

Agora SA

Consolidated balance sheets as at 30 September 1999 and 1998

(all amounts in PLN thousands unless otherwise indicated)	as at 30 September 1998	as at 30 September 1999
ASSETS		
I. Fixed assets	309 222	432 884
1. Intangible fixed assets	19 545	42 521
2. Consolidated goodwill	-	-
3. Tangible fixed assets	238 724	354 929
4. Financial fixed assets	50 953	35 248
- shares in entities consolidated using the equity method	18 406	-
5. Long-term debtors	-	186
II. Current assets	88 901	423 602
1. Stocks	12 794	18 026
2. Short-term debtors	61 054	80 430
3. Own shares for sale	-	-
4. Short-term securities	2 728	166 440
5. Cash and cash equivalents	12 325	158 706
III. Prepaid expenses and other assets	2 754	1 795
1. Deferred corporate income taxes recoverable	-	-
2. Other	2 754	1 795
Total assets	400 877	858 281
LIABILITIES		
I. Equity	159 512	642 226
1. Share capital	44 141	56 758
2. Outstanding share capital contributions (negative figure)	-	-
3. Reserve capital	129 036	488 240
4. Revaluation reserve	1 082	823
5. Other reserve capital	-	-
6. Foreign exchange rate differences on overseas branches	-	-
7. Foreign exchange rate differences on consolidation	-	-
8. Accumulated profit/(loss) from previous years	-	-
9. Loss after taxation for the financial year	(14 747)	96 405
II. Reserve capital from consolidation		
III. Minority interest		
IV. Provisions	5 531	9 578
1. Provisions for corporate income taxes payable	5 492	9 578
2. Other	39	-
V. Liabilities	226 903	197 227
1. Long-term liabilities	99 747	77 358
2. Short-term liabilities	127 156	119 869
VI. Accrued expenses and deferred income	8 931	9 250
Total equity and liabilities	400 877	858 281

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Consolidated income statement for the nine months
ended 30 September 1999 and 1998

(all amounts in PLN thousands unless otherwise indicated)	For the period of 1 January - 30 September 1998	For the period of 1 January - 30 September 1999
I. Net sales of merchandise and finished products	389 340	495 217
1. Net sales of finished products	386 611	492 480
2. Net sales of merchandise and materials	2 729	2 737
II. Cost of merchandise, finished products sold and materials	(195 664)	(237 666)
1. Cost of finished products sold	(193 110)	(235 116)
2. Cost of merchandise and materials sold	(2 554)	(2 550)
III. Gross profit on sales (I-II)	193 676	257 551
IV. Selling expenses	(27 713)	(37 558)
V. Administrative and general expenses	(47 217)	(69 769)
VI. Profit on sales (III-IV-V)	118 746	150 224
VII. Other operating revenues	1 405	2 142
VIII. Other operating expenses	(40 295)	(9 263)
IX. Profit on operating activities (VI+VII+VIII)	79 856	143 103
X. Dividend income	1	288
XI. Income from other financial assets	-	-
XII. Other financial income	17 235	52 771
XIII. Financial expenses	(38 444)	(54 408)
XIV. Profit on ordinary activities (IX+X+XI+XII-XIII)	58 648	141 754
XV. Extraordinary items (XV.1. - XV.2.)	9	10
1. Extraordinary gains	11	11
2. Extraordinary losses	(2)	(1)
XVI. Write-back of negative goodwill	(18 721)	-
XVII. Write-back of consolidated reserve capital	-	-
XVIII. Profit before taxation	39 936	141 764
XIX. Corporate income tax	(27 662)	(45 359)
XX. Other obligatory charges	-	-
XXI. Net earnings from shares in associated entities	(27 021)	-
XXII. Minority interest share in profit	-	-
XXIII. Profit after taxation	(14 747)	96 405
Profit (Loss) after taxation (for 12 months)* (for 1.01 - 30.09.1998)	(14 747)	103 799
Weighted average number of ordinary shares	44 140 500	56 757 525
Net profit per ordinary share in PLN	(0,33)	1,83

* Since the Group's financial statements for the 9 months ended 30 September 1998 are the first prepared by the Group, the net result shown in the column of 1998 is for the 9 months ended 30 September 1998.

