

## Year report SA-R 2001

According to the § 1 section 2, § 57 section 2, § 58 section 1 of the Cabinets Decree as at 16 October 2001 - Dz.U. Nr 139, poz. 1569

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

For the year comprising the period from: 1.01.2001 to 31.12.2001

date 19 April 2002

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

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

(Enterprise entitled to performe audit)

date 12 April 2002

(date of issue)

**Year report contains:**

- Letter of the Management Board President
- The opinion of the entitled entity to issue an audit report
- Unconsolidated financial statements
- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Introduction                      | <input checked="" type="checkbox"/> Schedule of changes in the consolidated equity |
| <input checked="" type="checkbox"/> Balance                           | <input checked="" type="checkbox"/> Cash flow                                      |
| <input checked="" type="checkbox"/> Trade and profit and loss account | <input checked="" type="checkbox"/> Notes  |
- Management Board's report on the Company performance
- The report of the entitled entity to issue an audit report

SELECTED FINANCIAL DATA (Current period)	thousand PLN	thousand EURO
<b>I. Net revenue from the sale of finished goods, merchandise and raw materials</b>	792 430	217 098
<b>II. Profit (loss) on operating activities</b>	104 033	28 501
<b>III. Profit before taxation</b>	196 147	53 737
<b>IV. Net profit (loss)</b>	165 480	45 336
<b>V. Assets (as at 31.12.2001)</b>	1 100 814	312 563
<b>VI. Total liabilities (as at 31.12.2001)</b>	91 879	26 088
<b>VII. Long-term liabilities (as at 31.12.2001)</b>	2	1
<b>VIII. Short-term liabilities (as at 31.12.2001)</b>	91 877	26 087
<b>IX. Equity (as at 31.12.2001)</b>	959 558	272 455
<b>X. Share capital (as at 31.12.2001)</b>	56 758	16 116
<b>XI. Number of shares (as at 31.12.2001)</b>	56 757 525	
<b>XII. Net profit per ordinary share (PLN/EURO)</b>	2,92	0,80
<b>XIII. Diluted profit / (loss) after taxation per ordinary share (PLN/EURO)</b>	-	-
<b>XIV. Book value per share (PLN/EURO) (as at 31.12.2001)</b>	16,91	4,80
<b>XV. Diluted book value per share in PLN</b>	-	-
<b>XVI. Declared dividend per one share (PLN/EURO)</b>	-	-

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

## INTRODUCTION

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

Agora SA with the seat in Warsaw, ul. Czerska 8/10, is registered in Commercial Court NO. 59944. Presented financial statements contain data for the 12 months ended, and as at 31 December 2001 with comparative figures for the 12 months ended, and as at 31 December 2000.

There are no entities inside the Company that prepare their own financial statements.

The financial statements have been prepared on the assumption that Agora and there is no evidence against that assumption.

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

Substantially all the Company's sales and operating profit are derived from the principal activity of the copy sales and advertising sales of the Gazeta Wyborcza newspaper and other print media in Poland. The Company commenced its activities in radio broadcasting in 1996, through numerous investments in local and one super-regional radio station in Poland. In 2001 the Company set up its internet portal.

All the Company's assets are located in Poland and, other than the radio broadcasting and internet related investments referred to above, represent substantially those of the newspaper business.

## I. PRINCIPAL ACCOUNTING POLICIES, METHODS FOR VALUATION OF ASSETS AND LIABILITIES AND MEASURING OF THE PROFIT FOR THE YEAR

The Company is keeping its books in accordance with provisions of Accounting Act, dated 29 September 1994.

### 1. Intangible fixed assets

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

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

### 2. Tangible fixed assets

Tangible fixed assets are recorded at acquisition price or at the cost of production, reconstruction or improvement. Tangible fixed assets are subject to periodical statutory revaluation in accordance with the Accounting Act dated 29 September 1994.

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

The principle depreciation rates used are as follows:

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

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

**3. Assets under construction**

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

**4. Investments**

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

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

Purchased loans and debts are valued at purchase cost.

**5. Inventory**

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

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

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

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

**6. Debtors, claims and creditors**

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

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

Debtors balances at the balance sheet are stated net of provisions for doubtful debts. The Company provides for receivables in dispute, doubtful debts including also all debts overdue for at least 3 months.

