

**SA-OSr III/2004**

(quarter/year)

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

According to the § 57 section 2, § 58 section 1 § of the Cabinets Decree as at 16 October 2001  
- Dz.U. No 139, item no. 1569 and of 2002 No 31, item no. 280Management Board of AGORA SA announces  
For the 3rd quarter of the year 2004

5 November 2004

| SELECTED FINANCIAL DATA  | '000 PLN  |   | '000 EURO   |   |
|--|---|---|---|---|
|  | 3 quarters<br>cumulatively<br>from 1/01/2004<br>to 30/09/2004 | 3 quarters<br>cumulatively<br>prior year<br>from 1/01/2003<br>to 30/09/2003 | 3 quarters<br>cumulatively<br>from 1/01/2004<br>to 30/09/2004 | 3 quarters<br>cumulatively<br>prior year<br>from 1/01/2003<br>to 30/09/2003 |
| I. Net sales of merchandise and finished products                              | 723 500   | 619 917   | 156 761   | 142 739   |
| II. Profit on operating activities   | 48 158  | 25 304  | 10 434  | 5 826   |
| III. Profit before taxation  | 32 818  | 9 725   | 7 111   | 2 239   |
| IV. Net profit (loss)  | 28 236  | 2 296   | 6 118   | 529   |
| V. Net cash flow from operating activities                                     | 110 273   | 97 652  | 23 893  | 22 485  |
| VI. Cash flow from investment activities                                       | (92 224)  | (86 877)  | (19 982)  | (20 004)  |
| VII. Cash flow from financing activities                                       | (7 211)   | (28 711)  | (1 562)   | (6 611)   |
| VIII. Total net cash flows   | 10 838  | (17 936)  | 2 348   | (4 130)   |
| IX. Total assets   | 1 405 527   | 1 391 833   | 322 902   | 305 870   |
| X. Liabilities and provisions for liabilities                                  | 317 850   | 325 436   | 73 022  | 71 518  |
| XI. Long-term liabilities  | 113 347   | 113 347   | 26 040  | 24 909  |
| XII. Short-term liabilities  | 115 239   | 112 872   | 26 475  | 24 805  |
| XIII. Equity   | 1 086 610   | 1 065 375   | 249 635   | 234 128   |
| XIV. Share capital   | 56 758  | 56 758  | 13 039  | 12 473  |
| XV. Number of shares   | 56 757 525  | 56 757 525  | 56 757 525  | 56 757 525  |
| XVI. Net profit per ordinary share (in PLN / EUR)                              | 0,49  | 0,07  | 0,11  | 0,02  |
| XVII. Diluted profit / (loss) after taxation per ordinary share (in PLN / EUR) | -   | -   | -   | -   |
| XVIII. Book value per share (in PLN / EUR)                                     | 19,14   | 18,77   | 4,40  | 4,13  |
| XIX. Diluted book value per share (in PLN / EUR)                               | -   | -   | -   | -   |
| XX. Declared dividend per one share (in PLN / EUR)                             | -   | -   | -   | -   |

| CONSOLIDATED BALANCE SHEET   | as at<br>30/09/2004<br>(current year) | as at<br>30/06/2004<br>(current year) | as at<br>30/09/2003<br>(prior year) | as at<br>30/06/2003<br>(prior year) |
|--|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
|  | -                                     | -                                     | -                                   | -                                   |
| <b>I. Fixed assets</b>   | <b>1 065 458</b>                      | <b>1 084 135</b>                      | <b>1 138 708</b>                    | <b>1 161 162</b>                    |
| 1. Intangible fixed assets, including  | 97 276                                | 98 515                                | 101 339                             | 101 768                             |
| - goodwill   | 6 869                                 | 7 089                                 | 9 990                               | 10 282                              |
| 2. Goodwill of subordinated entities   | 178 806                               | 182 501                               | 174 921                             | 174 903                             |
| 3. Tangible fixed assets   | 748 907                               | 764 153                               | 825 017                             | 846 409                             |
| 4. Long-term debtors   | 173                                   | 148                                   | 37                                  | 43                                  |
| 4.1. From related entities   | -                                     | -                                     | -                                   | -                                   |
| 4.2. From other entities   | 173                                   | 148                                   | 37                                  | 43                                  |
| 5. Long-term investments   | 21 752                                | 20 966                                | 25 549                              | 28 951                              |
| 5.1. Real estate property  | -                                     | -                                     | -                                   | -                                   |
| 5.2. Intangible fixed assets   | -                                     | -                                     | -                                   | -                                   |
| 5.3. Long-term financial assets  | 21 752                                | 20 966                                | 25 549                              | 28 951                              |
| a) in related entities   | 18 152                                | 17 366                                | 17 556                              | 16 675                              |
| - shares in subordinated entities accounted for under the equity method        | 75                                    | 93                                    | 771                                 | 862                                 |
| - shares in subsidiaries and co-owned subsidiaries excluded from consolidation | 3 055                                 | 3 055                                 | 1 476                               | 1 476                               |
| b) in other entities   | 3 600                                 | 3 600                                 | 7 993                               | 12 276                              |
| 5.4. Other long-term investments   | -                                     | -                                     | -                                   | -                                   |
| 6. Long-term interperiod settlements   | 18 544                                | 17 852                                | 11 845                              | 9 088                               |
| 6.1. Deferred tax assets   | 17 749                                | 17 023                                | 10 821                              | 7 920                               |
| 6.2. Others  | 795                                   | 829                                   | 1 024                               | 1 168                               |
| <b>II. Current assets</b>  | <b>340 069</b>                        | <b>296 182</b>                        | <b>253 125</b>                      | <b>240 222</b>                      |
| 1. Inventories   | 14 002                                | 12 339                                | 15 353                              | 13 162                              |
| 2. Short-term receivables  | 154 965                               | 150 249                               | 124 725                             | 130 404                             |
| 2.1. From related entities   | 1 133                                 | 960                                   | 1 791                               | 1 490                               |
| 2.2. From other entities   | 153 832                               | 149 289                               | 122 934                             | 128 914                             |
| 3. Short-term investments  | 161 232                               | 122 675                               | 100 634                             | 87 684                              |
| 3.1. Short-term financial assets   | 161 232                               | 122 675                               | 100 634                             | 87 684                              |
| a) in related entities   | 2 227                                 | 2 409                                 | 1 666                               | 1 331                               |
| b) in other entities   | 98 866                                | 67 492                                | 67 423                              | 58 490                              |
| c) cash and cash equivalents   | 60 139                                | 52 774                                | 31 545                              | 27 863                              |
| 3.2. Other short-term investments  | -                                     | -                                     | -                                   | -                                   |
| 4. Short-term interperiod settlements  | 9 870                                 | 10 919                                | 12 413                              | 8 972                               |
| <b>Total assets</b>  | <b>1 405 527</b>                      | <b>1 380 317</b>                      | <b>1 391 833</b>                    | <b>1 401 384</b>                    |