The Group changed presentation with respect to result on short term investments. Now it is being presented net of income from investments sold and their cost in financial income or expenses instead of showing them separately in full amounts. The comparative profit and loss statement for the 9 months ended 30 September 1998 has been restated to conform to the changed presentation. The effect of the change is an decrease in financial income and expenses by amount of 423,095 KPLN in the profit and loss statement for the 9 months ended 30 September 1998.

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Consolidated cash flow statement for the nine months
ended 30 September 1999 and 1998

(all amounts in PLN thousands unless otherwise indicated)	For the period of 1 January - 30 September 1998	For the period of 1 January - 30 September 1999
A. CASH FLOW FROM OPERATING ACTIVITIES (I+/-II) - indirect method *)	58 716	160 158
I. Profit after taxation	(14 747)	96 405
II. Total adjustments	73 463	63 753
1. Profit (loss) of minority shareholders	-	-
2. Share in profit of consolidated companies, using equity method	27 021	-
3. Depreciation (including goodwill revaluation or capital reserve on consolidation)	30 903	29 741
4. Foreign exchange rates (gains) / losses	3 460	19 422
5. Interests and dividends	(549)	6 502
6. (Profit) / Loss on investment activity	(2 823)	8 874
7. Change in other provisions	1 200	(39)
8. Corporate income tax (disclosed in profit and loss statement)	27 662	45 359
9. Corporate income tax paid	(19 188)	(31 852)
10. Change in inventory position	(4 168)	(1 109)
11. Change in accounts receivable position	(11 729)	(15 712)
12. Change in short-term liabilities (except for bank credits and loans)	3 557	7 399
13. Change in interperiod settlements	(443)	(1 935)
14. Change in deferred income	3 008	(3 493)
15. Other adjustments	15 552	596
B. CASH FLOW FROM INVESTMENT ACTIVITIES (I-II)	(127 759)	(287 937)
I. Cash inflows from investing activities	419 456	1 290 722
1. Sales of intangible fixed assets	-	-
2. Sales of tangible fixed assets	256	42
3. Sales of financial fixed assets including:	-	-
- in subsidiaries	-	-
- in associates	-	-
- in parent company	-	-
4. Sales of short-term securities	415 262	1 290 199
5. Long-term loans repaid	781	141
6. Dividends received	1	288
7. Interest received	2 269	25
8. Other	887	27
II. Cash outflows from investing activities	(547 215)	(1 578 659)
1. Purchase of intangible fixed assets	(5 026)	(2 182)
2. Purchase of tangible fixed assets	(102 886)	(67 981)
3. Purchase of financial fixed assets including:	(16 988)	(471)
- in subsidiaries	(16 632)	(271)
- in associates	(356)	(200)
- in parent company	-	-
4. purchase of own shares	-	-
5. Purchase of short-term securities	(408 138)	(1 451 259)
6. Long-term loans granted	(7 081)	(2 053)
7. Dividends paid to minority shareholders	-	-
8. Other expenses	(7 096)	(54 713)

C. CASH FLOW FROM FINANCIAL ACTIVITIES (I-II)	68 614	279 365
I. Inflows from financial activities	71 138	379 756
1. Long-term bank credits and loans received	1 732	1
2. Issue of bonds and other long-term debt securities	-	-
3. Short-term bank credits and loans received	64 166	-
4. Issue of bonds and other short-term debt securities	-	-
5. Inflows from own shares issued	-	379 755
6. Capital payments	-	-
7. Other	5 240	-
II. Cash outflows from financing activities	(2 524)	(100 391)
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	-	(77 418)
4. Redemption of bonds and other short-term debt securities	-	-
5. Expenses related to shares and bonds issues	-	(18 760)
6. Redemption of shares	-	-
7. Dividends and other payments to shareholders	-	-
8. Payments to members of the Company's governing bodies	-	-
9. Charitable contributions	-	(482)
10. Payments of liabilities related to finance lease agreements	-	-
11. Interest paid	-	(3 731)
12. Other expenditures	(2 524)	-
D. NET CASH FLOWS, TOTAL (A+/-B+/-C)	(429)	151 586
E. CHANGE OF CASH POSITION IN BALANCE SHEET	(429)	151 586
- including change in cash position due to foreign exchange differences		
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	12 754	7 120
G. CASH AND CASH EQUIVALENTS AND THE END OF THE FINANCIAL YEAR (F+/- D)	12 325	158 706