**7. Short-term securities**

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

Derivative instruments are initially recorded as an asset or liability, adjusted for changes in fair value.

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

Cash denominated in Polish Zloty is stated at nominal value.

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

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

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

**10. Equity**

Share capital is disclosed in nominal value of registered shares, resulting from the Company's statute and commercial register. As at 31 December 2001 share capital was PLN 56,757,525 and represented 56,757,525 shares of nominal value of PLN 1 each.

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

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

**11. Provisions**

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

**12. Bank credits and loans**

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

**13. Revenues and expenses**

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

The Company prepares profit and loss statement in the both calculative (by function) and comparative (by expenditure) formats.

**14 Other operating revenue and expenses**

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

**15. Financial revenue and expenses**

Financial revenue and expenses represent interests resulting from bank credits and loans given and received, foreign exchange differences, commissions, revenue and expenses connected with ownership of shares and other securities including value of created and

resolved provisions connected with financial risk, also interest received, results on short-term securities.

**16. Foreign exchange differences**

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

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

The excess of foreign exchange losses over gains resulting from the balance sheet date restatement of assets and liabilities (other than cash, investments and securities) denominated in a specific currency is included in financial expenses. An excess of foreign exchange gains over losses for a particular currency is included in deferred income.

**17. Extraordinary gains and losses**

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

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

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

**19. Obligatory charges**

An obligatory charge is represented by current corporate income tax and deferred income tax. The corporate income tax in 2001 amounts to 28% of gross income calculated on base of the accounting regulations and adjusted for non taxable revenue and non tax deductible expenses, deductions allowed as specified in the tax regulations. For information on deferred taxes please see point 11.

**20. Investment relief**

The fixed assets under the investment relief are depreciated using the rates set in the Company's depreciation plan. The depreciation of the finished assets under the scheme is not tax allowed cost up to the amount of an investment relief taken.

The amount of investment tax relief which is an acceleration of depreciation of tangible fixed assets reduce profit/loss before taxation for calculation of the tax base. The Company creates provisions for corporate income tax connected with the investment relief.

**21. Change in accounting policy**

During the year, the Company did not change its accounting policy.

**II. SELECTED FINANCIAL DATA FOR CURRENT AND PREVIOUS YEAR**

**EXCHANGE RATES USED TO  
TRANSLATE PLN INTO EURO**

Year	Average exchange rate	Minimal exchange rate	Maximum exchange rate	Year end exchange rate
<b>2001</b>	3,6501	3,3564	3,9569	3,5219
<b>2000</b>	4,0011	3,8193	4,2797	3,8544

SELECTED FINANCIAL DATA	Year 2001		Year 2000	
	thousand PLN	thousand EURO	thousand PLN	thousand EURO
I. Net revenue from the sale of finished goods, merchandise and raw materials	792 430	217 098	816 079	203 964
II. Profit (loss) on operating activities	104 033	28 501	177 397	44 337
III. Profit before taxation	196 147	53 737	198 240	49 546
IV. Net profit (loss)	165 480	45 336	143 496	35 864
V. Assets	1 100 814	312 563	1 010 035	262 047
VI. Total liabilities	91 879	26 088	192 900	50 047
- Short-term liabilities	91 877	26 087	101 742	26 396
VII. Equity	959 558	272 455	794 077	206 018
VIII. Share capital	56 758	16 116	56 758	14 726
IX. Cash flow from operating activities	196 642	53 873	188 516	47 116
X. Cash flow from investment activities	(66 921)	(18 334)	(175 784)	(43 934)
XI. Cash flow from financing activities	(35 025)	(9 596)	(7 389)	(1 847)

*Selected financial data for the current year and comparative figures for previous year were converted in the following way:*

1. balance sheet figures were converted using the average exchange rate published by the National Bank of Poland for the last day of the year,
2. figures of consolidated income statement and cash flow statement were converted using the arithmetical average of average exchange rates published by the National Bank of Poland for the last day of every month within year.