|   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| <b>Liabilities and shareholders' equity</b>                             | -                 | -                 | -                 | -                 |
| <b>I. Equity</b>  | <b>1 086 610</b>  | <b>1 070 155</b>  | <b>1 065 375</b>  | <b>1 071 313</b>  |
| 1. Share capital  | 56 758            | 56 758            | 56 758            | 56 758            |
| 2. Outstanding share capital contributions (negative figure)            | -                 | -                 | -                 | (1)               |
| 3. Entity's own shares (negative figure)                                | -                 | -                 | -                 | -                 |
| 4. Reserve capital  | 1 007 918         | 1 007 666         | 1 015 907         | 1 015 891         |
| 5. Revaluation reserve  | 192               | 444               | 529               | 545               |
| 6. Other reserve capital  | -                 | -                 | -                 | -                 |
| 7. Foreign exchange translation differences on consolidation            | -                 | -                 | -                 | -                 |
| a) foreign exchange gains   | -                 | -                 | -                 | -                 |
| b) foreign exchange losses  | -                 | -                 | -                 | -                 |
| 8. Accumulated profit/(loss) from previous years                        | (6 494)           | (6 494)           | (10 115)          | (10 115)          |
| 9. Net profit for the year  | 28 236            | 11 781            | 2 296             | 8 234             |
| 10. Write-offs from net profit for the financial year (negative figure) | -                 | -                 | -                 | -                 |
| <b>II. Minority interest</b>  | <b>1 067</b>      | <b>848</b>        | <b>1 022</b>      | <b>959</b>        |
| <b>III. Negative goodwill of subordinated entities</b>                  | -                 | -                 | -                 | -                 |
| <b>IV. Liabilities and provisions for liabilities</b>                   | <b>317 850</b>    | <b>309 314</b>    | <b>325 436</b>    | <b>329 112</b>    |
| 1. Provisions for liabilities   | 53 577            | 54 121            | 66 078            | 67 414            |
| 1.1. Deferred tax liability   | 47 147            | 45 523            | 54 198            | 52 327            |
| 1.2. Provision for retirement severances and similar benefits           | 1 490             | 1 498             | 1 711             | 1 818             |
| a) long-term provisions   | 1 471             | 1 479             | 1 624             | 1 542             |
| b) short-term provisions  | 19                | 19                | 87                | 276               |
| 1.3. Other provisions   | 4 940             | 7 100             | 10 169            | 13 269            |
| a) long-term provisions   | 807               | 882               | 7 680             | 9 031             |
| b) short-term provisions  | 4 133             | 6 218             | 2 489             | 4 238             |
| 2. Long-term liabilities  | 113 347           | 122 065           | 113 347           | 122 066           |
| 2.1. To related entities  | -                 | -                 | -                 | -                 |
| 2.2. To other entities  | 113 347           | 122 065           | 113 347           | 122 066           |
| 3. Short-term liabilities   | 115 239           | 102 054           | 112 872           | 108 103           |
| 3.1. To related entities  | 1 109             | 1 401             | 764               | 402               |
| 3.2. To other entities  | 96 515            | 83 012            | 96 912            | 92 470            |
| 3.3. Special funds  | 17 615            | 17 641            | 15 196            | 15 231            |
| 4. Interperiod settlements  | 35 687            | 31 074            | 33 139            | 31 529            |
| 4.1. Negative goodwill  | -                 | -                 | -                 | -                 |
| 4.2. Other interperiod settlements                                      | 35 687            | 31 074            | 33 139            | 31 529            |
| a) long-term  | 2 935             | 3 071             | 4 555             | 5 155             |
| b) short-term   | 32 752            | 28 003            | 28 584            | 26 374            |
| <b>Total equity and liabilities</b>                                     | <b>1 405 527</b>  | <b>1 380 317</b>  | <b>1 391 833</b>  | <b>1 401 384</b>  |
| <b>Book value</b>   | <b>1 086 610</b>  | <b>1 070 155</b>  | <b>1 065 375</b>  | <b>1 071 313</b>  |
| <b>Number of shares</b>   | <b>56 757 525</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>19,14</b>      | <b>18,85</b>      | <b>18,77</b>      | <b>18,88</b>      |
| <b>Predicted number of shares</b>                                       | -                 | -                 | -                 | -                 |
| <b>Diluted book value per share in PLN</b>                              | -                 | -                 | -                 | -                 |

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

as at 30.06.2003      PLN 7,920 thousand  
as at 30.09.2003      PLN 10,821 thousand

The Group has changed the balance sheet presentation of monetary assets with maturities up to 3 months ("buy sell back" treasury papers and certificates in investment funds), which are now classified as "short terms financial assets in other entities" whereas they used to be presented as "cash and cash equivalents". Consequently the balance of "Cash and cash equivalents" as at 30 September 2003 has been decreased and "short term financial assets in other entities" increased by PLN 53,971 thousand in comparison to previously presented data.

| Off balance sheet items<br>'000PLN       | as at<br>30/09/2004<br>(current year) | as at<br>30/06/2004<br>(current year) | as at<br>30/09/2003<br>(prior year) | as at<br>30/06/2003<br>(prior year) |
|--|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| <b>1. Contingent receivables</b>         | -                                     | -                                     | -                                   | -                                   |
| 1.1. From related entities               | -                                     | -                                     | -                                   | -                                   |
| 1.2. From other entities                 | -                                     | -                                     | -                                   | -                                   |
| <b>2. Contingent liabilities</b>         | <b>3 207</b>                          | <b>3 280</b>                          | <b>3 848</b>                        | <b>3 369</b>                        |
| 2.1. To related entities                 | 1 450                                 | 1 523                                 | 1 931                               | 1 458                               |
| - guarantees given                       | 1 450                                 | 1 523                                 | 1 931                               | 1 458                               |
| 2.2. To other entities                   | 1 757                                 | 1 757                                 | 1 917                               | 1 911                               |
| - guarantees given                       | 284                                   | 284                                   | 200                                 | 200                                 |
| - collateral for payment of services     | 1 473                                 | 1 473                                 | 1 717                               | 1 711                               |
| <b>3. Other</b>                          | -                                     | -                                     | -                                   | -                                   |
| <b>Total off balance sheet positions</b> | <b>3 207</b>                          | <b>3 280</b>                          | <b>3 848</b>                        | <b>3 369</b>                        |

| CONSOLIDATED PROFIT AND LOSS  | 3rd quarter<br>from 1/07/2004<br>to 30/09/2004 | cumulatively<br>from 1/01/2004 to<br>30/09/2004 | 3rd quarter<br>from 1/07/2003<br>to 30/09/2003 | cumulatively<br>from 1/01/2003 to<br>30/09/2003 |
|---|--|---|--|---|
| <b>I. Net sales of finished products, merchandise and materials</b>                     | <b>248 546</b>                                 | <b>723 500</b>                                  | <b>193 682</b>                                 | <b>619 917</b>                                  |
| - to related entities   | 783  | 3 479   | 856  | 2 884   |
| 1. Net sales of finished products   | 218 574  | 678 864   | 191 634  | 614 098   |
| 2. Net sales of merchandise and materials   | 29 972   | 44 636  | 2 048  | 5 819   |
| <b>II. Cost of finished products, merchandise and materials</b>                         | <b>(150 393)</b>                               | <b>(446 477)</b>                                | <b>(134 752)</b>                               | <b>(406 956)</b>                                |
| - from related entities   | (466)  | (2 147)   | (603)  | (1 885)   |
| 1. Cost of finished products sold   | (128 772)                                      | (414 589)                                       | (133 539)                                      | (402 811)                                       |
| 2. Cost of merchandise and materials sold   | (21 621)                                       | (31 888)  | (1 213)  | (4 145)   |
| <b>III. Gross profit on sales (I-II)</b>  | <b>98 153</b>                                  | <b>277 023</b>                                  | <b>58 930</b>                                  | <b>212 961</b>                                  |
| IV. Distribution expenses   | (47 901)                                       | (135 765)                                       | (33 343)                                       | (101 098)                                       |
| V. Administrative expenses  | (26 985)                                       | (81 673)  | (26 983)                                       | (85 822)  |
| <b>VI. Profit on sales (III-IV-V)</b>   | <b>23 267</b>                                  | <b>59 585</b>                                   | <b>(1 396)</b>                                 | <b>26 041</b>                                   |
| <b>VII. Other operating income</b>  | <b>3 070</b>                                   | <b>12 344</b>                                   | <b>4 041</b>                                   | <b>15 618</b>                                   |
| 1. Profit from disposal of non-financial fixed assets                                   | 71   | 162   | 73   | 259   |
| 2. Subsidies  | 214  | 925   | 313  | 424   |
| 3. Other operating revenues   | 2 785  | 11 257  | 3 655  | 14 935  |
| <b>VIII. Other operating expenses</b>   | <b>(3 576)</b>                                 | <b>(23 771)</b>                                 | <b>(4 911)</b>                                 | <b>(16 355)</b>                                 |
| 1. Loss from disposal of non-financial fixed assets                                     | -  | -   | -  | -   |
| 2. Revaluation of non-financial assets  | (2 122)  | (8 913)   | (2 409)  | (9 397)   |
| 3. Other operating expenses   | (1 454)  | (14 858)  | (2 502)  | (6 958)   |
| <b>IX. Profit on operating activities (VI+VII-VIII)</b>                                 | <b>22 761</b>                                  | <b>48 158</b>                                   | <b>(2 266)</b>                                 | <b>25 304</b>                                   |
| <b>X. Financial revenues</b>  | <b>4 611</b>                                   | <b>13 181</b>                                   | <b>6 667</b>                                   | <b>13 728</b>                                   |
| 1. Dividends and shares in profits, including   | -  | -   | -  | -   |
| - from related entities   | -  | -   | -  | -   |
| 2. Interest, including  | 2 321  | 6 287   | 1 978  | 6 701   |
| - from related entities   | 736  | 2 246   | 679  | 1 698   |
| 3. Profit from investments disposed   | 823  | 1 921   | 806  | 886   |
| 4. Revaluation of investments   | -  | 480   | 793  | 1 390   |
| 5. Others   | 1 467  | 4 493   | 3 090  | 4 751   |
| XI. Financial expenses  | (5 862)  | (18 525)  | (7 880)  | (20 828)  |
| 1. Interest, including  | (2 369)  | (6 789)   | (2 262)  | (7 720)   |
| - to related entities   | -  | (16)  | (5)  | (5)   |
| 2. Loss from investments disposed   | -  | -   | -  | -   |
| 3. Revaluation of investments   | (2 723)  | (9 447)   | (3 203)  | (7 663)   |
| 4. Others   | (770)  | (2 289)   | (2 415)  | (5 445)   |
| XII. Profit (loss) on sale of shares or part of shares in subordinated entities         | -  | -   | -  | 322   |
| <b>XIII. Profit (loss) on ordinary activities (IX+X+XI+/-XII)</b>                       | <b>21 510</b>                                  | <b>42 814</b>                                   | <b>(3 479)</b>                                 | <b>18 526</b>                                   |
| XIV Extraordinary items (XIV.1. - XIV.2.)   | -  | -   | 1  | 27  |
| 1. Extraordinary gains  | -  | -   | 2  | 28  |
| 2. Extraordinary losses   | -  | -   | (1)  | (1)   |
| XV. Goodwill amortisation from subordinated entities                                    | (3 377)  | (9 996)   | (2 832)  | (8 828)   |
| XVI. Negative goodwill amortisation from subordinated entities                          | -  | -   | -  | -   |
| <b>XVII. Profit before taxation (XIII+/-XIV)</b>  | <b>18 133</b>                                  | <b>32 818</b>                                   | <b>(6 310)</b>                                 | <b>9 725</b>                                    |
| XVIII. Income tax expense   | (1 123)  | (2 679)   | 854  | (5 605)   |
| a) Current tax expense  | (226)  | (943)   | (175)  | (1 611)   |
| b) Deferred tax expense   | (897)  | (1 736)   | 1 029  | (3 994)   |
| XIX. Other obligatory charges (increases of a loss)                                     | -  | -   | -  | -   |
| XX. Share in net results of subordinated entities accounted for under the equity method | (336)  | (1 310)   | (391)  | (1 242)   |
| XXI. Minority interest's share in profit  | (219)  | (593)   | (91)   | (582)   |
| <b>XXII. Net profit (Loss) (XIV-XV-XVI+/-XVII)</b>                                      | <b>16 455</b>                                  | <b>28 236</b>                                   | <b>(5 938)</b>                                 | <b>2 296</b>                                    |
| <b>Profit / (Loss) after taxation (for 12 months)</b>                                   | <b>28 058</b>                                  |   | <b>3 756</b>                                   |   |
| <b>Weighted average number of ordinary shares</b>                                       | <b>56 757 525</b>                              |   | <b>56 757 525</b>                              |   |
| <b>Net profit per ordinary share in PLN</b>   | <b>0,49</b>                                    |   | <b>0,07</b>                                    |   |
| <b>Weighted average diluted number of ordinary shares</b>                               |  |   |  |   |
| <b>Diluted profit / (loss) after taxation per ordinary share in PLN</b>                 |  |   |  |   |

