financial and accounting matters.

The scope and method of limited review of consolidated financial statements is substantially different from an audit, the objective of which is the expression of an opinion regarding the true and fair presentation of the financial statements. Therefore we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements to present true and fair view of the Agora SA Group financial position as at 30 June 2001 and results, profitability and cash flows for the period from 1 January 2001 to 30 June 2001, in accordance with the accounting rules presented in the Accounting Act dated 29 September 1994 (Journal of Laws no 121, pos. 591 with amendments) as well as requirements of the Securities and Stock Exchange Commission which have been applied on the consistent basis.

*signed on the Polish original*

.....

Certified Auditor No. 796/1670  
Bogdan Debicki,  
Member of the Board of Directors

*signed on the Polish original*

.....

For KPMG Polska Audyt Sp. z o.o.  
Certified Auditor No. 796/1670  
Bogdan Debicki,  
Member of the Board of Directors

*signed on the Polish original*

.....

For KPMG Polska Audyt Sp. z o.o.  
Robert Novakowski, Partner

Warsaw, 12 October 2001

**AUDITORS' REVIEW REPORT  
ON THE FINANCIAL STATEMENTS  
FOR THE PERIOD  
FROM 1 JANUARY 2001 TO 30 JUNE 2001**

To the shareholders of Agora SA

We have reviewed financial statements of Agora SA with the seat in Warsaw, ul. Czerska 8/10, comprising: introduction, the balance sheet as at 30 June 2001 with total assets and total equity and liabilities of PLN 1,088,426 thousand, the profit and loss statement for the period from 1 January 2001 to 30 June 2001 with a net profit of PLN 150,547 thousand, the statement of movements in equity for the period from 1 January 2001 to 30 June 2001 with the increase in the equity of PLN 150,548 thousand, the statements of cash flows for the period from 1 January 2001 to 30 June 2001, with an increase in cash of PLN 95.589 thousand and notes to the financial statements.

The Management of the Company is responsible for consistency, true and fair presentation of the information disclosed in financial statements. Our responsibility was to review these financial statements.

The review has been conducted in compliance with the professional norm No 6 established by the Polish National Council of the Certified Auditors.

A review is limited primarily to applying analytical procedures to financial data and accounting books and inquires of management and personnel responsible for financial and accounting matters.

The scope and method of limited review of consolidated financial statements is substantially different from an audit, the objective of which is the expression of an opinion regarding the true and fair presentation of the financial statements. Therefore we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements to present true and fair view of the Company's financial position as at 30 June 2001 and results, profitability and cash flows for the period from 1 January 2001 to 30 June 2001, in accordance with the accounting rules presented in the Accounting Act dated 29 September 1994 (Journal of Laws no 121, pos. 591 with amendments) as well as requirements of the Securities and Stock Exchange Commission which have been applied on the consistent basis.

*signed on the Polish original*

.....  
Certified Auditor No. 796/1670  
Bogdan Debicki,  
Member of the Board of Directors

*signed on the Polish original*

.....  
For KPMG Polska Audyt Sp. z o.o.  
Certified Auditor No. 796/1670  
Bogdan Debicki,  
Member of the Board of Directors

*signed on the Polish original*

.....  
For KPMG Polska Audyt Sp. z o.o.  
Robert Novakowski, Partner

Warsaw, 12 October 2001

**BALANCE SHEET**

|  | Note      | 30 June 2001      | 31 December 2000  | 30 June 2000      |
|--|-----------|-------------------|-------------------|-------------------|
| <b>ASSETS</b>  |           |                   |                   |                   |
| <b>I. Fixed assets</b>                                       | -         | <b>700 288</b>    | <b>689 680</b>    | <b>619 068</b>    |
| 1. Intangible fixed assets                                   | 1         | 32 863            | 19 797            | 19 620            |
| 2. Tangible fixed assets                                     | 2         | 622 060           | 596 619           | 528 013           |
| 3. Financial fixed assets                                    | 3         | 45 365            | 73 264            | 71 435            |
| 4. Long-term debtors   | 4         |                   |                   |                   |
| <b>II. Current assets</b>                                    | -         | <b>385 723</b>    | <b>319 014</b>    | <b>363 117</b>    |
| 1. Inventory   | 5         | 24 207            | 24 413            | 17 307            |
| 2. Short-term debtors  | 6         | 122 711           | 106 263           | 109 530           |
| 3. Own shares for sale                                       | 7         | -                 | -                 | -                 |
| 4. Short-term securities                                     | 8         | 106 340           | 151 462           | 191 456           |
| 5. Cash and cash equivalents                                 | 9         | 132 465           | 36 876            | 44 824            |
| <b>III. Prepaid expenses and other assets</b>                | <b>10</b> | <b>2 415</b>      | <b>1 341</b>      | <b>1 088</b>      |
| 1. Deferred corporate income taxes recoverable               | -         | -                 | -                 | -                 |
| 2. Other   | -         | 2 415             | 1 341             | 1 088             |
| <b>Total assets</b>  | -         | <b>1 088 426</b>  | <b>1 010 035</b>  | <b>983 273</b>    |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                  |           |                   |                   |                   |
| <b>I. Equity</b>   |           | <b>944 625</b>    | <b>794 077</b>    | <b>738 744</b>    |
| 1. Share capital   | 11        | 56 758            | 56 758            | 56 758            |
| 2. Outstanding share capital contributions (negative figure) |           | -                 | -                 | -                 |
| 3. Reserve capital   | 12        | 736 686           | 593 180           | 592 660           |
| 4. Revaluation reserve                                       |           | 634               | 643               | 740               |
| 5. Other reserve capital                                     | 13        | -                 | -                 | -                 |
| 6. Foreign exchange rate differences on overseas branches    |           | -                 | -                 | -                 |
| 7. Accumulated profit/(loss) from previous years             | 14        | -                 | -                 | 424               |
| 8. Profit after taxation for the financial year              | -         | 150 547           | 143 496           | 88 162            |
| <b>II. Provisions</b>  | -         | <b>26 963</b>     | <b>5 093</b>      | <b>5 889</b>      |
| 1. Provisions for deferred tax                               | 15        | 15 989            | 5 093             | 5 889             |
| 2. Other   | 16        | 10 974            | -                 | -                 |
| <b>III. Liabilities</b>                                      | -         | <b>100 462</b>    | <b>192 900</b>    | <b>219 448</b>    |
| 1. Long-term liabilities                                     | 17        | 8 783             | 91 158            | 86 027            |
| 2. Short-term liabilities                                    | 18        | 91 679            | 101 742           | 133 421           |
| <b>IV. Accrued expenses and deferred income</b>              | <b>19</b> | <b>16 376</b>     | <b>17 965</b>     | <b>19 192</b>     |
| <b>Total equity and liabilities</b>                          | -         | <b>1 088 426</b>  | <b>1 010 035</b>  | <b>983 273</b>    |
| <b>Book value</b>  |           | <b>944 625</b>    | <b>794 077</b>    | <b>738 744</b>    |
| <b>Number of shares</b>                                      |           | <b>56 757 525</b> | <b>56 757 525</b> | <b>56 757 525</b> |
| <b>Book value per share in PLN</b>                           |           | <b>16,65</b>      | <b>13,99</b>      | <b>13,02</b>      |
| <b>Predicted number of shares</b>                            |           | -                 | -                 | -                 |
| <b>Diluted book value per share in PLN</b>                   |           | -                 | -                 | -                 |

During the year 2000 Agora has changed the accounting rules for the costs associated with the initial public offering of its shares in 1999 and created provisions for losses in investments as described in additional notes 16 and 17. As a result of these changes total equity presented as at the 30 June 2000 has decreased by amount of PLN 121,610 thousand.

Calculation of book value per share was changed respectively.

**Off balance sheet liabilities**

|  | 30 June 2001 | 31 December 2000 | 30 June 2000 |
|--|--------------|------------------|--------------|
| a) total value of guarantees given         | 1 300        | 9 520            | 9 520        |
| - to subsidiaries                          | 500          | 500              | 500          |
| - to associates                            | 800          | 9 020            | 9 020        |
| - to parent company                        | -            | -                | -            |
| - to other entities                        | -            | -                | -            |
| b) other                                   | -            | -                | -            |
| <b>Total off balance sheet liabilities</b> | <b>1 300</b> | <b>9 520</b>     | <b>9 520</b> |

Agora guaranteed loans taken by two companies: Trefl Sp. z o.o., Biuro Obslugi Radiowej Sp. z o.o., amounting to PLN 500 thousand and PLN 800 thousand, respectively.

## UNCONSOLIDATED PROFIT AND LOSS

|  |    | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|--|----|------------------------------|------------------------------|
| <b>I. Net sales of merchandise and finished products</b>             | -  | 414 355                      | 409 259                      |
| 1. Net sales of finished products                                    | 20 | 410 461                      | 406 728                      |
| 2. Net sales of merchandise and materials                            | 21 | 3 894                        | 2 531                        |
| <b>II. Cost of merchandise, finished products sold and materials</b> | -  | (232 226)                    | (200 451)                    |
| 1. Cost of finished products sold                                    | 22 | (229 232)                    | (198 466)                    |
| 2. Cost of merchandise and materials sold                            | -  | (2 994)                      | (1 985)                      |
| <b>III. Gross profit on sales (I-II)</b>                             | -  | 182 129                      | 208 808                      |
| IV. Selling expenses   | -  | (45 055)                     | (38 109)                     |
| V. Administrative and general expenses                               | -  | (52 064)                     | (55 896)                     |
| <b>VI. Profit on sales (III-IV-V)</b>                                | -  | 85 010                       | 114 803                      |
| VII. Other operating revenues  | 23 | 2 178                        | 4 217                        |
| VIII. Other operating expenses                                       | 24 | (10 323)                     | (9 669)                      |
| <b>IX. Profit on operating activities (VI+VII+VIII)</b>              | -  | 76 865                       | 109 351                      |
| X. Dividends income  | 25 | 2 420                        | 2 085                        |
| XI. Income from other financial assets                               | 26 | -                            | -                            |
| XII. Other financial income  | 27 | 132 064                      | 26 041                       |
| XIII. Financial expenses   | 28 | (38 681)                     | (13 827)                     |
| <b>XIV. Profit on ordinary activities (IX+X+XI+XII-XIII)</b>         | -  | 172 668                      | 123 650                      |
| <b>XV. Extraordinary items (XV.1. - XV.2.)</b>                       | -  | 4                            | 65                           |
| 1. Extraordinary gains   | 29 | 4                            | 66                           |
| 2. Extraordinary losses  | 30 | -                            | (1)                          |
| <b>XVI. Profit before taxation</b>                                   | -  | 172 672                      | 123 715                      |
| XVII. Corporate income tax   | 31 | (22 125)                     | (35 553)                     |
| XVIII. Other obligatory charges                                      | 32 | -                            | -                            |
| <b>XIX. Profit / (Loss) after taxation</b>                           | -  | 150 547                      | 88 162                       |

|   |   |            |            |
|---|---|------------|------------|
| <b>Profit / (Loss) after taxation (for 12 months)</b>                   | - | 205 881    | 153 165    |
| <b>Weighted average number of ordinary shares</b>                       | - | 56 757 525 | 56 757 525 |
| <b>Net profit per ordinary share in PLN</b>                             | - | 3,63       | 2,70       |
| <b>Weighted average expected number of ordinary shares</b>              | - | -          | -          |
| <b>Diluted profit / (loss) after taxation per ordinary share in PLN</b> | - | -          | -          |