**III. SIGNIFICANT DIFFERENCES BETWEEN THE PRESENTED FINANCIAL STATEMENTS PREPARED UNDER THE POLISH ACCOUNTING ACT (PAA) AND FINANCIAL STATEMENTS UNDER THE INTERNATIONAL ACCOUNTING STANDARDS (IAS)**

Since under IAS Agora SA is obliged to prepare consolidated financial statements only, below are presented differences in accounting methods and policies adopted by the Company under the PAA in comparison to IAS regarding operations of the Company. The details regarding the differences and their quantification are presented in the consolidated financial statements of the Capital Company of Agora SA for the 12 months ended, and as at 31 December 2001. Additionally there are reconciliations of the main figures of the financial statements under PAA and IAS.

1. Under IAS unrealised foreign exchange differences are recognised in the income statement of the period when they arise. An excess of foreign exchange gains over losses resulting from the balance sheet date restatement of assets and liabilities (other than cash, investments and securities) denominated in a foreign currency for a particular currency is included in deferred income.
2. In the consolidated financial statements the goodwill on acquisition of Cox's minority interest in ACTV Sp. z o.o. calculated under IAS exceeds value used under PAA by the gross amount of PLN 2,869 thousand.  
The above amount was fully depreciated in 2001 increasing depreciation according to IAS (items no 2 in the reconciliation below).
3. In the IAS financial statements treasury bills are disclosed as cash equivalents while under PAA they are classified as short term investments.
4. In the IAS financial statements computer software is disclosed as tangible fixed assets while under PAA it is classified as intangible fixed assets.
5. Some revenues and expenses classified under PAA as financial which relate directly to the Company's operating activities, for example foreign differences on trade receivables and payables under IAS are classified as the operating expenses or revenues.
6. As a consequence of the above presented differences the difference in the differed tax provision appears, which alters the current years profit and retained earnings.

## BALANCE SHEET

	Note	31 December 2001	31 December 2000
<b>ASSETS</b>			
<b>I. Fixed assets</b>	-	<b>789 884</b>	<b>693 361</b>
1. Intangible fixed assets	1	32 067	19 797
2. Tangible fixed assets	2	696 528	596 619
3. Financial fixed assets	3	61 289	76 945
4. Long-term debtors	4	-	-
<b>II. Current assets</b>	-	<b>309 560</b>	<b>315 333</b>
1. Inventory	5	14 634	24 413
2. Short-term debtors	6	106 683	102 582
3. Own shares for sale	7	-	-
4. Short-term securities	8	56 671	151 462
5. Cash and cash equivalents	9	131 572	36 876
<b>III. Prepaid expenses and other assets</b>	<b>10</b>	<b>1 370</b>	<b>1 341</b>
1. Deferred corporate income taxes recoverable	-	-	-
2. Other	-	1 370	1 341
<b>Total assets</b>	-	<b>1 100 814</b>	<b>1 010 035</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>I. Equity</b>		<b>959 558</b>	<b>794 077</b>
1. Share capital	11	56 758	56 758
2. Outstanding share capital contributions (negative figure)		-	-
3. Reserve capital	12	736 703	593 180
4. Revaluation reserve		617	643
5. Other reserve capital	13	-	-
6. Foreign exchange rate differences on overseas branches		-	-
7. Accumulated profit/(loss) from previous years	14	-	-
8. Profit after taxation for the financial year	-	165 480	143 496
<b>II. Provisions</b>	-	<b>32 110</b>	<b>5 093</b>
1. Provisions for deferred tax	15	20 960	5 093
2. Other	16	11 150	-
<b>III. Liabilities</b>	-	<b>91 879</b>	<b>192 900</b>
1. Long-term liabilities	17	2	91 158
2. Short-term liabilities	18	91 877	101 742
<b>IV. Accrued expenses and deferred income</b>	<b>19</b>	<b>17 267</b>	<b>17 965</b>
<b>Total equity and liabilities</b>	-	<b>1 100 814</b>	<b>1 010 035</b>
<b>Book value</b>		<b>959 558</b>	<b>794 077</b>
<b>Number of shares</b>		<b>56 757 525</b>	<b>56 757 525</b>
<b>Book value per share in PLN</b>		<b>16,91</b>	<b>13,99</b>
<b>Predicted number of shares</b>		-	-
<b>Diluted book value per share in PLN</b>		-	-

## Off balance sheet liabilities

	31 December 2001	31 December 2000
a) total value of guarantees given	840	9 520
- to subsidiaries	-	500
- to associates	840	9 020
- to parent company	-	-
- to other entities	-	-
b) other	-	-
-	-	-
<b>Total off balance sheet liabilities</b>	<b>840</b>	<b>9 520</b>

Agora guaranteed loans taken by Biuro Obsługi Radiowej Sp. z o.o. PLN 840 thousand.