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

| CHANGES IN CONSOLIDATED EQUITY  | 3rd quarter<br>from 1/07/2004<br>to 30/09/2004 | cumulatively<br>from 1/01/2004 to<br>30/09/2004 | 3rd quarter<br>from 1/07/2003<br>to 30/09/2003 | cumulatively<br>from 1/01/2003 to<br>30/09/2003 |
|---|--|---|--|---|
| <b>I. Equity opening balance</b>  | <b>1 070 155</b>                               | <b>1 065 246</b>                                | <b>1 071 313</b>                               | <b>1 063 079</b>                                |
| a) changes in the accounting policy   | -  | (6 872)   | -  | -   |
| b) corrections of fundamental errors  | -  | -   | -  | -   |
| <b>I.a. Opening balance of equity after reconciliation to comparable data</b>                                 | <b>1 070 155</b>                               | <b>1 058 374</b>                                | <b>1 071 313</b>                               | <b>1 063 079</b>                                |
| <b>1. Share capital opening balance</b>   | <b>56 758</b>                                  | <b>56 758</b>                                   | <b>56 758</b>                                  | <b>56 758</b>                                   |
| 1.1. Changes in share capital   | -  | -   | -  | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | -   | -  | -   |
| <b>1.2. Share capital closing balance</b>   | <b>56 758</b>                                  | <b>56 758</b>                                   | <b>56 758</b>                                  | <b>56 758</b>                                   |
| <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  | -  | -   | -  | -   |
| <b>2.2. Outstanding share capital contributions as at the period end</b>                                      | -  | -   | -  | -   |
| <b>3. Agora's own shares as the beginning of the year</b>   | -  | -   | -  | -   |
| 3.1. Changes in Agora's own shares  | -  | -   | -  | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | -   | -  | -   |
| <b>3.2. Agora's own shares as at the year ended</b>   | -  | -   | -  | -   |
| <b>4. Reserve capital opening balance</b>   | <b>1 007 666</b>                               | <b>1 015 997</b>                                | <b>1 015 891</b>                               | <b>963 620</b>                                  |
| <b>4.1. Changes in capital reserves</b>   | 252  | (8 079)   | 16   | 52 287  |
| a) additions  | 252  | 2 414   | 16   | 52 431  |
| - net profit appropriation (over statutory minimum value)   | -  | 2 118   | -  | 52 405  |
| - fixed assets disposals  | 252  | 296   | 16   | 26  |
| b) disposals  | -  | (10 493)  | -  | (144)   |
| - loss coverage of incorporated City Magazine Sp. z o.o.  | -  | -   | -  | (144)   |
| - cover of loss resulting from change of accounting policy  | -  | (378)   | -  | -   |
| - cover of loss from consolidation of radio companies   | -  | (10 115)  | -  | -   |
| <b>4.2. Reserve capital closing balance</b>   | <b>1 007 918</b>                               | <b>1 007 918</b>                                | <b>1 015 907</b>                               | <b>1 015 907</b>                                |
| <b>5. Revaluation reserve opening balance</b>   | <b>444</b>                                     | <b>488</b>                                      | <b>545</b>                                     | <b>555</b>                                      |
| <b>5.1. Changes in revaluation reserves</b>   | (252)  | (296)   | (16)   | (26)  |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | (252)  | (296)   | (16)   | (26)  |
| - fixed assets disposals  | (252)  | (296)   | (16)   | (26)  |
| <b>5.2. Revaluation reserve closing balance</b>   | <b>192</b>                                     | <b>192</b>                                      | <b>529</b>                                     | <b>529</b>                                      |
| <b>6. Other capital reserve opening balance</b>   | -  | -   | -  | -   |
| 6.1. Changes in other capital reserves  | -  | -   | -  | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | -   | -  | -   |
| <b>6.2. Other capital reserve closing balance</b>   | -  | -   | -  | -   |
| <b>7. Foreign exchange differences form translation of subordinated entities</b>                              | -  | -   | -  | -   |
| <b>8. Accumulated profit (loss) from previous years, opening balance</b>                                      | <b>5 287</b>                                   | <b>(7 997)</b>                                  | <b>(1 881)</b>                                 | <b>42 146</b>                                   |
| <b>8.1. Accumulated profit from previous years, opening balance</b>   | <b>11 781</b>                                  | <b>2 118</b>                                    | <b>8 234</b>                                   | <b>42 146</b>                                   |
| a) changes in the accounting policy   | -  | -   | -  | -   |
| b) corrections of fundamental errors  | -  | -   | -  | -   |
| <b>8.2. Opening balance of accumulated profit from previous years after reconciliation to comparable data</b> | <b>11 781</b>                                  | <b>2 118</b>                                    | <b>8 234</b>                                   | <b>42 146</b>                                   |
| a) additions  | -  | -   | -  | 144   |
| - net profit appropriation  | -  | -   | -  | -   |
| - loss of incorporated City Magazine Sp. z o.o. to be covered   | -  | -   | -  | 144   |
| b) disposals  | -  | (2 118)   | -  | (52 405)  |
| - transfer to capital reserves  | -  | (2 118)   | -  | (52 405)  |
| - consolidation adjustments   | -  | -   | -  | -   |
| <b>8.3. Closing balance of accumulated profit from previous years</b>   | <b>11 781</b>                                  | -   | <b>8 234</b>                                   | <b>(10 115)</b>                                 |
| <b>8.4. Opening balance of accumulated loss from the prior years</b>  | <b>(6 494)</b>                                 | <b>(10 115)</b>                                 | <b>(10 115)</b>                                | -   |
| - changes in the accounting policy  | -  | (6 872)   | -  | -   |
| - adjustments of fundamental errors   | -  | -   | -  | -   |
| <b>8.5. Opening balance of accumulated loss from the prior years after reconciliation to comparable data</b>  | <b>(6 494)</b>                                 | <b>(16 987)</b>                                 | <b>(10 115)</b>                                | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | 10 493  | -  | -   |
| - cover of loss resulting from change of accounting policy  | -  | 378   | -  | -   |
| - cover of loss from consolidation of radio companies   | -  | 10 115  | -  | -   |
| <b>8.6. Closing balance of accumulated loss from the prior years</b>  | <b>(6 494)</b>                                 | <b>(6 494)</b>                                  | <b>(10 115)</b>                                | -   |
| <b>8.7. Closing balance of accumulated profit/(loss) from the prior years</b>                                 | <b>5 287</b>                                   | <b>(6 494)</b>                                  | <b>(1 881)</b>                                 | <b>(10 115)</b>                                 |
| <b>9. Net result</b>  | <b>16 455</b>                                  | <b>28 236</b>                                   | <b>(5 938)</b>                                 | <b>2 296</b>                                    |
| a) net profit   | 16 455   | 28 236  | -  | 2 296   |
| b) net loss   | -  | -   | (5 938)  | -   |
| c) profit write-offs  | -  | -   | -  | -   |
| <b>II. Equity closing balance</b>   | <b>1 086 610</b>                               | <b>1 086 610</b>                                | <b>1 065 375</b>                               | <b>1 065 375</b>                                |
| <b>III. Equity after the proposed profit distribution or providing for a loss</b>                             | <b>1 086 610</b>                               | <b>1 086 610</b>                                | <b>1 065 375</b>                               | <b>1 065 375</b>                                |