### Calculation of profit per share.

Profit per share was calculated by dividing the net profit for preceding 12 months by the weighted average number of shares that participate in dividends.

## UNCONSOLIDATED CASH FLOW STATEMENT

|  | 1.01.2001 till<br>30.06.2001 | 1.01.2000 till<br>30.06.2000 |
|--|------------------------------|------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES (I+/-II) - indirect method</b> | <b>112 737</b>               | <b>92 064</b>                |
| <b>I. Profit after taxation</b>  | <b>150 547</b>               | <b>88 162</b>                |
| <b>II. Total adjustments</b>   | <b>(37 810)</b>              | <b>3 902</b>                 |
| 1. Depreciation  | 40 866                       | 22 453                       |
| 2. Foreign exchange rates (gains) / losses                               | 14 398                       | 2 842                        |
| 3. Interests and dividends   | (4 225)                      | 793                          |
| 4. (Profit) / Loss on investment activity                                | (108 273)                    | (4 418)                      |
| 5. Change in other provisions  | 10 974                       | -                            |
| 6. Corporate income tax (disclosed in profit and loss statement)         | 22 125                       | 35 553                       |
| 7. Corporate income tax paid   | (10 250)                     | (22 065)                     |
| 8. Change in inventory position  | 207                          | (106)                        |
| 9. Change in accounts receivable position                                | (1 778)                      | (31 115)                     |
| 10. Change in short-term liabilities (except for bank credits and loans) | 4 009                        | 2 999                        |
| 11. Change in interperiod settlements                                    | (2 927)                      | 4 573                        |
| 12. Change in deferred income  | 623                          | 1 061                        |
| 13. Other adjustments  | (3 559)                      | (8 668)                      |
| <b>B. CASH FLOW FROM INVESTMENT ACTIVITIES (I-II)</b>                    | <b>(1 203)</b>               | <b>(78 257)</b>              |
| <b>I. Cash inflows from investing activities</b>                         | <b>490 772</b>               | <b>294 973</b>               |
| 1. Sales of intangible fixed assets                                      | -                            | -                            |
| 2. Sales of tangible fixed assets  | 488                          | 275                          |
| 3. Sales of financial fixed assets including:                            | 41 264                       | -                            |
| - in subsidiaries  | -                            | -                            |
| - in associates  | -                            | -                            |
| - in parent company  | -                            | -                            |
| 4. Sales of short-term securities  | 434 226                      | 291 373                      |
| 5. Long-term loans repaid  | 25                           | 34                           |
| 6. Dividends received  | 2 420                        | 2 085                        |
| 7. Interest received   | 3 644                        | 5                            |
| 8. Other   | 8 705                        | 1 201                        |
| <b>II. Cash outflows from investing activities</b>                       | <b>(491 975)</b>             | <b>(373 230)</b>             |
| 1. Purchase of intangible fixed assets                                   | (17 011)                     | (2 865)                      |
| 2. Purchase of tangible fixed assets                                     | (70 093)                     | (125 093)                    |
| 3. Purchase of financial fixed assets including:                         | (2 083)                      | (1 283)                      |
| - in subsidiaries  | (992)                        | (1 283)                      |
| - in associates  | (1 091)                      | -                            |
| - in parent company  | -                            | -                            |
| 4. Purchase of own shares  | -                            | -                            |
| 5. Purchase of short-term securities                                     | (379 249)                    | (221 843)                    |
| 6. Long-term loans granted   | (5 095)                      | (3 114)                      |
| 7. Other expenses  | (18 444)                     | (19 032)                     |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES (I-II)</b>                     | <b>(15 945)</b>              | <b>(516)</b>                 |
| <b>I. Inflows from financing activities</b>                              | <b>-</b>                     | <b>-</b>                     |
| 1. Long-term bank credits and loans received                             | -                            | -                            |
| 2. Issue of bonds and other long-term debt securities                    | -                            | -                            |
| 3. Short-term bank credits and loans received                            | -                            | -                            |
| 4. Issue of bonds and other short-term debt securities                   | -                            | -                            |
| 5. Inflows from own shares issued  | -                            | -                            |
| 6. Capital payments  | -                            | -                            |
| 7. Other   | -                            | -                            |

## Translation

|  |                |               |
|--|----------------|---------------|
| <b>II. Cash outflows from financing activities</b>                             | (15 945)       | (516)         |
| 1. Long-term bank credits and loans repaid                                     | -              | -             |
| 2. Redemption of bonds and other long-term securities                          | -              | -             |
| 3. Short-term bank credits and loans repaid                                    | -              | -             |
| 4. Redemption of bonds and other short-term debt securities                    | -              | -             |
| 5. Expenses related to shares and bonds issues                                 | -              | -             |
| 6. Redemption of shares  | -              | -             |
| 7. Dividends and other payments to shareholders                                | -              | -             |
| 8. Payments to members of the Company's governing bodies                       | -              | -             |
| 9. Charitable contributions  | (618)          | (516)         |
| 10. Payments of liabilities related to finance lease agreements                | -              | -             |
| 11. Interest paid  | -              | -             |
| 12. Other expenditures   | (15 327)       | -             |
| <b>D. NET CASH FLOWS, TOTAL (A+/-B+/-C)</b>                                    | <b>95 589</b>  | <b>13 291</b> |
| <b>E. CHANGE OF CASH POSITION IN BALANCE SHEET</b>                             | <b>95 589</b>  | <b>13 291</b> |
| - including change in cash position due to foreign exchange differences        | (3 062)        | (163)         |
| <b>F. CASH AND CASH EQUIVALENTS AT THE BEGINNING</b>                           | <b>36 876</b>  | <b>31 533</b> |
| <b>G. CASH AND CASH EQUIVALENTS AND THE END OF THE FINANCIAL YEAR (F+/- D)</b> | <b>132 465</b> | <b>44 824</b> |

Cash and cash equivalents balance presented on the 1 January 2000 has been increased comparing to the balance at 31 December 1999 by the amount of PLN 113 thousand. The difference is the balance of cash and cash equivalents of Trans Serwis SA which was merged to Agora SA on 1 January 2000.

The balance sheet of the merged companies was published in the financial statements of Agora SA for the year 1999.

TRANSLATION

**Agora announces consolidated financial statements for the first half of 2001.  
Prepared according to the Polish Accounting Standards.**

In the first half of 2001 the revenue of the Company amounted to PLN 406.5 million (flat in comparison to 2000), and the net profit - PLN 159,2 million. EBITDA margin reached 31.3% (34.2% on newspaper operations).

Detailed management discussion of the results obtained in the first half of the year has been presented in the quarterly report for the first two quarters of 2001 released on 6 August 2001.

The accounting rules applied have been discussed in the introduction to the financial statement.

The transactions with the related parties are described in the additional note 7 to the financial statement.

The extraordinary events that have taken place after the 30 June 2001 are described in the additional note 13 to the financial statement.

Warszawa, 12 October 2001

Wanda Rapaczynski – *signed on the Polish original*  
President of the Management Board

Piotr Niemczycki – *signed on the Polish original*  
Vice- President of the Management Board

Helena Luczywo – *signed on the Polish original*  
member of the Management Board

Zbigniew Bak – *signed on the Polish original*  
member of the Management Board

## INFORADIO Sp. z o.o.

## BALANCE SHEET-ASSETS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>2 806</b>    | <b>4 077</b>    |
| I. Intangible assets                       | 436             | 723             |
| II. Tangible fixed assets                  | 2 366           | 3 350           |
| III. Financial fixed assets                | 4               | 4               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>1 675</b>    | <b>1 386</b>    |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 1 271           | 1 049           |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 404             | 337             |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>55</b>       | <b>114</b>      |
| <b>Total assets</b>                        | <b>4 536</b>    | <b>5 577</b>    |

## BALANCE SHEET-LIABILITIES

in PLN thousand

|   |                 |                 |
|---|-----------------|-----------------|
| <b>A EQUITY</b>   | <b>(39 948)</b> | <b>(27 484)</b> |
| I. Share capital  | 7 245           | 7 245           |
| II. Outstanding share capital contributions (negative figure) | -               | -               |
| III. Reserve capital  | 641             | 641             |
| IV. Revaluation reserve                                       | -               | -               |
| V. Other reserve capital                                      | -               | -               |
| VI. Undistributed profit/(loss) from previous years           | (42 436)        | (30 059)        |
| VII. Profit / (loss) after taxation for the financial year    | (5 398)         | (5 311)         |
| <b>B PROVISIONS</b>   | <b>-</b>        | <b>-</b>        |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>42 861</b>   | <b>31 763</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>720</b>      | <b>939</b>      |
| I. Short-term liabilities                                     | 665             | 878             |
| II. Social Fund   | 55              | 61              |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>903</b>      | <b>359</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>4 536</b>    | <b>5 577</b>    |