## UNCONSOLIDATED PROFIT AND LOSS

		1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
<b>I. Net sales of merchandise and finished products</b>	-	<b>792 430</b>	<b>816 079</b>
1. Net sales of finished products	20	785 877	810 748
2. Net sales of merchandise and materials	21	6 553	5 331
<b>II. Cost of merchandise, finished products sold and materials</b>	-	<b>(464 547)</b>	<b>(429 612)</b>
1. Cost of finished products sold	22	(459 620)	(425 546)
2. Cost of merchandise and materials sold	-	(4 927)	(4 066)
<b>III. Gross profit on sales (I-II)</b>	-	<b>327 883</b>	<b>386 467</b>
IV. Selling expenses	-	(92 333)	(79 423)
V. Administrative and general expenses	-	(100 279)	(104 289)
<b>VI. Profit on sales (III-IV-V)</b>	-	<b>135 271</b>	<b>202 755</b>
VII. Other operating revenues	23	6 689	6 246
VIII. Other operating expenses	24	(37 927)	(31 604)
<b>IX. Profit on operating activities (VI+VII+VIII)</b>	-	<b>104 033</b>	<b>177 397</b>
X. Dividends income	25	2 809	10 105
XI. Income from other financial assets	26	-	-
XII. Other financial income	27	156 384	41 048
XIII. Financial expenses	28	(67 151)	(30 376)
<b>XIV. Profit on ordinary activities (IX+X+XI+XII-XIII)</b>	-	<b>196 075</b>	<b>198 174</b>
<b>XV. Extraordinary items (XV.1. - XV.2.)</b>	-	<b>72</b>	<b>66</b>
1. Extraordinary gains	29	72	67
2. Extraordinary losses	30	-	(1)
<b>XVI. Profit before taxation</b>	-	<b>196 147</b>	<b>198 240</b>
XVII. Corporate income tax	31	(30 667)	(54 744)
XVIII. Other obligatory charges	32	-	-
<b>XIX. Profit / (Loss) after taxation</b>	-	<b>165 480</b>	<b>143 496</b>
<b>Profit / (Loss) after taxation (for 12 months)</b>	-	<b>165 480</b>	<b>143 496</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>2,92</b>	<b>2,53</b>
<b>Weighted average expected number of ordinary shares</b>	-	-	-
<b>Diluted profit / (loss) after taxation per ordinary share in PLN</b>	-	-	-