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

| CONSOLIDATED CASH FLOW STATEMENT  | 3rd quarter<br>from 1/07/2004<br>to 30/09/2004 | cumulatively<br>from 1/01/2004 to<br>30/09/2004 | 3rd quarter<br>from 1/07/2003<br>to 30/09/2003 | cumulatively<br>from 1/01/2003 to<br>30/09/2003 |
|---|--|---|--|---|
| <b>A. Cash flow from operating activities - indirect method</b>                                       | <b>52 397</b>                                  | <b>110 273</b>                                  | <b>28 416</b>                                  | <b>97 652</b>                                   |
| <b>I. Profit after taxation</b>   | <b>16 455</b>                                  | <b>28 236</b>                                   | <b>(5 938)</b>                                 | <b>2 296</b>                                    |
| <b>II. Total adjustments</b>  | <b>35 942</b>                                  | <b>82 037</b>                                   | <b>34 354</b>                                  | <b>95 356</b>                                   |
| 1. Profit (loss) of minority shareholders   | 219  | 593   | 63   | 554   |
| 2. Share in profit of companies consolidated under the equity method                                  | 336  | 1 310   | 391  | 1 242   |
| 3. Depreciation   | 30 566   | 94 278  | 31 697   | 103 147   |
| - Goodwill or negative goodwill write-offs  | 3 377  | 9 996   | 2 832  | 8 828   |
| 4. Foreign exchange (gains) / losses  | 229  | 214   | -  | -   |
| 5. Interests and dividends  | 2 340  | 6 574   | 2 164  | 7 321   |
| 6. Investment (income) / loss   | 2 169  | 8 869   | 4 263  | 5 290   |
| 7. Change in provisions   | (544)  | 544   | (1 336)  | 1 636   |
| 8. Change in inventory position   | (1 663)  | 1 164   | (2 191)  | (614)   |
| 9. Change in accounts receivable position   | (4 825)  | (31 847)  | 5 669  | 12 119  |
| 10. Change in short-term liabilities (except for bank credits and loans)                              | 2 446  | 6 539   | (1 267)  | (24 376)  |
| 11. Change in interperiod settlements   | 4 970  | (5 864)   | (4 588)  | (10 479)  |
| 12. Other adjustments   | (301)  | (337)   | (511)  | (484)   |
| <b>III. Net cash flow from operating activities (I+/-II)</b>  | <b>52 397</b>                                  | <b>110 273</b>                                  | <b>28 416</b>                                  | <b>97 652</b>                                   |
| <b>B. Cash flow from investment activities</b>  | <b>(42 467)</b>                                | <b>(92 224)</b>                                 | <b>(20 558)</b>                                | <b>(86 877)</b>                                 |
| <b>I. Cash inflows from investing activities</b>  | <b>106</b>                                     | <b>1 786</b>                                    | <b>12 041</b>                                  | <b>22 772</b>                                   |
| 1. Proceeds from sale of tangible and intangible fixed assets   | 106  | 254   | 173  | 514   |
| 2. Proceeds from sale of real estate property investments and intangible fixed assets                 | -  | -   | -  | -   |
| 3. From financial assets, including:  | -  | 1 202   | 11 868   | 22 268  |
| a) assets in related entities   | -  | 1 202   | -  | 10 400  |
| - financial assets disposed of  | -  | -   | -  | 400   |
| - dividends and shares in profits   | -  | -   | -  | -   |
| - repayment of long-term loans granted  | -  | -   | -  | -   |
| - interests   | -  | 34  | -  | -   |
| - other inflows from financial assets   | -  | 1 168   | -  | 10 000  |
| b) assets in other entities   | -  | -   | 11 868   | 11 868  |
| - financial assets disposed of  | -  | -   | 11 868   | 11 868  |
| - dividends and shares in profits   | -  | -   | -  | -   |
| - repayment of long-term loans granted  | -  | -   | -  | -   |
| - interests   | -  | -   | -  | -   |
| - other inflows from financial assets   | -  | -   | -  | -   |
| 4. Other investment inflows   | -  | 330   | -  | -   |
| <b>II. Cash outflows from investing activities</b>  | <b>(42 573)</b>                                | <b>(94 010)</b>                                 | <b>(32 599)</b>                                | <b>(109 659)</b>                                |
| 1. Acquired intangible assets and tangible fixed assets   | (7 406)  | (23 893)  | (10 553)                                       | (28 077)  |
| 2. Investments in real estate property and intangible assets  | -  | -   | -  | -   |
| 3. Financial assets, including:   | (35 167)                                       | (69 318)  | (21 697)                                       | (79 928)  |
| a) assets in related entities   | (4 904)  | (13 935)  | (2 714)  | (11 568)  |
| - financial assets acquired   | (2 070)  | (5 932)   | (163)  | (4 383)   |
| - long-term loans granted   | (2 834)  | (8 003)   | (2 551)  | (7 185)   |
| b) assets in other entities   | (30 263)                                       | (55 383)  | (18 983)                                       | (68 329)  |
| - financial assets acquired   | (30 263)                                       | (55 383)  | (18 798)                                       | (67 210)  |
| - long-term loans granted   | -  | -   | (185)  | (1 119)   |
| 4. Dividends paid to minority shareholders  | -  | (799)   | -  | (1 008)   |
| 5. Other investment outflows  | -  | -   | (349)  | (646)   |
| <b>III. Cash flow from investment activities (I-II)</b>   | <b>(42 467)</b>                                | <b>(92 224)</b>                                 | <b>(20 558)</b>                                | <b>(86 877)</b>                                 |
| <b>C. Cash flow from financing activities</b>   | <b>(2 565)</b>                                 | <b>(7 211)</b>                                  | <b>(4 176)</b>                                 | <b>(28 711)</b>                                 |
| <b>I. Inflows from financing activities</b>   | <b>-</b>                                       | <b>-</b>  | <b>-</b>                                       | <b>2 836</b>                                    |
| 1. Net inflows from issuing shares and other capital instruments and additional capital contributions | -  | -   | -  | -   |
| 2. Bank credits and loans   | -  | -   | -  | 2 836   |
| 3. Issue of debt securities   | -  | -   | -  | -   |
| 4. Other financial inflows  | -  | -   | -  | -   |
| <b>II. Cash outflows from financing activities</b>  | <b>(2 565)</b>                                 | <b>(7 211)</b>                                  | <b>(4 176)</b>                                 | <b>(31 547)</b>                                 |
| 1. Entity's own shares acquired   | -  | -   | -  | -   |
| 2. Dividends and other payments to shareholders/owners  | -  | -   | -  | -   |
| 3. Payments, other than dividends to shareholders, distributions of profit                            | -  | -   | -  | -   |
| 4. Bank credits and loans repaid  | (224)  | (619)   | (1 995)  | (15 013)  |
| 5. Debt securities redeemed   | -  | -   | -  | (9 000)   |
| 6. Other financial liabilities  | -  | -   | -  | -   |
| 7. Rentals paid under finance leasing contracts   | -  | -   | (11)   | (196)   |
| 8. Interest   | (2 341)  | (6 592)   | (2 166)  | (7 334)   |
| 9. Other financial outflows   | -  | -   | (4)  | (4)   |
| <b>III. Cash flow from financing activities (I-II)</b>  | <b>(2 565)</b>                                 | <b>(7 211)</b>                                  | <b>(4 176)</b>                                 | <b>(28 711)</b>                                 |