## INFORADIO Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>1 300</b>    | <b>1 023</b>    |
| I. Net sales of finished products  | 1 190           | 923             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | 110             | 100             |
| III. Net sales of merchandise and raw materials  | -               | -               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>4 918</b>    | <b>6 053</b>    |
| I. Cost of merchandise and raw materials sold  | -               | -               |
| II. Materials and energy   | 76              | 165             |
| III. External services   | 2 171           | 1 730           |
| IV. Taxes and charges  | 29              | 100             |
| V. Payroll   | 1 545           | 1 460           |
| VI. Social Security costs  | 247             | 263             |
| VII. Depreciation  | 711             | 703             |
| VIII Other   | 139             | 1 632           |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(3 618)</b>  | <b>(5 030)</b>  |
| <b>D Other operating income</b>  | <b>36</b>       | <b>-</b>        |
| I. Revenue from sales of fixed assets  | 36              | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | -               | -               |
| <b>E Other operating expenses</b>  | <b>12</b>       | <b>-</b>        |
| I. Net book value of fixed assets sold   | 12              | -               |
| II. Other operating expenses   | -               | -               |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(3 594)</b>  | <b>(5 030)</b>  |
| <b>G Financial income</b>  | <b>12</b>       | <b>15</b>       |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | 10              | 14              |
| III. Others  | 2               | 1               |
| <b>H Financial expenses</b>  | <b>1 816</b>    | <b>296</b>      |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | 1 816           | 293             |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | -               | 3               |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(5 398)</b>  | <b>(5 311)</b>  |
| <b>J Extraordinary gains</b>   | <b>-</b>        | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>(5 398)</b>  | <b>(5 311)</b>  |
| <b>M Obligatory charges</b>  | <b>-</b>        | <b>-</b>        |
| I. Corporate income tax  | -               | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(5 398)</b>  | <b>(5 311)</b>  |

ELITA Sp. z o.o.

**BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>626</b>      | <b>691</b>      |
| I. Intangible assets                       | 55              | 49              |
| II. Tangible fixed assets                  | 571             | 642             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>312</b>      | <b>346</b>      |
| I. Stock                                   | -               | 2               |
| II. Short-term debtors                     | 301             | 313             |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 11              | 31              |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>6</b>        | <b>7</b>        |
| <b>Total assets</b>                        | <b>944</b>      | <b>1 044</b>    |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |            |              |
|---|------------|--------------|
| <b>A EQUITY</b>   | <b>345</b> | <b>(734)</b> |
| I. Share capital  | 3 629      | 2 083        |
| II. Outstanding share capital contributions (negative figure) | -          | -            |
| III. Reserve capital  | -          | -            |
| IV. Revaluation reserve                                       | -          | -            |
| V. Other reserve capital                                      | -          | -            |
| VI. Undistributed profit/(loss) from previous years           | (3 087)    | (2 370)      |
| VII. Profit / (loss) after taxation for the financial year    | (197)      | (447)        |
| <b>B PROVISIONS</b>   | <b>-</b>   | <b>-</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>170</b> | <b>1 450</b> |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>429</b> | <b>328</b>   |
| I. Short-term liabilities                                     | 417        | 317          |
| II. Social Fund   | 12         | 11           |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>-</b>   | <b>-</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>944</b> | <b>1 044</b> |

ELITA Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>632</b>      | <b>659</b>      |
| I. Net sales of finished products  | 632             | 659             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | -               | -               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>826</b>      | <b>944</b>      |
| I. Cost of merchandise and raw materials sold  | -               | -               |
| II. Materials and energy   | 17              | 17              |
| III. External services   | 164             | 169             |
| IV. Taxes and charges  | 6               | 13              |
| V. Payroll   | 372             | 379             |
| VI. Social Security costs  | 91              | 89              |
| VII. Depreciation  | 54              | 53              |
| VIII Other   | 122             | 224             |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(194)</b>    | <b>(285)</b>    |
| <b>D Other operating income</b>  | <b>33</b>       | <b>8</b>        |
| I. Revenue from sales of fixed assets  | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | 33              | 8               |
| <b>E Other operating expenses</b>  | <b>20</b>       | <b>42</b>       |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | 20              | 42              |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(181)</b>    | <b>(319)</b>    |
| <b>G Financial income</b>  | <b>2</b>        | <b>5</b>        |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | 2               | 5               |
| III. Others  | -               | -               |
| <b>H Financial expenses</b>  | <b>18</b>       | <b>133</b>      |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | 18              | 57              |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | -               | 76              |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(197)</b>    | <b>(447)</b>    |
| <b>J Extraordinary gains</b>   | -               | -               |
| <b>K Extraordinary losses</b>  | -               | -               |
| <b>L Profit / (loss) before taxation</b>   | <b>(197)</b>    | <b>(447)</b>    |
| <b>M Obligatory charges</b>  | -               | -               |
| I. Corporate income tax  | -               | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(197)</b>    | <b>(447)</b>    |

KKK FM S.A.

**BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>156</b>      | <b>168</b>      |
| I. Intangible assets                       | -               | 6               |
| II. Tangible fixed assets                  | 156             | 162             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>955</b>      | <b>706</b>      |
| I. Stock                                   | 4               | 12              |
| II. Short-term debtors                     | 779             | 668             |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 172             | 26              |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>10</b>       | <b>12</b>       |
| <b>Total assets</b>                        | <b>1 121</b>    | <b>886</b>      |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |              |                |
|---|--------------|----------------|
| <b>A EQUITY</b>   | <b>(838)</b> | <b>(1 143)</b> |
| I. Share capital  | 629          | 604            |
| II. Outstanding share capital contributions (negative figure) | -            | -              |
| III. Reserve capital  | -            | -              |
| IV. Revaluation reserve                                       | -            | -              |
| V. Other reserve capital                                      | -            | -              |
| VI. Undistributed profit/(loss) from previous years           | (1 575)      | (1 635)        |
| VII. Profit / (loss) after taxation for the financial year    | 108          | (112)          |
| <b>B PROVISIONS</b>   | <b>-</b>     | <b>-</b>       |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>-</b>     | <b>1 012</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>1 914</b> | <b>993</b>     |
| I. Short-term liabilities                                     | 1 862        | 961            |
| II. Social Fund   | 52           | 32             |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>45</b>    | <b>24</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>1 121</b> | <b>886</b>     |

KKK FM S.A.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>1 308</b>    | <b>1 426</b>    |
| I. Net sales of finished products  | 1 306           | 1 306           |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | 2               | 120             |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>1 204</b>    | <b>1 410</b>    |
| I. Cost of merchandise and raw materials sold  | 2               | 116             |
| II. Materials and energy   | 17              | 18              |
| III. External services   | 307             | 351             |
| IV. Taxes and charges  | 4               | 4               |
| V. Payroll   | 511             | 401             |
| VI. Social Security costs  | 120             | 82              |
| VII. Depreciation  | 24              | 40              |
| VIII Other   | 219             | 398             |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>104</b>      | <b>16</b>       |
| <b>D Other operating income</b>  | <b>20</b>       | <b>-</b>        |
| I. Revenue from sales of fixed assets  | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | 20              | -               |
| <b>E Other operating expenses</b>  | <b>6</b>        | <b>27</b>       |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | 6               | 27              |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>118</b>      | <b>(11)</b>     |
| <b>G Financial income</b>  | <b>53</b>       | <b>7</b>        |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | 9               | 4               |
| III. Others  | 44              | 3               |
| <b>H Financial expenses</b>  | <b>41</b>       | <b>108</b>      |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | -               | 48              |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | 41              | 60              |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>130</b>      | <b>(112)</b>    |
| <b>J Extraordinary gains</b>   | <b>-</b>        | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>130</b>      | <b>(112)</b>    |
| <b>M Obligatory charges</b>  | <b>22</b>       | <b>-</b>        |
| I. Corporate income tax  | 22              | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>108</b>      | <b>(112)</b>    |

## CASH FLOW STATEMENT

in PLN thousand

|   | 2001<br>30 June | 2000<br>30 June |
|---|-----------------|-----------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES (I+/-II) - indirect method</b>                |                 |                 |
| <b>I. Profit / (loss) after taxation</b>  | <b>108</b>      | <b>(112)</b>    |
| <b>II. Total adjustments</b>  | <b>1 330</b>    | <b>78</b>       |
| 1. Depreciation   | 24              | 40              |
| 2. Foreign exchange (gains) losses  | -               | 56              |
| 3. Interests and dividends  | 32              | 46              |
| 4. Bad debt provisions  | (24)            | 22              |
| 5. Other provisions   | -               | -               |
| 6. Corporate income tax (disclosed in profit and loss statement)                        | -               | -               |
| 7. Corporate income tax paid  | (22)            | -               |
| 8. Profit/loss on investment activities   | -               | 1               |
| 9. Change in inventory position   | (1)             | (10)            |
| 10. Change in accounts receivable   | 43              | (220)           |
| 11. Change in short-term liabilities (except for bank credits and loans)                | 1 242           | 123             |
| 12. Change in interperiod settlements position  | (8)             | (3)             |
| 13. Change in deferred income position  | 44              | 23              |
| 14. Other adjustments   | -               | -               |
| <b>III. NET CASH FLOW FROM OPERATING ACTIVITIES</b>                                     | <b>1 438</b>    | <b>(34)</b>     |
| <b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>  |                 |                 |
| I. Purchase/sales of intangible fixed assets  | -               | (2)             |
| II. Purchase/sales of tangible fixed assets   | (5)             | (22)            |
| III. Purchase/sales of financial fixed assets in subsidiaries                           | -               | -               |
| IV. Purchase/sales of financial fixed associates in associated                          | -               | -               |
| V. Purchase/sales of other shares and securitis (including securities for resale)       | -               | -               |
| VI. Loans (advanced)  | -               | -               |
| VII. Dividends received/paid  | -               | -               |
| VIII. Interest received   | 9               | -               |
| IX. Other   | -               | -               |
| <b>X. NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>                                      | <b>4</b>        | <b>(24)</b>     |
| <b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>   |                 |                 |
| I. Raised/repaid long-term bank credits and loans received                              | -               | -               |
| II. Raised/repaid long-term loans   | (751)           | 16              |
| III. Raised/repaid short-term bank credits  | -               | -               |
| IV. Raised/repaid short-term loans, issue of bonds and other short-term debt securities | -               | -               |
| V. Dividends and other payments to shareholders   | -               | -               |
| VI. Payments of liabilities related to finance lease agreements                         | -               | -               |
| VII. Inflows from own shares issued   | -               | -               |
| VIII. Paid/repaid interest  | (331)           | (9)             |
| IX. Other   | (236)           | (14)            |
| <b>X. NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>                                       | <b>(1 318)</b>  | <b>(7)</b>      |
| <b>D. CHANGE OF CASH POSITION IN BALANCE SHEET (A +/- B +/- X)</b>                      | <b>124</b>      | <b>(65)</b>     |
| <b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>              | <b>48</b>       | <b>91</b>       |
| <b>F. CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (F +/- D)</b>          | <b>172</b>      | <b>26</b>       |