### Calculation of profit per share.

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

**CHANGES IN UNCONSOLIDATED EQUITY**

	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
<b>I. Equity opening balance</b>	<b>794 077</b>	<b>650 585</b>
a) changes in the accounting policy	-	-
b) corrections of fundamental errors	-	-
<b>I.a. Opening balance of equity after reconciliation to comparable data</b>	<b>794 077</b>	<b>650 585</b>
<b>1. Share capital opening balance</b>	<b>56 758</b>	<b>56 758</b>
1.1. Changes in share capital	-	-
a) additions	-	-
b) disposals	-	-
1.2. Share capital closing balance	56 758	56 758
<b>2. Outstanding share capital contributions as at the beginning of the year</b>	<b>-</b>	<b>-</b>
2.1. Changes in outstanding share capital contributions	-	-
a) additions	-	-
b) disposals	-	-
2.2. Outstanding share capital contributions as at the year end	-	-
<b>3. Reserve capital opening balance</b>	<b>593 180</b>	<b>471 897</b>
3.1. Changes in capital reserves	143 523	121 283
a) additions	143 523	121 283
- net profit appropriation (over statutory minimum value)	143 496	121 170
- fixed assets disposals	27	113
b) disposals	-	-
- adjustment for financial fixed assets valuation	-	-
3.2. Reserve capital closing balance	736 703	593 180
<b>4. Revaluation reserve opening balance</b>	<b>643</b>	<b>756</b>
4.1. Changes in revaluation reserves	(26)	(113)
a) additions	-	-
b) disposals	(26)	(113)
- fixed assets disposals	(26)	(113)
4.2. Revaluation reserve closing balance	617	643
<b>5. Other capital reserve opening balance</b>	<b>-</b>	<b>-</b>
5.1. Changes in other capital reserves	-	-
a) additions	-	-
b) disposals	-	-
5.2. Other capital reserve closing balance	-	-
<b>6. Foreign exchange rate differences on overseas branches</b>	<b>-</b>	<b>-</b>
<b>7. Accumulated profit/(loss) from previous years, opening balance</b>	<b>143 496</b>	<b>121 173</b>
<b>7.1. Accumulated profit from previous years opening balance</b>	<b>143 496</b>	<b>121 173</b>
- changes in the accounting policy	-	-
- corrections of fundamental errors	-	-
<b>7.2. Opening balance of accumulated profit from previous years after reconciliation to comparable data</b>	<b>143 496</b>	<b>121 173</b>
a) additions	-	-
- net profit appropriation	-	-
b) disposals	(143 496)	(121 173)
- transfer to capital reserves	(143 496)	(121 170)
- payment of dividends	-	-
- transfer to special reserves	-	(3)
7.3. Closing balance of accumulated profit from previous years	-	-
7.4. Opening balance of accumulated loss from the prior year	-	-
- changes in the accounting policy	-	-
- adjustments of fundamental errors	-	-
<b>7.5. Opening balance of accumulated loss from the prior year after reconciliation to comparable data</b>	<b>-</b>	<b>-</b>
a) additions	-	-
- transfer of loss to be covered	-	-
b) disposals	-	-
<b>7.6. Closing balance of accumulated loss from the prior year</b>	<b>-</b>	<b>-</b>
<b>7.7. Closing balance of accumulated profit/(loss) from the prior year</b>	<b>-</b>	<b>-</b>
<b>8. Net result</b>	<b>165 480</b>	<b>143 496</b>
a) net profit	165 480	143 496
b) net loss	-	-
<b>II. Closing balance of equity</b>	<b>959 558</b>	<b>794 077</b>

## UNCONSOLIDATED CASH FLOW STATEMENT

	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
<b>A. CASH FLOW FROM OPERATING ACTIVITIES (I+/-II) - indirect method</b>	<b>196 642</b>	<b>188 516</b>
<b>I. Profit after taxation</b>	<b>165 480</b>	<b>143 496</b>
<b>II. Total adjustments</b>	<b>31 162</b>	<b>45 020</b>
1. Depreciation	83 943	47 063
2. Foreign exchange rates (gains) / losses	24 307	12 849
3. Interests and dividends	(6 747)	(5 751)
4. (Profit) / Loss on investment activity	(110 433)	(4 471)
5. Change in other provisions	11 150	-
6. Corporate income tax (disclosed in profit and loss statement)	30 667	54 744
7. Corporate income tax paid	(17 923)	(47 514)
8. Change in inventory position	9 742	(2 434)
9. Change in accounts receivable position	552	(27 882)
10. Change in short-term liabilities (except for bank credits and loans)	(8 345)	15 278
11. Change in interperiod settlements	(629)	4 390
12. Change in deferred income	269	355
13. Other adjustments	14 609	(1 607)
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES (I-II)</b>	<b>(66 921)</b>	<b>(175 784)</b>
<b>I. Cash inflows from investing activities</b>	<b>720 082</b>	<b>1 006 373</b>
1. Sales of intangible fixed assets	2	-
2. Sales of tangible fixed assets	820	903
3. Sales of financial fixed assets including:	41 264	-
- in subsidiaries	-	-
- in associates	-	-
- in parent company	-	-
4. Sales of short-term securities	645 881	986 745
5. Long-term loans repaid	50	34
6. Dividends received	2 809	10 105
7. Interest received	3 652	5
8. Other	25 604	8 581
<b>II. Cash outflows from investing activities</b>	<b>(787 003)</b>	<b>(1 182 157)</b>
1. Purchase of intangible fixed assets	(22 259)	(7 162)
2. Purchase of tangible fixed assets	(184 642)	(273 098)
3. Purchase of financial fixed assets including:	(14 158)	(5 260)
- in subsidiaries	(5 084)	(1 308)
- in associates	(5 704)	(3 909)
- in parent company	-	-
4. Purchase of own shares	-	-
5. Purchase of short-term securities	(535 207)	(870 028)
6. Long-term loans granted	(13 466)	(5 269)
7. Other expenses	(17 271)	(21 340)