|   |               |               |               |                 |
|---|---------------|---------------|---------------|-----------------|
| <b>D. Total net cash flows (A.III+/-B.III+/-C.III)</b>                        | <b>7 365</b>  | <b>10 838</b> | <b>3 682</b>  | <b>(17 936)</b> |
| <b>E. Change of cash position in the balance sheet</b>                        | <b>7 365</b>  | <b>10 838</b> | <b>3 682</b>  | <b>(17 936)</b> |
| - including change in cash position due to foreign exchange differences       | 54            | 42            | (8)           | 18              |
| <b>F. Cash and cash equivalents at the beginning of the financial year</b>    | <b>52 774</b> | <b>49 301</b> | <b>27 863</b> | <b>49 481</b>   |
| <b>G. Cash and cash equivalents at the end of the financial year (F+/- D)</b> | <b>60 139</b> | <b>60 139</b> | <b>31 545</b> | <b>31 545</b>   |
| - including restricted cash   | 7 961         | 7 961         | 4 207         | 4 207           |

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

- depreciation has been increased by PLN 879 thousand (transfer of goodwill amortisation from "other adjustments" in operating activities),
- transfer of impairment losses in the amount of PLN 5,346 thousand from "other adjustments" to "(profit) loss on investment activity" in operating activities,
- items "change in interperiod settlements" and "change in provisions" increased by PLN 1,984 thousand - adjustment relates to separate disclosure of deferred tax assets and deferred tax liabilities,
- due to change of presentation of short term monetary assets opening balance of cash and cash equivalents as at 31.12.2002 and closing balance as at 30.09.2003 decreased respectively by: PLN 1,579 thousand and PLN 53,971 thousand ,
- items "financial assets acquired" in cash outflows from investing activities increased by PLN 51,600 thousand (adjustment caused by change of presentation of short term monetary assets transferred from cash equivalents - purchases and sales are now presented net ), consequently "(profit) loss on investment activity" and "other adjustments" in operating activities decreased respectively by: PLN 655 thousand (result on sales of securities) and PLN 137 thousand (valuation of securities),
- transfer of dividends paid to minority shareholders in the amount of PLN 1,008 thousand from financing activities to investment activities.

## Extract of quarterly financial statements of Agora SA

| BALANCE SHEET<br>'000 PLN   | as at<br>30/09/2004<br>(current year) | as at<br>30/06/2004<br>(current year) | as at<br>30/09/2003<br>(prior year) | as at<br>30/06/2003<br>(prior year) |
|---|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| <b>Assets</b>   | -                                     | -                                     | -                                   | -                                   |
| <b>I. Fixed assets</b>  | <b>1 070 802</b>                      | <b>1 081 944</b>                      | <b>1 121 120</b>                    | <b>1 130 151</b>                    |
| 1. Intangible fixed assets, including                                   | 90 412                                | 91 327                                | 95 060                              | 95 297                              |
| - goodwill  | 2 501                                 | 2 582                                 | 5 064                               | 5 217                               |
| 2. Tangible fixed assets  | 626 550                               | 638 805                               | 693 954                             | 711 304                             |
| 3. Long-term debtors  | 434                                   | 426                                   | 37                                  | 43                                  |
| 3.1. From related entities  | 284                                   | 284                                   | -                                   | -                                   |
| 3.2. From other entities  | 150                                   | 142                                   | 37                                  | 43                                  |
| 4. Long-term investments  | 335 990                               | 334 728                               | 321 920                             | 316 610                             |
| 4.1. Real estate property   | -                                     | -                                     | -                                   | -                                   |
| 4.2. Intangible fixed assets  | -                                     | -                                     | -                                   | -                                   |
| 4.3. Long-term financial assets   | 335 990                               | 334 728                               | 321 920                             | 316 610                             |
| a) in related entities  | 332 836                               | 331 574                               | 313 927                             | 304 417                             |
| - shares in subordinated entities accounted for under the equity method | -                                     | -                                     | -                                   | -                                   |
| b) in other entities  | 3 154                                 | 3 154                                 | 7 993                               | 12 193                              |
| 4.4. Other long-term investments  | -                                     | -                                     | -                                   | -                                   |
| 5. Long-term interperiod settlements                                    | 17 416                                | 16 658                                | 10 149                              | 6 897                               |
| 5.1. Deferred tax asset   | 17 401                                | 16 641                                | 10 149                              | 6 897                               |
| 5.2. Others   | 15                                    | 17                                    | -                                   | -                                   |
| <b>II. Current assets</b>   | <b>284 532</b>                        | <b>245 835</b>                        | <b>218 354</b>                      | <b>208 100</b>                      |
| 1. Inventories  | 10 998                                | 9 262                                 | 11 647                              | 10 650                              |
| 2. Short-term receivables   | 133 824                               | 127 493                               | 108 999                             | 124 199                             |
| 2.1. From related entities  | 3 722                                 | 3 543                                 | 6 775                               | 19 114                              |
| 2.2. From other entities  | 130 102                               | 123 950                               | 102 224                             | 105 085                             |
| 3. Short-term investments   | 134 242                               | 102 605                               | 88 749                              | 68 590                              |
| 3.1. Short-term financial assets  | 134 242                               | 102 605                               | 88 749                              | 68 590                              |
| a) in related entities  | 3 767                                 | 3 743                                 | 2 968                               | 2 082                               |
| b) in other entities  | 97 202                                | 66 343                                | 60 160                              | 51 060                              |
| c) cash and cash equivalents  | 33 273                                | 32 519                                | 25 621                              | 15 448                              |
| 3.2. Other short-term investments                                       | -                                     | -                                     | -                                   | -                                   |
| 4. Short-term interperiod settlements                                   | 5 468                                 | 6 475                                 | 8 959                               | 4 661                               |
| <b>Total assets</b>   | <b>1 355 334</b>                      | <b>1 327 779</b>                      | <b>1 339 474</b>                    | <b>1 338 251</b>                    |
| <b>Liabilities and shareholders' equity</b>                             | -                                     | -                                     | -                                   | -                                   |
| <b>I. Equity</b>  | <b>1 066 642</b>                      | <b>1 052 579</b>                      | <b>1 049 765</b>                    | <b>1 054 111</b>                    |
| 1. Share capital  | 56 758                                | 56 758                                | 56 758                              | 56 758                              |
| 2. Outstanding share capital contributions (negative figure)            | -                                     | -                                     | -                                   | -                                   |
| 3. Entity's own shares (negative figure)                                | -                                     | -                                     | -                                   | -                                   |
| 4. Reserve capital  | 981 466                               | 981 214                               | 973 705                             | 973 690                             |
| 5. Revaluation reserve  | 192                                   | 444                                   | 529                                 | 545                                 |
| 6. Other reserve capital  | -                                     | -                                     | -                                   | -                                   |
| 7. Accumulated profit/(loss) from previous years                        | -                                     | -                                     | -                                   | -                                   |
| 8. Net profit for the year  | 28 226                                | 14 163                                | 18 773                              | 23 118                              |
| 9. Write-offs from net profit for the financial year (negative figure)  | -                                     | -                                     | -                                   | -                                   |
| <b>II. Liabilities and provisions for liabilities</b>                   | <b>288 692</b>                        | <b>275 200</b>                        | <b>289 709</b>                      | <b>284 140</b>                      |
| 1. Provisions for liabilities   | 50 330                                | 50 745                                | 62 496                              | 61 800                              |
| 1.1. Deferred tax liability   | 47 008                                | 45 426                                | 54 061                              | 52 059                              |
| 1.2. Provision for retirement severances and similar benefits           | 1 357                                 | 1 357                                 | 1 462                               | 1 417                               |
| a) long-term provisions   | 1 338                                 | 1 338                                 | 1 447                               | 1 403                               |
| b) short-term provisions  | 19                                    | 19                                    | 15                                  | 14                                  |
| 1.3. Other provisions   | 1 965                                 | 3 962                                 | 6 973                               | 8 324                               |
| a) long-term provisions   | -                                     | -                                     | 6 973                               | 8 324                               |
| b) short-term provisions  | 1 965                                 | 3 962                                 | -                                   | -                                   |
| 2. Long-term liabilities  | 113 347                               | 122 065                               | 113 347                             | 122 065                             |
| 2.1. To related entities  | -                                     | -                                     | -                                   | -                                   |
| 2.2. To other entities  | 113 347                               | 122 065                               | 113 347                             | 122 065                             |
| 3. Short-term liabilities   | 102 488                               | 84 160                                | 93 994                              | 81 451                              |
| 3.1. To related entities  | 12 394                                | 10 277                                | 11 302                              | 7 879                               |
| 3.2. To other entities  | 75 969                                | 59 757                                | 70 373                              | 61 235                              |
| 3.3. Special funds  | 14 125                                | 14 126                                | 12 319                              | 12 337                              |
| 4. Interperiod settlements  | 22 527                                | 18 230                                | 19 872                              | 18 824                              |
| 4.1. Negative goodwill  | -                                     | -                                     | -                                   | -                                   |
| 4.2. Other interperiod settlements                                      | 22 527                                | 18 230                                | 19 872                              | 18 824                              |
| a) long-term  | 1                                     | 1                                     | 9                                   | 18                                  |
| b) short-term   | 22 526                                | 18 229                                | 19 863                              | 18 806                              |
| <b>Total equity and liabilities</b>                                     | <b>1 355 334</b>                      | <b>1 327 779</b>                      | <b>1 339 474</b>                    | <b>1 338 251</b>                    |