**RADIO TREFL Sp. z o.o.****BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>638</b>      | <b>723</b>      |
| I. Intangible assets                       | 76              | 99              |
| II. Tangible fixed assets                  | 562             | 624             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>638</b>      | <b>550</b>      |
| I. Stock                                   | 1               | 4               |
| II. Short-term debtors                     | 627             | 528             |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 10              | 18              |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>71</b>       | <b>32</b>       |
| <b>Total assets</b>                        | <b>1 347</b>    | <b>1 305</b>    |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |              |                |
|---|--------------|----------------|
| <b>A EQUITY</b>   | <b>(571)</b> | <b>(1 289)</b> |
| I. Share capital  | 2 683        | 2 000          |
| II. Outstanding share capital contributions (negative figure) | -            | -              |
| III. Reserve capital  | -            | -              |
| IV. Revaluation reserve                                       | -            | -              |
| V. Other reserve capital                                      | -            | -              |
| VI. Undistributed profit/(loss) from previous years           | (3 213)      | (3 104)        |
| VII. Profit / (loss) after taxation for the financial year    | (41)         | (185)          |
| <b>B PROVISIONS</b>   | <b>-</b>     | <b>-</b>       |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>222</b>   | <b>536</b>     |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>1 646</b> | <b>2 058</b>   |
| I. Short-term liabilities                                     | 1 616        | 2 044          |
| II. Social Fund   | 30           | 14             |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>50</b>    | <b>-</b>       |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>1 347</b> | <b>1 305</b>   |

## RADIO TREFL Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>1 500</b>    | <b>1 229</b>    |
| I. Net sales of finished products  | 1 500           | 1 226           |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | -               | 3               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>1 390</b>    | <b>1 326</b>    |
| I. Cost of merchandise and raw materials sold  | -               | 2               |
| II. Materials and energy   | 35              | 20              |
| III. External services   | 243             | 210             |
| IV. Taxes and charges  | 2               | 3               |
| V. Payroll   | 561             | 449             |
| VI. Social Security costs  | 129             | 108             |
| VII. Depreciation  | 62              | 65              |
| VIII Other   | 358             | 469             |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>110</b>      | <b>(97)</b>     |
| <b>D Other operating income</b>  | <b>8</b>        | <b>-</b>        |
| I. Revenue from sales of fixed assets  | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | 8               | -               |
| <b>E Other operating expenses</b>  | <b>47</b>       | <b>-</b>        |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | 47              | -               |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>71</b>       | <b>(97)</b>     |
| <b>G Financial income</b>  | <b>1</b>        | <b>2</b>        |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | 1               | 2               |
| III. Others  | -               | -               |
| <b>H Financial expenses</b>  | <b>113</b>      | <b>90</b>       |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | 6               | 6               |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | 107             | 84              |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(41)</b>     | <b>(185)</b>    |
| <b>J Extraordinary gains</b>   | <b>-</b>        | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>(41)</b>     | <b>(185)</b>    |
| <b>M Obligatory charges</b>  | <b>-</b>        | <b>-</b>        |
| I. Corporate income tax  | -               | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(41)</b>     | <b>(185)</b>    |

**JAN BABCZYSZYN RADIO JAZZ FM****BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>175</b>      | <b>495</b>      |
| I. Intangible assets                       | 57              | 82              |
| II. Tangible fixed assets                  | 118             | 143             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | 270             |
| <b>B CURRENT ASSETS</b>                    | <b>446</b>      | <b>9</b>        |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 419             | -               |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 27              | 9               |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>51</b>       | <b>46</b>       |
| <b>Total assets</b>                        | <b>672</b>      | <b>550</b>      |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |            |            |
|---|------------|------------|
| <b>A EQUITY</b>   | <b>211</b> | <b>2</b>   |
| I. Share capital  | 600        | 600        |
| II. Outstanding share capital contributions (negative figure) | -          | -          |
| III. Reserve capital  | -          | -          |
| IV. Revaluation reserve                                       | -          | -          |
| V. Other reserve capital                                      | -          | -          |
| VI. Undistributed profit/(loss) from previous years           | (488)      | (543)      |
| VII. Profit / (loss) after taxation for the financial year    | 99         | (55)       |
| <b>B PROVISIONS</b>   | <b>-</b>   | <b>-</b>   |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>-</b>   | <b>-</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>461</b> | <b>548</b> |
| I. Short-term liabilities                                     | 461        | 548        |
| II. Social Fund   | -          | -          |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>-</b>   | <b>-</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>672</b> | <b>550</b> |

**JAN BABCZYSZYN RADIO JAZZ FM****PROFIT AND LOSS**

in PLN thousand

|   | <b>2001</b><br>30 June | <b>2000</b><br>30 June |
|---|------------------------|------------------------|
| <b>A Net sales of merchandise and finished products</b>                             | <b>714</b>             | <b>883</b>             |
| I. Net sales of finished products   | 714                    | 883                    |
| II. Change in inventory position (increase positive value, decrease negative value) | -                      | -                      |
| III. Net sales of merchandise and raw materials                                     | -                      | -                      |
| IV. Cost of production for internal purposes  | -                      | -                      |
| <b>B Operating expense</b>  | <b>555</b>             | <b>905</b>             |
| I. Cost of merchandise and raw materials sold                                       | -                      | -                      |
| II. Materials and energy  | -                      | -                      |
| III. External services  | 478                    | 471                    |
| IV. Taxes and charges   | -                      | -                      |
| V. Payroll  | -                      | -                      |
| VI. Social Security costs   | -                      | -                      |
| VII. Depreciation   | 22                     | 34                     |
| VIII Other  | 55                     | 400                    |
| <b>C Gross profit / (loss) on sales (A-B)</b>                                       | <b>159</b>             | <b>(22)</b>            |
| <b>D Other operating income</b>   | <b>-</b>               | <b>-</b>               |
| I. Revenue from sales of fixed assets   | -                      | -                      |
| II. Subsidies   | -                      | -                      |
| III. Other operating income   | -                      | -                      |
| <b>E Other operating expenses</b>   | <b>-</b>               | <b>1</b>               |
| I. Net book value of fixed assets sold  | -                      | -                      |
| II. Other operating expenses  | -                      | 1                      |
| <b>F Profit / (loss) on operating activities</b>                                    | <b>159</b>             | <b>(23)</b>            |
| <b>G Financial income</b>   | <b>-</b>               | <b>-</b>               |
| I. Dividends received:  | -                      | -                      |
| - from subsidiaries and associates  | -                      | -                      |
| II. Interest  | -                      | -                      |
| III. Others   | -                      | -                      |
| <b>H Financial expenses</b>   | <b>31</b>              | <b>32</b>              |
| I. Loss on sales of financial fixed assets and short term securities                | -                      | -                      |
| II. Interest  | 31                     | 32                     |
| - for subsidiaries and associates   | -                      | -                      |
| III. Other  | -                      | -                      |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                             | <b>128</b>             | <b>(55)</b>            |
| <b>J Extraordinary gains</b>  | <b>-</b>               | <b>-</b>               |
| <b>K Extraordinary losses</b>   | <b>-</b>               | <b>-</b>               |
| <b>L Profit / (loss) before taxation</b>  | <b>128</b>             | <b>(55)</b>            |
| <b>M Obligatory charges</b>   | <b>29</b>              | <b>-</b>               |
| I. Corporate income tax   | 29                     | -                      |
| II. Other obligatory charges  | -                      | -                      |
| <b>N Profit / (loss) after taxation</b>   | <b>99</b>              | <b>(55)</b>            |

"IM 40" Sp. z o.o.

**BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>394</b>      | <b>608</b>      |
| I. Intangible assets                       | 164             | 326             |
| II. Tangible fixed assets                  | 230             | 282             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>3 275</b>    | <b>4 165</b>    |
| I. Stock                                   | 51              | 15              |
| II. Short-term debtors                     | 2 860           | 3 021           |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 364             | 1 129           |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>10</b>       | <b>9</b>        |
| <b>Total assets</b>                        | <b>3 679</b>    | <b>4 782</b>    |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |              |              |
|---|--------------|--------------|
| <b>A EQUITY</b>   | <b>2 973</b> | <b>3 447</b> |
| I. Share capital  | 1 000        | 1 000        |
| II. Outstanding share capital contributions (negative figure) | -            | -            |
| III. Reserve capital  | 465          | 465          |
| IV. Revaluation reserve                                       | -            | -            |
| V. Other reserve capital                                      | -            | -            |
| VI. Undistributed profit/(loss) from previous years           | -            | -            |
| VII. Profit / (loss) after taxation for the financial year    | 1 508        | 1 982        |
| <b>B PROVISIONS</b>   | <b>2</b>     | <b>5</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>-</b>     | <b>-</b>     |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>704</b>   | <b>1 330</b> |
| I. Short-term liabilities                                     | 666          | 1 311        |
| II. Social Fund   | 38           | 19           |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>-</b>     | <b>-</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>3 679</b> | <b>4 782</b> |