<b>C. CASH FLOW FROM FINANCING ACTIVITIES (I-II)</b>	<b>(35 025)</b>	<b>(7 389)</b>
<b>I. Inflows from financing activities</b>	-	-
1. Long-term bank credits and loans received	-	-
2. Issue of bonds and other long-term debt securities	-	-
3. Short-term bank credits and loans received	-	-
4. Issue of bonds and other short-term debt securities	-	-
5. Inflows from own shares issued	-	-
6. Capital payments	-	-
7. Other	-	-
<b>II. Cash outflows from financing activities</b>	<b>(35 025)</b>	<b>(7 389)</b>
1. Long-term bank credits and loans repaid	-	-
2. Redemption of bonds and other long-term securities	-	-
3. Short-term bank credits and loans repaid	-	-
4. Redemption of bonds and other short-term debt securities	-	-
5. Expenses related to shares and bonds issues	-	-
6. Shares purchased for redemption	-	-
7. Dividends and other payments to shareholders	-	-
8. Payments to members of the Company's governing bodies	-	-
9. Charitable contributions	(1 120)	(978)
10. Payments of liabilities related to finance lease agreements	-	-
11. Interest paid	-	-
12. Other expenditures	(33 905)	(6 411)
<b>D. NET CASH FLOWS, TOTAL (A+/-B+/-C)</b>	<b>94 696</b>	<b>5 343</b>
<b>E. CHANGE OF CASH POSITION IN BALANCE SHEET</b>	<b>94 696</b>	<b>5 343</b>
- including change in cash position due to foreign exchange differences	(5 692)	(22)
<b>F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>36 876</b>	<b>31 533</b>
<b>G. CASH AND CASH EQUIVALENTS AND THE END OF THE FINANCIAL YEAR (F+/- D)</b>	<b>131 572</b>	<b>36 876</b>
- including restricted cash	2 474	1 269

## Notes

### Note 1.

INTANGIBLE FIXED ASSETS	31 December 2001	31 December 2000
a) Settlement of start-up expenses or organisational expenses of raising additional capital	43	76
b) Research and development expenditure	1	1
c) Purchased goodwill	849	1 632
d) Concessions, patents, licenses and similar assets	18 243	8 064
- computer software	18 243	8 064
e) Perpetual usufruct over land acquired	8 694	9 935
f) Other intangible fixed assets	237	89
g) Prepayments for intangible fixed assets	4 000	-
h) changes in accounting policy	-	-
<b>Total intangible fixed assets</b>	<b>32 067</b>	<b>19 797</b>

<b>TABLE OF INTANGIBLE FIXED ASSETS MOVEMENTS (by type of expenditure)</b>									
	a) start-up expenses or organisational expenses of raising additional capital	b) research and development	c) goodwill	d) concessions, patents, licences and similar assets	- computer software	e) perpetual usufruct of land	f) other intangible fixed assets	g) prepayments for intangible fixed assets	<b>Total intangible fixed assets</b>
a) gross value at the beginning of the period	<b>161</b>	<b>5</b>	<b>3 917</b>	<b>18 699</b>	<b>18 699</b>	<b>14 010</b>	<b>165</b>	-	<b>36 957</b>
b) additions:	-	-	-	28 026	28 022	160	173	4 000	<b>32 359</b>
- purchases	-	-	-	15 582	15 578	-	173	4 000	<b>19 755</b>
- transfer from construction in progress	-	-	-	12 444	12 444	160	-	-	<b>12 604</b>
c) disposals	-	-	-	(5 037)	(5 037)	-	-	-	<b>(5 037)</b>
- writing off	-	-	-	(2)	(2)	-	-	-	<b>(2)</b>
- writing off fully depreciated assets	-	-	-	(5 035)	(5 035)	-	-	-	<b>(5 035)</b>
d) gross value at end of the period	161	5	3 917	41 688	41 684	14 170	338	4 000	<b>64 279</b>
e) accumulated amortisation at the beginning of the period	85	4	2 285	10 635	10 635	4 075	76	-	<b>17 160</b>
f) amortisation for the period	33	-	783	12 810	12 806	1 401	25	-	<b>15 052</b>
- planned	33	-	783	17 843	17 839	1 401	25	-	<b>20 085</b>
- others	-	-	-	2	2	-	-	-	<b>2</b>
- writing off fully depreciated assets	-	-	-	(5 035)	(5 035)	-	-	-	<b>(5 035)</b>
g) accumulated amortisation at end of the period	118	4	3 068	23 445	23 441	5 476	101	-	<b>32 212</b>
h) write-offs not planned for	-	-	-	-	-	-	-	-	<b>-</b>
i) net value at end of the period	<b>43</b>	<b>1</b>	<b>849</b>	<b>18 243</b>	<b>18 243</b>	<b>8 694</b>	<b>237</b>	<b>4 000</b>	<b>32 067</b>