|  |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|
| <b>Book value</b>                          | <b>1 066 642</b>  | <b>1 052 579</b>  | <b>1 049 765</b>  | <b>1 054 111</b>  |
| <b>Number of shares</b>                    | <b>56 757 525</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>18,79</b>      | <b>18,55</b>      | <b>18,50</b>      | <b>18,57</b>      |
| <b>Predicted number of shares</b>          | -                 | -                 | -                 | -                 |
| <b>Diluted book value per share in PLN</b> | -                 | -                 | -                 | -                 |

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

as at 30.06.2003 PLN 6,897 thousand

as at 30.09.2003 PLN 10,149 thousand

Agora has changed the balance sheet presentation of monetary assets with maturities up to 3 months ("buy sell back" treasury papers and certificates in investment funds), which are now classified as "short terms financial assets in other entities" whereas they used to be presented as "cash and cash equivalents". Consequently the balance of "Cash and cash equivalents" as at 30 September 2003 has been decreased and short term financial assets in other entities increased by PLN 52,312 thousand in comparison to previously presented data.

| <b>Off balance sheet items<br/>'000PLN</b> | <b>as at<br/>30/09/2004<br/>(current year)</b> | <b>as at<br/>30/06/2004<br/>(current year)</b> | <b>as at<br/>30/09/2003<br/>(prior year)</b> | <b>as at<br/>30/06/2003<br/>(prior year)</b> |
|--|--|--|--|--|
| <b>1. Contingent receivables</b>           | -  | -  | -  | -  |
| 1.1. From related entities                 | -  | -  | -  | -  |
| 1.2. From other entities                   | -  | -  | -  | -  |
| <b>2. Contingent liabilities</b>           | <b>1 450</b>                                   | <b>1 523</b>                                   | <b>1 523</b>                                 | <b>1 050</b>                                 |
| 2.1. To related entities                   | 1 450  | 1 523  | 1 523  | 1 050  |
| - guarantees given                         | 1 450  | 1 523  | 1 523  | 1 050  |
| 2.2. To other entities                     | -  | -  | -  | -  |
| <b>3. Other</b>                            | -  | -  | -  | -  |
| <b>Total off balance sheet positions</b>   | <b>1 450</b>                                   | <b>1 523</b>                                   | <b>1 523</b>                                 | <b>1 050</b>                                 |

| <b>PROFIT AND LOSS</b>  | <b>3rd quarter<br/>from 1/07/2004<br/>to 30/09/2004</b> | <b>cumulatively<br/>from 1/01/2004 to<br/>30/09/2004</b> | <b>3rd quarter<br/>from 1/07/2003<br/>to 30/09/2003</b> | <b>cumulatively<br/>from 1/01/2003 to<br/>30/09/2003</b> |
|---|---|--|---|--|
| <b>I. Net sales of finished products, merchandise and materials</b>                       | <b>219 356</b>  | <b>637 716</b>   | <b>172 548</b>  | <b>546 035</b>   |
| - to related entities   | 6 045   | 19 479   | 5 610   | 17 821   |
| 1. Net sales of finished products   | 189 554   | 594 485  | 171 065   | 540 411  |
| 2. Net sales of merchandise and materials   | 29 802  | 43 231   | 1 483   | 5 624  |
| <b>II. Cost of finished products, merchandise and materials</b>                           | <b>(128 260)</b>  | <b>(381 759)</b>   | <b>(110 871)</b>  | <b>(343 936)</b>   |
| - from related entities   | (4 960)   | (15 537)   | (4 933)   | (14 879)   |
| 1. Cost of finished products sold   | (106 666)   | (350 447)  | (110 211)   | (340 743)  |
| 2. Cost of merchandise and materials sold   | (21 594)  | (31 312)   | (660)   | (3 193)  |
| <b>III. Gross profit on sales (I-II)</b>  | <b>91 096</b>   | <b>255 957</b>   | <b>61 677</b>   | <b>202 099</b>   |
| IV. Distribution costs  | (51 045)  | (145 783)  | (40 390)  | (108 527)  |
| V. Administrative expenses  | (22 629)  | (69 490)   | (23 802)  | (73 920)   |
| <b>VI. Profit on sales (III-IV-V)</b>   | <b>17 422</b>   | <b>40 684</b>  | <b>(2 515)</b>  | <b>19 652</b>  |
| VII. Other operating income   | 1 376   | 6 748  | 1 036   | 4 517  |
| 1. Profit from disposal of non-financial fixed assets                                     | 41  | 55   | -   | 67   |
| 2. Subsidies  | 170   | 793  | 259   | 281  |
| 3. Other operating revenues   | 1 165   | 5 900  | 777   | 4 169  |
| VIII. Other operating expenses  | (2 500)   | (17 104)   | (2 330)   | (8 719)  |
| 1. Loss from disposal of non-financial fixed assets                                       | -   | -  | (4)   | -  |
| 2. Revaluation of non-financial assets  | (1 472)   | (5 258)  | (1 182)   | (4 566)  |
| 3. Other operating expenses   | (1 028)   | (11 846)   | (1 144)   | (4 153)  |
| <b>IX. Profit on operating activities (VI+VII-VIII)</b>                                   | <b>16 298</b>   | <b>30 328</b>  | <b>(3 809)</b>  | <b>15 450</b>  |
| X. Financial revenues   | 6 050   | 21 351   | 5 361   | 32 483   |
| 1. Dividends and shares in profits, including   | -   | 2 059  | -   | 17 028   |
| - from related entities   | -   | 2 059  | -   | 17 028   |
| 2. Interest, including  | 3 401   | 9 770  | 3 052   | 10 143   |
| - from related entities   | 2 153   | 6 382  | 1 787   | 5 472  |
| 3. Profit from investments disposed   | 823   | 1 898  | 759   | 839  |
| 4. Revaluation of investments   | 354   | 3 166  | -   | 1 293  |
| 5. Others   | 1 472   | 4 458  | 1 550   | 3 180  |
| XI. Financial expenses  | (7 464)   | (22 165)   | (7 460)   | (25 650)   |
| 1. Interest, including  | (2 343)   | (6 476)  | (2 049)   | (6 804)  |
| - to related entities   | -   | -  | -   | -  |
| 2. Loss from investments disposed   | -   | -  | -   | (4)  |
| 3. Revaluation of investments   | (4 390)   | (13 626)   | (4 470)   | (15 354)   |
| 4. Others   | (731)   | (2 063)  | (941)   | (3 488)  |
| <b>XII. Profit on ordinary activities (IX+X-XI)</b>                                       | <b>14 884</b>   | <b>29 514</b>  | <b>(5 908)</b>  | <b>22 283</b>  |
| XIII. Extraordinary items (XIII.1. - XIII.2.)   | -   | -  | 1   | 24   |
| 1. Extraordinary gains  | -   | -  | 2   | 25   |
| 2. Extraordinary losses   | -   | -  | (1)   | (1)  |
| <b>XIV. Profit before taxation (XII+/-XIII)</b>   | <b>14 884</b>   | <b>29 514</b>  | <b>(5 907)</b>  | <b>22 307</b>  |
| XV. Income tax expense  | (821)   | (1 288)  | 1 562   | (3 534)  |
| a) Current tax expense  | -   | -  | 311   | -  |
| b) Deferred tax expense   | (821)   | (1 288)  | 1 251   | (3 534)  |
| XVI. Other obligatory charges (increases of a loss)                                       | -   | -  | -   | -  |
| XVII. Share in net results of subordinated entities accounted for under the equity method | -   | -  | -   | -  |
| <b>XVIII. Net profit (Loss) (XIV-XV-XVI+/-XVII)</b>                                       | <b>14 063</b>   | <b>28 226</b>  | <b>(4 345)</b>  | <b>18 773</b>  |
| <b>Profit / (Loss) after taxation (for 12 months)</b>                                     | <b>17 255</b>   |  | <b>21 367</b>   |  |
| <b>Weighted average number of ordinary shares</b>   | <b>56 757 525</b>                                       |  | <b>56 757 525</b>                                       |  |
| <b>Net profit per ordinary share in PLN</b>   | <b>0,30</b>   |  | <b>0,38</b>   |  |
| <b>Weighted average diluted number of ordinary shares</b>                                 | <b>-</b>  |  | <b>-</b>  |  |
| <b>Diluted profit / (loss) after taxation per ordinary share in PLN</b>                   | <b>-</b>  |  | <b>-</b>  |  |