"IM 40" Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 30 June      | 2000<br>30 June |
|--|--------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>5 557</b> | <b>6 566</b>    |
| I. Net sales of finished products  | 5 557        | 6 566           |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -            | -               |
| III. Net sales of merchandise and raw materials  | -            | -               |
| IV. Cost of production for internal purposes   | -            | -               |
| <b>B Operating expense</b>   | <b>3 115</b> | <b>3 962</b>    |
| I. Cost of merchandise and raw materials sold  | -            | -               |
| II. Materials and energy   | 33           | 51              |
| III. External services   | 617          | 823             |
| IV. Taxes and charges  | 64           | 36              |
| V. Payroll   | 1 070        | 1 351           |
| VI. Social Security costs  | 229          | 263             |
| VII. Depreciation  | 124          | 143             |
| VIII Other   | 978          | 1 295           |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>2 442</b> | <b>2 604</b>    |
| <b>D Other operating income</b>  | <b>1</b>     | <b>3</b>        |
| I. Revenue from sales of fixed assets  | -            | -               |
| II. Subsidies  | -            | -               |
| III. Other operating income  | 1            | 3               |
| <b>E Other operating expenses</b>  | <b>395</b>   | <b>2</b>        |
| I. Net book value of fixed assets sold   | -            | -               |
| II. Other operating expenses   | 395          | 2               |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>2 048</b> | <b>2 605</b>    |
| <b>G Financial income</b>  | <b>201</b>   | <b>161</b>      |
| I. Dividends received:   | -            | -               |
| - from subsidiaries and associates   | -            | -               |
| II. Interest   | 137          | 129             |
| III. Others  | 64           | 32              |
| <b>H Financial expenses</b>  | <b>-</b>     | <b>-</b>        |
| I. Loss on sales of financial fixed assets and short term securities                   | -            | -               |
| II. Interest   | -            | -               |
| - for subsidiaries and associates  | -            | -               |
| III. Other   | -            | -               |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>2 249</b> | <b>2 766</b>    |
| <b>J Extraordinary gains</b>   | <b>-</b>     | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>     | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>2 249</b> | <b>2 766</b>    |
| <b>M Obligatory charges</b>  | <b>741</b>   | <b>784</b>      |
| I. Corporate income tax  | 741          | 784             |
| II. Other obligatory charges   | -            | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>1 508</b> | <b>1 982</b>    |

O'LE Sp. z o.o.

**BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>249</b>      | <b>287</b>      |
| I. Intangible assets                       | 13              | 18              |
| II. Tangible fixed assets                  | 236             | 269             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>193</b>      | <b>408</b>      |
| I. Stock                                   | 3               | -               |
| II. Short-term debtors                     | 162             | 298             |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 28              | 110             |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>9</b>        | <b>5</b>        |
| <b>Total assets</b>                        | <b>451</b>      | <b>700</b>      |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |              |            |
|---|--------------|------------|
| <b>A EQUITY</b>   | <b>(146)</b> | <b>506</b> |
| I. Share capital  | 1 994        | 1 994      |
| II. Outstanding share capital contributions (negative figure) | -            | -          |
| III. Reserve capital  | -            | -          |
| IV. Revaluation reserve                                       | -            | -          |
| V. Other reserve capital                                      | -            | -          |
| VI. Undistributed profit/(loss) from previous years           | (1 788)      | (1 120)    |
| VII. Profit / (loss) after taxation for the financial year    | (352)        | (368)      |
| <b>B PROVISIONS</b>   | <b>-</b>     | <b>-</b>   |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>274</b>   | <b>-</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>323</b>   | <b>193</b> |
| I. Short-term liabilities                                     | 302          | 185        |
| II. Social Fund   | 21           | 8          |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>-</b>     | <b>-</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>451</b>   | <b>699</b> |

O'LE Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>346</b>      | <b>532</b>      |
| I. Net sales of finished products  | 346             | 532             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | -               | -               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>693</b>      | <b>797</b>      |
| I. Cost of merchandise and raw materials sold  | -               | -               |
| II. Materials and energy   | 22              | 36              |
| III. External services   | 168             | 294             |
| IV. Taxes and charges  | 2               | 3               |
| V. Payroll   | 305             | 317             |
| VI. Social Security costs  | 88              | 60              |
| VII. Depreciation  | 31              | 56              |
| VIII Other   | 77              | 31              |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(347)</b>    | <b>(265)</b>    |
| <b>D Other operating income</b>  | <b>25</b>       | <b>17</b>       |
| I. Revenue from sales of fixed assets  | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | 25              | 17              |
| <b>E Other operating expenses</b>  | <b>17</b>       | <b>31</b>       |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | 17              | 31              |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(339)</b>    | <b>(279)</b>    |
| <b>G Financial income</b>  | <b>7</b>        | <b>3</b>        |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | -               | 3               |
| III. Others  | 7               | -               |
| <b>H Financial expenses</b>  | <b>20</b>       | <b>92</b>       |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | 20              | 39              |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | -               | 53              |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(352)</b>    | <b>(368)</b>    |
| <b>J Extraordinary gains</b>   | -               | -               |
| <b>K Extraordinary losses</b>  | -               | -               |
| <b>L Profit / (loss) before taxation</b>   | <b>(352)</b>    | <b>(368)</b>    |
| <b>M Obligatory charges</b>  | -               | -               |
| I. Corporate income tax  | -               | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(352)</b>    | <b>(368)</b>    |

## Lokalne Rozgłoszenie Radiowe Sp. z o.o.

## BALANCE SHEET-ASSETS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>453</b>      | <b>82</b>       |
| I. Intangible assets                       | 161             | 82              |
| II. Tangible fixed assets                  | 292             | -               |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>614</b>      | <b>772</b>      |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 546             | 103             |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 68              | 669             |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>-</b>        | <b>-</b>        |
| <b>Total assets</b>                        | <b>1 067</b>    | <b>854</b>      |

## BALANCE SHEET-LIABILITIES

in PLN thousand

|   |              |            |
|---|--------------|------------|
| <b>A EQUITY</b>   | <b>230</b>   | <b>836</b> |
| I. Share capital  | 804          | 804        |
| II. Outstanding share capital contributions (negative figure) | -            | -          |
| III. Reserve capital  | 25           | -          |
| IV. Revaluation reserve                                       | -            | -          |
| V. Other reserve capital                                      | -            | -          |
| VI. Undistributed profit/(loss) from previous years           | (365)        | 24         |
| VII. Profit / (loss) after taxation for the financial year    | (234)        | 8          |
| <b>B PROVISIONS</b>   | <b>-</b>     | <b>-</b>   |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>554</b>   | <b>-</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>276</b>   | <b>18</b>  |
| I. Short-term liabilities                                     | 276          | 18         |
| II. Social Fund   | -            | -          |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>7</b>     | <b>-</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>1 067</b> | <b>854</b> |

## Lokalne Rozgłoszenie Radiowe Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>791</b>      | <b>751</b>      |
| I. Net sales of finished products  | 791             | 751             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | -               | -               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>984</b>      | <b>790</b>      |
| I. Cost of merchandise and raw materials sold  | -               | -               |
| II. Materials and energy   | 13              | -               |
| III. External services   | 575             | 429             |
| IV. Taxes and charges  | 5               | -               |
| V. Payroll   | 177             | 32              |
| VI. Social Security costs  | 46              | -               |
| VII. Depreciation  | 57              | 7               |
| VIII Other   | 111             | 322             |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(193)</b>    | <b>(39)</b>     |
| <b>D Other operating income</b>  | <b>-</b>        | <b>-</b>        |
| I. Revenue from sales of fixed assets  | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | -               | -               |
| <b>E Other operating expenses</b>  | <b>-</b>        | <b>-</b>        |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | -               | -               |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(193)</b>    | <b>(39)</b>     |
| <b>G Financial income</b>  | <b>4</b>        | <b>49</b>       |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | 4               | 49              |
| III. Others  | -               | -               |
| <b>H Financial expenses</b>  | <b>45</b>       | <b>-</b>        |
| I.   | -               | -               |
| Loss on sales of financial fixed assets and short term securities                      | -               | -               |
| II. Interest   | 45              | -               |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | -               | -               |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(234)</b>    | <b>10</b>       |
| <b>J Extraordinary gains</b>   | <b>-</b>        | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>(234)</b>    | <b>10</b>       |
| <b>M Obligatory charges</b>  | <b>-</b>        | <b>2</b>        |
| I. Corporate income tax  | -               | 2               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(234)</b>    | <b>8</b>        |

**KAROLINA Sp. z o.o.****BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>818</b>      | <b>744</b>      |
| I. Intangible assets                       | 182             | 188             |
| II. Tangible fixed assets                  | 636             | 556             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>3 294</b>    | <b>1 338</b>    |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 1 833           | 1 026           |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 1 461           | 312             |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>7</b>        | <b>5</b>        |
| <b>Total assets</b>                        | <b>4 119</b>    | <b>2 087</b>    |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |              |              |
|---|--------------|--------------|
| <b>A EQUITY</b>   | <b>2 096</b> | <b>405</b>   |
| I. Share capital  | 1 100        | 1 100        |
| II. Outstanding share capital contributions (negative figure) | -            | -            |
| III. Reserve capital  | -            | -            |
| IV. Revaluation reserve                                       | -            | -            |
| V. Other reserve capital                                      | -            | -            |
| VI. Undistributed profit/(loss) from previous years           | -            | (995)        |
| VII. Profit / (loss) after taxation for the financial year    | 996          | 300          |
| <b>B PROVISIONS</b>   | <b>-</b>     | <b>-</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>839</b>   | <b>871</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>1 119</b> | <b>780</b>   |
| I. Short-term liabilities                                     | 1 084        | 762          |
| II. Social Fund   | 35           | 18           |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>65</b>    | <b>31</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>4 119</b> | <b>2 087</b> |