In 2001 fully depreciated software of gross value PLN 5,035 thousand was removed from the register.

Translation

**Note 2.**

<b>TANGIBLE FIXED ASSETS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Fixed assets, including:	504 610	507 051
- freehold land	7 720	8 105
- buildings and constructions	102 234	103 703
- equipment and machines	402 586	390 036
- vehicles	3 141	3 489
- other	1 438	1 718
- provision created	(12 509)	-
b) Construction in progress	189 639	65 456
c) Prepayments for investments	2 279	24 112
<b>Total tangible fixed assets</b>	<b>696 528</b>	<b>596 619</b>

<b>TABLE OF TANGIBLE FIXED ASSETS MOVEMENTS (by group)</b>						
	- freehold land	- buildings and constructions	- machines and technical equipment	- vehicles	- other fixed assets	<b>fixed assets, Total</b>
a) opening balance of fixed assets, gross value	8 105	109 977	463 129	4 810	9 014	<b>595 035</b>
b) additions:	-	4 974	69 302	537	587	<b>75 400</b>
- purchases	-	569	28 921	537	587	<b>30 614</b>
- recovered fixed assets	-	-	37	-	-	<b>37</b>
- transfers from construction in progress	-	4 404	36 385	-	-	<b>40 789</b>
- donations	-	-	-	-	-	<b>-</b>
- built in-house	-	-	3 687	-	-	<b>3 687</b>
- others	-	1	272	-	-	<b>273</b>
c) disposals:	(385)	(969)	(3 067)	(531)	(264)	<b>(5 216)</b>
- sale	(385)	(348)	(304)	(451)	(21)	<b>(1 509)</b>
- liquidation	-	(349)	(2 679)	(22)	(242)	<b>(3 292)</b>
- donations	-	-	(19)	-	(1)	<b>(20)</b>
- transfers to construction in progress	-	-	-	-	-	<b>-</b>
- others	-	(272)	(65)	(58)	-	<b>(395)</b>
d) closing balance of fixed assets, gross value	7 720	113 982	529 364	4 816	9 337	<b>665 219</b>
e) opening balance of cumulative depreciation	-	6 274	73 093	1 321	7 296	<b>87 984</b>
f) amortisation per period:	-	5 474	53 685	354	603	<b>60 116</b>
- planned	-	5 827	56 475	701	855	<b>63 858</b>
- liquidation	-	(150)	(2 508)	(22)	(235)	<b>(2 915)</b>
- donations	-	-	(14)	-	(1)	<b>(15)</b>
- sales	-	(203)	(268)	(325)	(16)	<b>(812)</b>
- transfers to construction in progress	-	-	-	-	-	<b>-</b>
- others	-	-	-	-	-	<b>-</b>
g) closing balance of cumulative depreciation	-	11 748	126 778	1 675	7 899	<b>148 100</b>
h) provision created	-	-	-	-	-	<b>(12 509)</b>
i) closing balance of fixed assets, net value	7 720	102 234	402 586	3 141	1 438	<b>504 610</b>

<b>FIXED ASSETS (OWNERSHIP STRUCTURE)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) owned	504 610	507 051
b) used on the basis of rental, lease or other agreement of similar nature, including:		
<b>Total fixed assets</b>	<b>504 610</b>	<b>507 051</b>

<b>OFF-BALANCE FIXED ASSETS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
Used on the basis of rental, lease or other agreement of similar nature, including:		
- value of land under perpetual usufruct		
<b>Total off-balance fixed assets</b>		