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

In 2003 the Company changed the presentation of "Cost of finished products, merchandise and materials from related parties". Now this line presents cost of goods sold to related parties. In the financial statement for three quarters of 2003 this line included the sum of costs incurred with related parties. Consequently this item has been decreased by PLN 21,304 thousand in comparison to figures presented for nine months of 2003.

| CHANGES IN EQUITY   | 3rd quarter<br>from 1/07/2004<br>to 30/09/2004 | cumulatively<br>from 1/01/2004 to<br>30/09/2004 | 3rd quarter<br>from 1/07/2003<br>to 30/09/2003 | cumulatively<br>from 1/01/2003 to<br>30/09/2003 |
|---|--|---|--|---|
| <b>I. Equity opening balance</b>  | <b>1 052 579</b>                               | <b>1 038 794</b>                                | <b>1 054 111</b>                               | <b>1 030 993</b>                                |
| a) changes in the accounting policy   | -  | (378)   | -  | -   |
| b) corrections of fundamental errors  | -  | -   | -  | -   |
| <b>I.a. Opening balance of equity after reconciliation to comparable data</b>                                 | <b>1 052 579</b>                               | <b>1 038 416</b>                                | <b>1 054 111</b>                               | <b>1 030 993</b>                                |
| <b>1. Share capital opening balance</b>   | <b>56 758</b>                                  | <b>56 758</b>                                   | <b>56 758</b>                                  | <b>56 758</b>                                   |
| 1.1. Changes in share capital   | -  | -   | -  | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | -   | -  | -   |
| <b>1.2. Share capital closing balance</b>   | <b>56 758</b>                                  | <b>56 758</b>                                   | <b>56 758</b>                                  | <b>56 758</b>                                   |
| <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  | -  | -   | -  | -   |
| <b>2.2. Outstanding share capital contributions as at the period end</b>                                      | -  | -   | -  | -   |
| <b>3. Agora's own shares as the beginning of the year</b>   | -  | -   | -  | -   |
| 3.1. Changes in Agora's own shares  | -  | -   | -  | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | -   | -  | -   |
| <b>3.2. Agora's own shares as at the year ended</b>   | -  | -   | -  | -   |
| <b>4. Reserve capital opening balance</b>   | <b>981 214</b>                                 | <b>973 746</b>                                  | <b>973 690</b>                                 | <b>901 205</b>                                  |
| <b>4.1. Changes in capital reserves</b>   | <b>252</b>                                     | <b>7 720</b>                                    | <b>15</b>                                      | <b>72 500</b>                                   |
| a) additions  | 252  | 8 098   | 15   | 72 644  |
| - net profit appropriation (over statutory minimum value)   | -  | 7 802   | -  | 72 619  |
| - fixed assets disposals  | 252  | 296   | 15   | 25  |
| b) disposals  | -  | (378)   | -  | (144)   |
| - loss coverage of incorporated City Magazine Sp. z o.o.  | -  | -   | -  | (144)   |
| - cover of loss resulting from change of accounting policy  | -  | (378)   | -  | -   |
| <b>4.2. Reserve capital closing balance</b>   | <b>981 466</b>                                 | <b>981 466</b>                                  | <b>973 705</b>                                 | <b>973 705</b>                                  |
| <b>5. Revaluation reserve opening balance</b>   | <b>444</b>                                     | <b>488</b>                                      | <b>545</b>                                     | <b>555</b>                                      |
| <b>5.1. Changes in revaluation reserves</b>   | <b>(252)</b>                                   | <b>(296)</b>                                    | <b>(16)</b>                                    | <b>(26)</b>                                     |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | (252)  | (296)   | (16)   | (26)  |
| - fixed assets disposals  | (252)  | (296)   | (16)   | (26)  |
| <b>5.2. Revaluation reserve closing balance</b>   | <b>192</b>                                     | <b>192</b>                                      | <b>529</b>                                     | <b>529</b>                                      |
| <b>6. Other capital reserve opening balance</b>   | -  | -   | -  | -   |
| 6.1. Changes in other capital reserves  | -  | -   | -  | -   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | -   | -  | -   |
| <b>6.2. Other capital reserve closing balance</b>   | -  | -   | -  | -   |
| <b>7. Accumulated profit from previous years, opening balance</b>   | <b>14 163</b>                                  | <b>7 802</b>                                    | <b>23 118</b>                                  | <b>72 475</b>                                   |
| <b>7.1. Accumulated profit from previous years opening balance</b>  | <b>14 163</b>                                  | <b>7 802</b>                                    | <b>23 118</b>                                  | <b>72 619</b>                                   |
| a) changes in the accounting policy   | -  | -   | -  | -   |
| b) corrections of fundamental errors  | -  | -   | -  | -   |
| <b>7.2. Opening balance of accumulated profit from previous years after reconciliation to comparable data</b> | <b>14 163</b>                                  | <b>7 802</b>                                    | <b>23 118</b>                                  | <b>72 619</b>                                   |
| a) additions  | -  | -   | -  | -   |
| b) disposals  | -  | (7 802)   | -  | (72 619)  |
| - transfer to capital reserves  | -  | (7 802)   | -  | (72 619)  |
| <b>7.3. Closing balance of accumulated profit from previous years</b>   | <b>14 163</b>                                  | -   | <b>23 118</b>                                  | -   |
| <b>7.4. Opening balance of accumulated loss from the prior years</b>  | -  | -   | -  | <b>(144)</b>                                    |
| - changes in the accounting policy  | -  | (378)   | -  | -   |
| - adjustments of fundamental errors   | -  | -   | -  | -   |
| <b>7.5. Opening balance of accumulated loss from the prior years after reconciliation to comparable data</b>  | -  | <b>(378)</b>                                    | -  | <b>(144)</b>                                    |
| a) additions  | -  | -   | -  | -   |
| - transfer of loss to be covered  | -  | -   | -  | -   |
| b) disposals  | -  | 378   | -  | 144   |
| - loss of incorporated City Magazine Sp. z o.o. to be covered   | -  | -   | -  | 144   |
| - cover of loss resulting from change of accounting policy  | -  | 378   | -  | -   |
| <b>7.6. Closing balance of accumulated loss from the prior years</b>  | -  | -   | -  | -   |
| <b>7.7. Closing balance of accumulated profit/(loss) from the prior years</b>                                 | <b>14 163</b>                                  | -   | <b>23 118</b>                                  | -   |
| <b>8. Net result</b>  | <b>14 063</b>                                  | <b>28 226</b>                                   | <b>(4 345)</b>                                 | <b>18 773</b>                                   |
| a) net profit   | 14 063   | 28 226  | -  | 18 773  |
| b) net loss   | -  | -   | (4 345)  | -   |
| c) profit write-offs  | -  | -   | -  | -   |
| <b>II. Equity closing balance</b>   | <b>1 066 642</b>                               | <b>1 066 642</b>                                | <b>1 049 765</b>                               | <b>1 049 765</b>                                |
| <b>III. Equity after the proposed profit distribution or providing for a loss</b>                             | <b>1 066 642</b>                               | <b>1 066 642</b>                                | <b>1 049 765</b>                               | <b>1 049 765</b>                                |