**KAROLINA Sp. z o.o.****PROFIT AND LOSS**

in PLN thousand

|  | <b>2001</b><br><b>30 June</b> | <b>2000</b><br><b>30 June</b> |
|--|-------------------------------|-------------------------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>3 474</b>                  | <b>2 511</b>                  |
| I. Net sales of finished products  | 3 474                         | 2 508                         |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -                             | -                             |
| III. Net sales of merchandise and raw materials  | -                             | 3                             |
| IV. Cost of production for internal purposes   | -                             | -                             |
| <b>B Operating expense</b>   | <b>2 151</b>                  | <b>2 029</b>                  |
| I. Cost of merchandise and raw materials sold  | -                             | 3                             |
| II. Materials and energy   | 13                            | 23                            |
| III. External services   | 436                           | 504                           |
| IV. Taxes and charges  | 7                             | 5                             |
| V. Payroll   | 691                           | 543                           |
| VI. Social Security costs  | 159                           | 114                           |
| VII. Depreciation  | 103                           | 90                            |
| VIII Other   | 742                           | 747                           |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>1 323</b>                  | <b>482</b>                    |
| <b>D Other operating income</b>  | <b>22</b>                     | <b>9</b>                      |
| I. Revenue from sales of fixed assets  | 9                             | -                             |
| II. Subsidies  | -                             | -                             |
| III. Other operating income  | 13                            | 9                             |
| <b>E Other operating expenses</b>  | <b>60</b>                     | <b>16</b>                     |
| I. Net book value of fixed assets sold   | 13                            | -                             |
| II. Other operating expenses   | 47                            | 16                            |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>1 285</b>                  | <b>475</b>                    |
| <b>G Financial income</b>  | <b>93</b>                     | <b>20</b>                     |
| I. Dividends received:   | -                             | -                             |
| - from subsidiaries and associates   | -                             | -                             |
| II. Interest   | 93                            | 20                            |
| III. Others  | -                             | -                             |
| <b>H Financial expenses</b>  | <b>29</b>                     | <b>91</b>                     |
| I.   |                               |                               |
| Loss on sales of financial fixed assets and short term securities                      | -                             | -                             |
| II. Interest   | 29                            | 42                            |
| - for subsidiaries and associates  | -                             | -                             |
| III. Other   | -                             | 49                            |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>1 349</b>                  | <b>404</b>                    |
| <b>J Extraordinary gains</b>   | -                             | <b>2</b>                      |
| <b>K Extraordinary losses</b>  | -                             | -                             |
| <b>L Profit / (loss) before taxation</b>   | <b>1 349</b>                  | <b>406</b>                    |
| <b>M Obligatory charges</b>  | <b>353</b>                    | <b>106</b>                    |
| I. Corporate income tax  | 353                           | 106                           |
| II. Other obligatory charges   | -                             | -                             |
| <b>N Profit / (loss) after taxation</b>  | <b>996</b>                    | <b>300</b>                    |

## CITY RADIO Sp. z o.o.

## BALANCE SHEET-ASSETS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>98</b>       | <b>116</b>      |
| I. Intangible assets                       | 11              | 13              |
| II. Tangible fixed assets                  | 87              | 103             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>342</b>      | <b>346</b>      |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 340             | 334             |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 2               | 12              |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>17</b>       | <b>23</b>       |
| <b>Total assets</b>                        | <b>457</b>      | <b>485</b>      |

## BALANCE SHEET-LIABILITIES

in PLN thousand

|   |                |              |
|---|----------------|--------------|
| <b>A EQUITY</b>   | <b>(1 399)</b> | <b>(821)</b> |
| I. Share capital  | 1 701          | 1 701        |
| II. Outstanding share capital contributions (negative figure) | -              | -            |
| III. Reserve capital  | 14             | 15           |
| IV. Revaluation reserve                                       | -              | -            |
| V. Other reserve capital                                      | -              | -            |
| VI. Undistributed profit/(loss) from previous years           | (2 827)        | (2 390)      |
| VII. Profit / (loss) after taxation for the financial year    | (287)          | (147)        |
| <b>B PROVISIONS</b>   | <b>-</b>       | <b>-</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>1 006</b>   | <b>999</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>837</b>     | <b>307</b>   |
| I. Short-term liabilities                                     | 815            | 307          |
| II. Social Fund   | 22             | -            |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>13</b>      | <b>-</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>457</b>     | <b>485</b>   |

## CITY RADIO Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>482</b>      | <b>666</b>      |
| I. Net sales of finished products  | 482             | 666             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | -               | -               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>697</b>      | <b>782</b>      |
| I. Cost of merchandise and raw materials sold  | -               | -               |
| II. Materials and energy   | 11              | 13              |
| III. External services   | 166             | 188             |
| IV. Taxes and charges  | 2               | 2               |
| V. Payroll   | 318             | 375             |
| VI. Social Security costs  | 65              | 75              |
| VII. Depreciation  | 8               | 18              |
| VIII Other   | 127             | 111             |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(215)</b>    | <b>(116)</b>    |
| <b>D Other operating income</b>  | <b>-</b>        | <b>14</b>       |
| I. Revenue from sales of fixed assets  | -               | 14              |
| II. Subsidies  | -               | -               |
| III. Other operating income  | -               | -               |
| <b>E Other operating expenses</b>  | <b>14</b>       | <b>2</b>        |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | 14              | 2               |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(229)</b>    | <b>(104)</b>    |
| <b>G Financial income</b>  | <b>-</b>        | <b>-</b>        |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | -               | -               |
| III. Others  | -               | -               |
| <b>H Financial expenses</b>  | <b>58</b>       | <b>43</b>       |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | 58              | 4               |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | -               | 39              |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(287)</b>    | <b>(147)</b>    |
| <b>J Extraordinary gains</b>   | <b>-</b>        | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>(287)</b>    | <b>(147)</b>    |
| <b>M Obligatory charges</b>  | <b>-</b>        | <b>-</b>        |
| I. Corporate income tax  | -               | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(287)</b>    | <b>(147)</b>    |

**BIURO OBSLUGI RADIOWEJ Sp. z o.o.****BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>475</b>      | <b>550</b>      |
| I. Intangible assets                       | 21              | 62              |
| II. Tangible fixed assets                  | 454             | 488             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>2 256</b>    | <b>2 095</b>    |
| I. Stock                                   | 59              | 112             |
| II. Short-term debtors                     | 1 947           | 1 954           |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 250             | 29              |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>25</b>       | <b>-</b>        |
| <b>Total assets</b>                        | <b>2 756</b>    | <b>2 645</b>    |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |              |              |
|---|--------------|--------------|
| <b>A EQUITY</b>   | <b>(588)</b> | <b>270</b>   |
| I. Share capital  | 935          | 935          |
| II. Outstanding share capital contributions (negative figure) | -            | -            |
| III. Reserve capital  | 500          | -            |
| IV. Revaluation reserve                                       | -            | -            |
| V. Other reserve capital                                      | -            | -            |
| VI. Undistributed profit/(loss) from previous years           | (1 006)      | (892)        |
| VII. Profit / (loss) after taxation for the financial year    | (1 017)      | 227          |
| <b>B PROVISIONS</b>   | <b>138</b>   | <b>-</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>-</b>     | <b>-</b>     |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>3 164</b> | <b>2 375</b> |
| I. Short-term liabilities                                     | 3 164        | 2 375        |
| II. Social Fund   | -            | -            |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>42</b>    | <b>-</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>2 756</b> | <b>2 645</b> |

**BIURO OBSLUGI RADIOWEJ Sp. z o.o.****PROFIT AND LOSS**

in PLN thousand

|   | <b>2001</b><br><b>30 June</b> | <b>2000</b><br><b>30 June</b> |
|---|-------------------------------|-------------------------------|
| <b>A Net sales of merchandise and finished products</b>                             | <b>4 422</b>                  | <b>5 343</b>                  |
| I. Net sales of finished products   | 4 422                         | 5 328                         |
| II. Change in inventory position (increase positive value, decrease negative value) | -                             | -                             |
| III. Net sales of merchandise and raw materials                                     | -                             | 15                            |
| IV. Cost of production for internal purposes  | -                             | -                             |
| <b>B Operating expense</b>  | <b>5 340</b>                  | <b>5 033</b>                  |
| I. Cost of merchandise and raw materials sold                                       | -                             | -                             |
| II. Materials and energy  | 95                            | 215                           |
| III. External services  | 3 917                         | 3 570                         |
| IV. Taxes and charges   | 52                            | 6                             |
| V. Payroll  | 475                           | 248                           |
| VI. Social Security costs   | 67                            | 18                            |
| VII. Depreciation   | 98                            | 134                           |
| VIII Other  | 636                           | 842                           |
| <b>C Gross profit / (loss) on sales (A-B)</b>                                       | <b>(918)</b>                  | <b>310</b>                    |
| <b>D Other operating income</b>   | <b>-</b>                      | <b>-</b>                      |
| I. Revenue from sales of fixed assets   | -                             | -                             |
| II. Subsidies   | -                             | -                             |
| III. Other operating income   | -                             | -                             |
| <b>E Other operating expenses</b>   | <b>-</b>                      | <b>-</b>                      |
| I. Net book value of fixed assets sold  | -                             | -                             |
| II. Other operating expenses  | -                             | -                             |
| <b>F Profit / (loss) on operating activities</b>                                    | <b>(918)</b>                  | <b>310</b>                    |
| <b>G Financial income</b>   | <b>2</b>                      | <b>-</b>                      |
| I. Dividends received:  | -                             | -                             |
| - from subsidiaries and associates  | -                             | -                             |
| II. Interest  | 2                             | -                             |
| III. Others   | -                             | -                             |
| <b>H Financial expenses</b>   | <b>101</b>                    | <b>83</b>                     |
| I. Loss on sales of financial fixed assets and short term securities                | -                             | -                             |
| II. Interest  | 101                           | 83                            |
| - for subsidiaries and associates   | -                             | -                             |
| III. Other  | -                             | -                             |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                             | <b>(1 017)</b>                | <b>227</b>                    |
| <b>J Extraordinary gains</b>  | <b>-</b>                      | <b>-</b>                      |
| <b>K Extraordinary losses</b>   | <b>-</b>                      | <b>-</b>                      |
| <b>L Profit / (loss) before taxation</b>  | <b>(1 017)</b>                | <b>227</b>                    |
| <b>M Obligatory charges</b>   | <b>-</b>                      | <b>-</b>                      |
| I. Corporate income tax   | -                             | -                             |
| II. Other obligatory charges  | -                             | -                             |
| <b>N Profit / (loss) after taxation</b>   | <b>(1 017)</b>                | <b>227</b>                    |