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

| CASH FLOW STATEMENT   | 3rd quarter<br>from 1/07/2004<br>to 30/09/2004 | cumulatively<br>from 1/01/2004 to<br>30/09/2004 | 3rd quarter<br>from 1/07/2003<br>to 30/09/2003 | cumulatively<br>from 1/01/2003 to<br>30/09/2003 |
|---|--|---|--|---|
| <b>A. Cash flow from operating activities - indirect method</b>                                       | <b>42 486</b>                                  | <b>80 126</b>                                   | <b>21 891</b>                                  | <b>77 982</b>                                   |
| <b>I. Profit after taxation</b>   | <b>14 063</b>                                  | <b>28 226</b>                                   | <b>(4 345)</b>                                 | <b>18 773</b>                                   |
| <b>II. Total adjustments</b>  | <b>28 423</b>                                  | <b>51 900</b>                                   | <b>26 236</b>                                  | <b>59 209</b>                                   |
| 1. Share in profit of companies consolidated under the equity method                                  | -  | -   | -  | -   |
| 2. Depreciation   | 21 360   | 66 686  | 22 884   | 76 853  |
| 3. Foreign exchange (gains) / losses  | 262  | 253   | (10)   | (7)   |
| 4. Interests and dividends  | 2 274  | 1 550   | 2 047  | (11 458)  |
| 5. Investment (income) / loss   | 1 521  | 7 537   | 1 404  | 7 528   |
| 6. Change in provisions   | (416)  | 1 076   | 696  | 3 359   |
| 7. Change in inventory position   | (1 736)  | 214   | (998)  | 1 151   |
| 8. Change in accounts receivable position   | (6 625)  | (32 482)  | 2 202  | (568)   |
| 9. Change in short-term liabilities (except for bank credits and loans)                               | 7 491  | 10 780  | 4 137  | (8 712)   |
| 10. Change in interperiod settlements   | 4 545  | (3 478)   | (6 503)  | (9 398)   |
| 11. Other adjustments   | (253)  | (236)   | 377  | 461   |
| <b>III. Net cash flow from operating activities (I+/-II)</b>  | <b>42 486</b>                                  | <b>80 126</b>                                   | <b>21 891</b>                                  | <b>77 982</b>                                   |
| <b>B. Cash flow from investment activities</b>  | <b>(39 358)</b>                                | <b>(78 056)</b>                                 | <b>(9 630)</b>                                 | <b>(87 090)</b>                                 |
| <b>I. Cash inflows from investing activities</b>  | <b>622</b>                                     | <b>6 163</b>                                    | <b>23 799</b>                                  | <b>62 868</b>                                   |
| 1. Proceeds from sale of tangible and intangible fixed assets   | 85   | 104   | -  | 95  |
| 2. Proceeds from sale of real estate property investments and intangible fixed assets                 | -  | -   | -  | -   |
| 3. From financial assets, including:  | 537  | 5 729   | 23 799   | 62 773  |
| a) assets in related entities   | 537  | 5 729   | 12 999   | 51 973  |
| - financial assets disposed of  | -  | -   | -  | 400   |
| - dividends and shares in profits   | -  | 2 059   | 12 999   | 15 595  |
| - repayment of long-term loans granted  | 471  | 841   | -  | 34 853  |
| - interests   | 66   | 2 829   | -  | 1 125   |
| - other inflows from financial assets   | -  | -   | -  | -   |
| b) assets in other entities   | -  | -   | 10 800   | 10 800  |
| - financial assets disposed of  | -  | -   | 10 800   | 10 800  |
| - dividends and shares in profits   | -  | -   | -  | -   |
| - repayment of long-term loans granted  | -  | -   | -  | -   |
| - interests   | -  | -   | -  | -   |
| - other inflows from financial assets   | -  | -   | -  | -   |
| 4. Other investment inflows   | -  | 330   | -  | -   |
| <b>II. Cash outflows from investing activities</b>  | <b>(39 980)</b>                                | <b>(84 219)</b>                                 | <b>(33 429)</b>                                | <b>(149 958)</b>                                |
| 1. Acquired intangible assets and tangible fixed assets   | (4 349)  | (13 344)  | (5 550)  | (19 813)  |
| 2. Investments in real estate property and intangible assets  | -  | -   | -  | -   |
| 3. Financial assets, including:   | (35 631)                                       | (70 875)  | (27 793)                                       | (129 766)                                       |
| a) assets in related entities   | (5 868)  | (15 419)  | (8 824)  | (61 451)  |
| - financial assets acquired   | (2 071)  | (5 633)   | (878)  | (37 029)  |
| - long-term loans granted   | (3 797)  | (9 786)   | (7 946)  | (24 422)  |
| b) assets in other entities   | (29 763)                                       | (55 456)  | (18 969)                                       | (68 315)  |
| - financial assets acquired   | (29 763)                                       | (55 456)  | (18 784)                                       | (67 196)  |
| - long-term loans granted   | -  | -   | (185)  | (1 119)   |
| 4. Other investment outflows  | -  | -   | (86)   | (379)   |
| <b>III. Cash flow from investment activities (I-II)</b>   | <b>(39 358)</b>                                | <b>(78 056)</b>                                 | <b>(9 630)</b>                                 | <b>(87 090)</b>                                 |
| <b>C. Cash flow from financing activities</b>   | <b>(2 374)</b>                                 | <b>(6 573)</b>                                  | <b>(2 088)</b>                                 | <b>(6 800)</b>                                  |
| <b>I. Inflows from financing activities</b>   | -  | -   | -  | -   |
| 1. Net inflows from issuing shares and other capital instruments and additional capital contributions | -  | -   | -  | -   |
| 2. Bank credits and loans   | -  | -   | -  | -   |
| 3. Issue of debt securities   | -  | -   | -  | -   |
| 4. Other financial inflows  | -  | -   | -  | -   |
| <b>II. Cash outflows from financing activities</b>  | <b>(2 374)</b>                                 | <b>(6 573)</b>                                  | <b>(2 088)</b>                                 | <b>(6 800)</b>                                  |
| 1. Entity's own shares acquired   | -  | -   | -  | -   |
| 2. Dividends and other payments to shareholders/owners  | -  | -   | -  | -   |
| 3. Payments, other than dividends to shareholders, distributions of profit                            | -  | -   | -  | -   |
| 4. Bank credits and loans repaid  | -  | -   | -  | -   |
| 5. Debt securities redeemed   | -  | -   | -  | -   |
| 6. Other financial liabilities  | -  | -   | -  | -   |
| 7. Rentals paid under finance leasing contracts   | -  | -   | -  | -   |
| 8. Interest   | (2 340)  | (6 469)   | (2 049)  | (6 696)   |
| 9. Other financial outflows   | (34)   | (104)   | (39)   | (104)   |
| <b>III. Cash flow from financing activities (I-II)</b>  | <b>(2 374)</b>                                 | <b>(6 573)</b>                                  | <b>(2 088)</b>                                 | <b>(6 800)</b>                                  |

|   |               |                |               |                 |
|---|---------------|----------------|---------------|-----------------|
| <b>D. Total net cash flows (A.III+/-B.III+/-C.III)</b>                        | <b>754</b>    | <b>(4 503)</b> | <b>10 173</b> | <b>(15 908)</b> |
| <b>E. Change of cash position in the balance sheet</b>                        | <b>754</b>    | <b>(4 503)</b> | <b>10 173</b> | <b>(15 908)</b> |
| - including change in cash position due to foreign exchange differences       | 54            | 42             | (8)           | 18              |
| <b>F. Cash and cash equivalents at the beginning of the financial year</b>    | <b>32 519</b> | <b>37 776</b>  | <b>15 448</b> | <b>41 529</b>   |
| <b>G. Cash and cash equivalents at the end of the financial year (F+/- D)</b> | <b>33 273</b> | <b>33 273</b>  | <b>25 621</b> | <b>25 621</b>   |
| - including restricted cash   | 6 188         | 6 188          | 3 018         | 3 018           |

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

- depreciation has been increased by PLN 461 thousand (transfer of goodwill amortisation from "other adjustments" in operating activities),
- transfer of impairment losses in the amount of PLN 8,389 thousand from "other adjustments" to "(profit) loss on investment activity" in operating activities,
- items "change in interperiod settlements" and "change in provisions" increased by PLN 2,579 thousand - adjustment relates to separate disclosure of deferred tax assets and deferred tax liabilities,
- due to change of presentation of short term monetary assets closing balance of cash and cash equivalents as at 30.09.2003 decreased by PLN 52,312 thousand
- items "financial assets acquired" in cash outflows from investing activities increased by PLN 51,586 thousand (adjustment caused by change of presentation of short term monetary assets transferred from cash equivalents - purchases and sales are now presented net), consequently "(profit) loss on investment activity" and "other adjustments" in operating activities decreased respectively by: PLN 655 thousand (result on sales of securities) and PLN 71 thousand (valuation of securities).

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

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

**5 November 2004**