**BARYS Sp. z o.o.****BALANCE SHEET-ASSETS**

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>265</b>      | <b>293</b>      |
| I. Intangible assets                       | 3               | 6               |
| II. Tangible fixed assets                  | 262             | 287             |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>221</b>      | <b>181</b>      |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 149             | 53              |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 72              | 128             |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>4</b>        | <b>23</b>       |
| <b>Total assets</b>                        | <b>490</b>      | <b>497</b>      |

**BALANCE SHEET-LIABILITIES**

in PLN thousand

|   |                |             |
|---|----------------|-------------|
| <b>A EQUITY</b>   | <b>(1 436)</b> | <b>(64)</b> |
| I. Share capital  | 269            | 269         |
| II. Outstanding share capital contributions (negative figure) | -              | -           |
| III. Reserve capital  | -              | -           |
| IV. Revaluation reserve                                       | -              | -           |
| V. Other reserve capital                                      | -              | -           |
| VI. Undistributed profit/(loss) from previous years           | (982)          | -           |
| VII. Profit / (loss) after taxation for the financial year    | (723)          | (333)       |
| <b>B PROVISIONS</b>   | <b>-</b>       | <b>-</b>    |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>1 123</b>   | <b>522</b>  |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>801</b>     | <b>39</b>   |
| I. Short-term liabilities                                     | 793            | 39          |
| II. Social Fund   | 8              | -           |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>2</b>       | <b>-</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>490</b>     | <b>497</b>  |

**BARYS Sp. z o.o.****PROFIT AND LOSS**

in PLN thousand

|   | <b>2001</b><br>30 June | <b>2000</b><br>30 June |
|---|------------------------|------------------------|
| <b>A Net sales of merchandise and finished products</b>                             | <b>171</b>             | <b>68</b>              |
| I. Net sales of finished products   | 171                    | 68                     |
| II. Change in inventory position (increase positive value, decrease negative value) | -                      | -                      |
| III. Net sales of merchandise and raw materials                                     | -                      | -                      |
| IV. Cost of production for internal purposes  | -                      | -                      |
| <b>B Operating expense</b>  | <b>789</b>             | <b>353</b>             |
| I. Cost of merchandise and raw materials sold                                       | -                      | -                      |
| II. Materials and energy  | 2                      | 42                     |
| III. External services  | 369                    | 126                    |
| IV. Taxes and charges   | 25                     | 16                     |
| V. Payroll  | 266                    | 68                     |
| VI. Social Security costs   | 65                     | 13                     |
| VII. Depreciation   | 46                     | 87                     |
| VIII Other  | 16                     | 1                      |
| <b>C Gross profit / (loss) on sales (A-B)</b>                                       | <b>(618)</b>           | <b>(285)</b>           |
| <b>D Other operating income</b>   | <b>-</b>               | <b>-</b>               |
| I. Revenue from sales of fixed assets   | -                      | -                      |
| II. Subsidies   | -                      | -                      |
| III. Other operating income   | -                      | -                      |
| <b>E Other operating expenses</b>   | <b>-</b>               | <b>29</b>              |
| I. Net book value of fixed assets sold  | -                      | -                      |
| II. Other operating expenses  | -                      | 29                     |
| <b>F Profit / (loss) on operating activities</b>                                    | <b>(618)</b>           | <b>(314)</b>           |
| <b>G Financial income</b>   | <b>2</b>               | <b>3</b>               |
| I. Dividends received:  | -                      | -                      |
| - from subsidiaries and associates  | -                      | -                      |
| II. Interest  | 2                      | 3                      |
| III. Others   | -                      | -                      |
| <b>H Financial expenses</b>   | <b>107</b>             | <b>22</b>              |
| I. Loss on sales of financial fixed assets and short term securities                | -                      | -                      |
| II. Interest  | 107                    | 22                     |
| - for subsidiaries and associates   | -                      | -                      |
| III. Other  | -                      | -                      |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                             | <b>(723)</b>           | <b>(333)</b>           |
| <b>J Extraordinary gains</b>  | <b>-</b>               | <b>-</b>               |
| <b>K Extraordinary losses</b>   | <b>-</b>               | <b>-</b>               |
| <b>L Profit / (loss) before taxation</b>  | <b>(723)</b>           | <b>(333)</b>           |
| <b>M Obligatory charges</b>   | <b>-</b>               | <b>-</b>               |
| I. Corporate income tax   | -                      | -                      |
| II. Other obligatory charges  | -                      | -                      |
| <b>N Profit / (loss) after taxation</b>   | <b>(723)</b>           | <b>(333)</b>           |

## UZNAM Sp. z o.o.

## BALANCE SHEET-ASSETS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>330</b>      | <b>33</b>       |
| I. Intangible assets                       | 33              | 14              |
| II. Tangible fixed assets                  | 297             | 19              |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>190</b>      | <b>110</b>      |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 132             | 90              |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 58              | 20              |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>3</b>        | <b>-</b>        |
| <b>Total assets</b>                        | <b>523</b>      | <b>143</b>      |

## BALANCE SHEET-LIABILITIES

in PLN thousand

|   |              |              |
|---|--------------|--------------|
| <b>A EQUITY</b>   | <b>(534)</b> | <b>(170)</b> |
| I. Share capital  | 31           | 31           |
| II. Outstanding share capital contributions (negative figure) | -            | -            |
| III. Reserve capital  | 417          | 212          |
| IV. Revaluation reserve                                       | -            | 50           |
| V. Other reserve capital                                      | -            | -            |
| VI. Undistributed profit/(loss) from previous years           | (651)        | (287)        |
| VII. Profit / (loss) after taxation for the financial year    | (331)        | (176)        |
| <b>B PROVISIONS</b>   | <b>-</b>     | <b>-</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>902</b>   | <b>213</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>152</b>   | <b>100</b>   |
| I. Short-term liabilities                                     | 146          | 100          |
| II. Social Fund   | 6            | -            |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>3</b>     | <b>-</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>523</b>   | <b>143</b>   |

UZNAM Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>121</b>      | <b>129</b>      |
| I. Net sales of finished products  | 121             | 129             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               | -               |
| III. Net sales of merchandise and raw materials  | -               | -               |
| IV. Cost of production for internal purposes   | -               | -               |
| <b>B Operating expense</b>   | <b>390</b>      | <b>293</b>      |
| I. Cost of merchandise and raw materials sold  | -               | -               |
| II. Materials and energy   | 12              | 11              |
| III. External services   | 109             | 97              |
| IV. Taxes and charges  | 1               | 1               |
| V. Payroll   | 142             | 122             |
| VI. Social Security costs  | 39              | 27              |
| VII. Depreciation  | 57              | 18              |
| VIII Other   | 30              | 17              |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(269)</b>    | <b>(164)</b>    |
| <b>D Other operating income</b>  | <b>-</b>        | <b>-</b>        |
| I. Revenue from sales of fixed assets  | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | -               | -               |
| <b>E Other operating expenses</b>  | <b>-</b>        | <b>-</b>        |
| I. Net book value of fixed assets sold   | -               | -               |
| II. Other operating expenses   | -               | -               |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(269)</b>    | <b>(164)</b>    |
| <b>G Financial income</b>  | <b>1</b>        | <b>-</b>        |
| I. Dividends received:   | -               | -               |
| - from subsidiaries and associates   | -               | -               |
| II. Interest   | -               | -               |
| III. Others  | 1               | -               |
| <b>H Financial expenses</b>  | <b>63</b>       | <b>12</b>       |
| I. Loss on sales of financial fixed assets and short term securities                   | -               | -               |
| II. Interest   | 63              | 6               |
| - for subsidiaries and associates  | -               | -               |
| III. Other   | -               | 6               |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(331)</b>    | <b>(176)</b>    |
| <b>J Extraordinary gains</b>   | <b>-</b>        | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>(331)</b>    | <b>(176)</b>    |
| <b>M Obligatory charges</b>  | <b>-</b>        | <b>-</b>        |
| I. Corporate income tax  | -               | -               |
| II. Other obligatory charges   | -               | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(331)</b>    | <b>(176)</b>    |

## Centrum Handlu Internetowego Sp. z o.o.

## BALANCE SHEET-ASSETS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>2 034</b>    | -               |
| I. Intangible assets                       | 1 216           | -               |
| II. Tangible fixed assets                  | 818             | -               |
| III. Financial fixed assets                | -               | -               |
| IV. Long term debtors                      | -               | -               |
| <b>B CURRENT ASSETS</b>                    | <b>5 493</b>    | -               |
| I. Stock                                   | -               | -               |
| II. Short-term debtors                     | 405             | -               |
| III. Short-term securities                 | -               | -               |
| IV. Cash and cash equivalents              | 5 088           | -               |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>4</b>        | -               |
| <b>Total assets</b>                        | <b>7 531</b>    | -               |

## BALANCE SHEET-LIABILITIES

in PLN thousand

|   |              |   |
|---|--------------|---|
| <b>A EQUITY</b>   | <b>4 081</b> | - |
| I. Share capital  | 6 000        | - |
| II. Outstanding share capital contributions (negative figure) | -            | - |
| III. Reserve capital  | -            | - |
| IV. Revaluation reserve                                       | -            | - |
| V. Other reserve capital                                      | -            | - |
| VI. Undistributed profit/(loss) from previous years           | -            | - |
| VII. Profit / (loss) after taxation for the financial year    | (1 919)      | - |
| <b>B PROVISIONS</b>   | -            | - |
| <b>C LONG-TERM LIABILITIES</b>                                | -            | - |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>3 450</b> | - |
| I. Short-term liabilities                                     | 3 442        | - |
| II. Social Fund   | 8            | - |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | -            | - |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>7 531</b> | - |

## Centrum Handlu Internetowego Sp. z o.o.

## PROFIT AND LOSS

in PLN thousand

|  | 2001<br>30 June | 2000<br>30 June |
|--|-----------------|-----------------|
| <b>A. Net sales of merchandise and finished products</b>             | <b>113</b>      | -               |
| I. Net sales of finished products                                    | -               | -               |
| II. Net sales of merchandise and materials                           | 113             | -               |
| <b>B. Cost of merchandise, finished products sold and materials</b>  | <b>1 445</b>    | -               |
| I. Cost of finished products sold                                    | -               | -               |
| II. Cost of merchandise and materials sold                           | 1 445           | -               |
| <b>C. Gross profit on sales (I-II)</b>                               | <b>(1 332)</b>  | -               |
| <b>D. Selling expenses</b>   | <b>328</b>      | -               |
| <b>E. Administrative and general expenses</b>                        | <b>868</b>      | -               |
| <b>F. Gross profit / (loss) on sales (C-D-E)</b>                     | <b>(2 528)</b>  | -               |
| <b>G. Other operating income</b>                                     | <b>144</b>      | -               |
| I. Revenue from sales of fixed assets                                | -               | -               |
| II. Subsidies  | -               | -               |
| III. Other operating income  | 144             | -               |
| <b>H. Other operating expenses</b>                                   | -               | -               |
| I. Net book value of fixed assets sold                               | -               | -               |
| II. Other operating expenses   | -               | -               |
| <b>I. Profit / (loss) on operating activities (F+G-H)</b>            | <b>(2 384)</b>  | -               |
| <b>J. Financial income</b>   | <b>481</b>      | -               |
| I. Dividends received:   | -               | -               |
| II. Interest   | 481             | -               |
| III. Others  | -               | -               |
| <b>K. Financial expenses</b>   | <b>1</b>        | -               |
| I. Loss on sales of financial fixed assets and short term securities | -               | -               |
| II. Interest   | 1               | -               |
| III. Other   | -               | -               |
| <b>L. Zysk /strata brutto na działalności gospodarczej (I+J-K)</b>   | <b>(1 904)</b>  | -               |
| <b>M. Extraordinary gains</b>  | -               | -               |
| <b>N. Extraordinary losses</b>                                       | -               | -               |
| <b>O. Profit / (loss) before taxation (L+M-N)</b>                    | <b>(1 904)</b>  | -               |
| <b>P. Obligatory charges</b>   | <b>15</b>       | -               |
| I. Corporate income tax  | 15              | -               |
| II. Other obligatory charges   | -               | -               |
| <b>R. Profit / (loss) after taxation</b>                             | <b>(1 919)</b>  | -               |

**BALANCE SHEET-ASSETS**

|  | <b>2001<br/>30 June</b> |
|--|-------------------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>56</b>               |
| I. <b>Intangible assets</b>                | <b>45</b>               |
| II. Tangible fixed assets                  | 11                      |
| III. Financial fixed assets                | -                       |
| IV. Long term debtors                      | -                       |
| <b>B CURRENT ASSETS</b>                    | <b>516</b>              |
| I. Stock                                   | 29                      |
| II. Short-term debtors                     | 448                     |
| III. Short-term securities                 | -                       |
| IV. Cash and cash equivalents              | 39                      |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>130</b>              |
| <b>Total assets</b>                        | <b>702</b>              |

**BALANCE SHEET-LIABILITIES**

|   |                |
|---|----------------|
| <b>A EQUITY</b>   | <b>(3 801)</b> |
| I. Share capital  | 684            |
| II. Outstanding share capital contributions (negative figure) | -              |
| III. Reserve capital  | 5              |
| IV. Revaluation reserve                                       | -              |
| V. Other reserve capital                                      | -              |
| VI. Undistributed profit/(loss) from previous years           | (3 678)        |
| VII. Profit / (loss) after taxation for the financial year    | (812)          |
| <b>B PROVISIONS</b>   | <b>-</b>       |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>3 257</b>   |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>1 161</b>   |
| I. Short-term liabilities                                     | 1 161          |
| II. Social Fund   | -              |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>85</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>702</b>     |

## PROFIT AND LOSS

|  | 2001<br>30 June |
|--|-----------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>202</b>      |
| I. Net sales of finished products  | 202             |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | -               |
| III. Net sales of merchandise and raw materials  | -               |
| IV. Cost of production for internal purposes   | -               |
| <b>B Operating expense</b>   | <b>736</b>      |
| I. Cost of merchandise and raw materials sold  | -               |
| II. Materials and energy   | 14              |
| III. Short-term securities   | 306             |
| IV. Taxes and charges  | 29              |
| V. Payroll   | 334             |
| VI.  | 2               |
| VII. Depreciation  | 24              |
| VIII Other   | 27              |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>(534)</b>    |
| <b>D Other operating income</b>  | <b>-</b>        |
| I. Revenue from sales of fixed assets  | -               |
| II. Subsidies  | -               |
| III. Other operating income  | -               |
| <b>E Other operating expenses</b>  | <b>29</b>       |
| I. Net book value of fixed assets sold   | -               |
| II. Other operating expenses   | 29              |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>(563)</b>    |
| <b>G Financial income</b>  | <b>8</b>        |
| I. Dividends received:   | -               |
| - from subsidiaries and associates   | -               |
| II. Interest   | 2               |
| III. Others  | 6               |
| <b>H Financial expenses</b>  | <b>257</b>      |
| I.   | -               |
| Loss on sales of financial fixed assets and short term securities                      | -               |
| II. Interest   | 254             |
| - for subsidiaries and associates  | -               |
| III. Other   | 3               |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>(812)</b>    |
| <b>J Extraordinary gains</b>   | <b>-</b>        |
| <b>K Extraordinary losses</b>  | <b>-</b>        |
| <b>L Profit / (loss) before taxation</b>   | <b>(812)</b>    |
| <b>M Obligatory charges</b>  | <b>-</b>        |
| I. Corporate income tax  | -               |
| II. Other obligatory charges   | -               |
| <b>N Profit / (loss) after taxation</b>  | <b>(812)</b>    |

**CITY MAGAZINE Sp. z o.o.**

**BALANCE SHEET-ASSETS**

|  | <b>2001<br/>30 June</b> |
|--|-------------------------|
| <b>A LONG-TERM ASSETS</b>                  | <b>226</b>              |
| I. <b>Intangible assets</b>                | <b>147</b>              |
| II. Tangible fixed assets                  | 79                      |
| III. Financial fixed assets                | -                       |
| IV. Long term debtors                      | -                       |
| <b>B CURRENT ASSETS</b>                    | <b>1 092</b>            |
| I. Stock                                   | -                       |
| II. Short-term debtors                     | 622                     |
| III. Short-term securities                 | -                       |
| IV. Cash and cash equivalents              | 470                     |
| <b>C PREPAID EXPENSES AND OTHER ASSETS</b> | <b>8</b>                |
| <b>Total assets</b>                        | <b>1 326</b>            |

**BALANCE SHEET-LIABILITIES**

|   |              |
|---|--------------|
| <b>A EQUITY</b>   | <b>1 019</b> |
| I. Share capital  | 50           |
| II. Outstanding share capital contributions (negative figure) | -            |
| III. Reserve capital  | 2 500        |
| IV. Revaluation reserve                                       | -            |
| V. Other reserve capital                                      | -            |
| VI. Undistributed profit/(loss) from previous years           | (1 532)      |
| VII. Profit / (loss) after taxation for the financial year    | 1            |
| <b>B PROVISIONS</b>   | <b>-</b>     |
| <b>C LONG-TERM LIABILITIES</b>                                | <b>-</b>     |
| <b>D SHORT-TERM LIABILITIES AND SPECIAL FUNDS</b>             | <b>304</b>   |
| I. Short-term liabilities                                     | 287          |
| II. Social Fund   | 17           |
| <b>E ACCRUED EXPENSES AND DEFERRED INCOME</b>                 | <b>3</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>1 326</b> |

**CITY MAGAZINE Sp. z o.o.**

**PROFIT AND LOSS**

|  | <b>2001<br/>30 June</b> |
|--|-------------------------|
| <b>A Net sales of merchandise and finished products</b>                                | <b>2 209</b>            |
| I. Net sales of finished products  | 2 109                   |
| II. Change in inventory position (increase positive value,<br>decrease negative value) | 100                     |
| III. Net sales of merchandise and raw materials  | -                       |
| IV. Cost of production for internal purposes   | -                       |
| <b>B Operating expense</b>   | <b>2 146</b>            |
| I. Cost of merchandise and raw materials sold  | -                       |
| II. Materials and energy   | 33                      |
| III. Short-term securities   | 1 107                   |
| IV. Taxes and charges  | 14                      |
| V. Payroll   | 773                     |
| VI.  | 143                     |
| VII. Depreciation  | 28                      |
| VIII Other   | 48                      |
| <b>C Gross profit / (loss) on sales (A-B)</b>  | <b>63</b>               |
| <b>D Other operating income</b>  | <b>1</b>                |
| I. Revenue from sales of fixed assets  | -                       |
| II. Subsidies  | -                       |
| III. Other operating income  | 1                       |
| <b>E Other operating expenses</b>  | <b>-</b>                |
| I. Net book value of fixed assets sold   | -                       |
| II. Other operating expenses   | -                       |
| <b>F Profit / (loss) on operating activities</b>                                       | <b>64</b>               |
| <b>G Financial income</b>  | <b>20</b>               |
| I. Dividends received:   | -                       |
| - from subsidiaries and associates   | -                       |
| II. Interest   | 20                      |
| III. Others  | -                       |
| <b>H Financial expenses</b>  | <b>83</b>               |
| I.   | -                       |
| Loss on sales of financial fixed assets and short term securities                      | -                       |
| II. Interest   | -                       |
| - for subsidiaries and associates  | -                       |
| III. Other   | 83                      |
| <b>I Profit / (loss) on ordinary activities (F+G-H)</b>                                | <b>1</b>                |
| <b>J Extraordinary gains</b>   | <b>-</b>                |
| <b>K Extraordinary losses</b>  | <b>-</b>                |
| <b>L Profit / (loss) before taxation</b>   | <b>1</b>                |
| <b>M Obligatory charges</b>  | <b>-</b>                |
| I. Corporate income tax  | -                       |
| II. Other obligatory charges   | -                       |
| <b>N Profit / (loss) after taxation</b>  | <b>1</b>                |