### Note 3.

<b>FINANCIAL FIXED ASSETS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) other shares, including:	30 950	42 820
- in subsidiaries	21 951	15 443
- in associated entities	5 487	4 749
b) long term loans granted, including	15 176	8 444
- to subsidiaries	8 902	6 302
- to associated entities	500	1 780
c) other securities, including:		
- subsidiaries		
- associated entities		
d) other property rights (by kind)		
e) other financial fixed assets	15 163	25 681
- additional capital contributions to a subsidiary Agora-Poligrafia Sp.	5 361	22 000
- other	9 741	3 681
<b>Total financial fixed assets</b>	<b>61 289</b>	<b>76 945</b>

As described in note 16 in the additional explanatory notes, the comparative figures for other financial fixed assets have been restated to conform with the change in presentation.

CHANGE IN FINANCIAL FIXED ASSETS (DIVIDED INTO GROUPS)								
	a) shares:	- in subsidiaries	- in associated companies	- in parent Company	b) long-term loans granted:	- to subsidiaries	- to associated companies	- to parent Company
<b>a) opening balance</b>	<b>42 820</b>	<b>15 443</b>	<b>4 749</b>	-	<b>8 444</b>	<b>6 302</b>	<b>1 780</b>	-
<b>b) additions</b>	<b>18 603</b>	<b>6 508</b>	<b>8 719</b>	-	<b>22 817</b>	<b>7 718</b>	<b>5 198</b>	-
- purchases	14 166	5 086	5 704	-	-	-	-	-
- loan into shares swap	4 437	1 422	3 015	-	-	-	-	-
- loans granted	-	-	-	-	13 466	5 582	2 111	-
- interest accrued	-	-	-	-	1 850	1 057	394	-
- stamp duty	-	-	-	-	-	-	-	-
- swap of debt into loan	-	-	-	-	324	324	-	-
- released provisions	-	-	-	-	3 729	-	-	-
- additional capital contributions	-	-	-	-	-	-	-	-
- shares received for contributions in kind	-	-	-	-	-	-	-	-
- transfer of provision from long term to short term	-	-	-	-	2 693	-	2 693	-
- transfer to long term loan	-	-	-	-	<b>755</b>	<b>755</b>	-	-
- other	-	-	-	-	-	-	-	-
<b>c) disposals</b>	<b>(30 473)</b>	-	<b>(7 981)</b>	-	<b>(16 085)</b>	<b>(5 118)</b>	<b>(6 478)</b>	-
- transfer to short term loan	-	-	-	-	(6 957)	(3 235)	(3 360)	-
- interest repaid	-	-	-	-	(3 598)	-	-	-
- provision for interest	-	-	-	-	(1 850)	(1 057)	(394)	-
- loan into shares swap	-	-	-	-	(729)	(729)	-	-
- revaluation	-	-	-	-	<b>(308)</b>	<b>(97)</b>	<b>(211)</b>	-
- provision for loan and shares	<b>(7 981)</b>	-	<b>(7 981)</b>	-	<b>(2 513)</b>	-	<b>(2 513)</b>	-
- sells share	<b>(22 492)</b>	-	-	-	-	-	-	-
- return of additional capital contributions	-	-	-	-	-	-	-	-
- other	-	-	-	-	<b>(130)</b>	-	-	-
<b>d) closing balance</b>	<b>30 950</b>	<b>21 951</b>	<b>5 487</b>	-	<b>15 176</b>	<b>8 902</b>	<b>500</b>	-
Financial fixed assets, Total	<b>30 950</b>	<b>21 951</b>	<b>5 487</b>	-	<b>15 176</b>	<b>8 902</b>	<b>500</b>	-

	c) other securities:	- of subsidiaries	- of associated companies	- of a parent Company	d) other equity rights (divided into groups)			e) other financial fixed assets	Financial fixed assets, Total
					-	-	-		
a) opening balance	-	-	-	-	-	-	-	25 681	76 945
b) additions	-	-	-	-	-	-	-	11 495	52 915
- purchases	-	-	-	-	-	-	-	64	14 230
- loan into shares swap	-	-	-	-	-	-	-	-	4 437
- loans granted	-	-	-	-	-	-	-	-	13 466
- interest accrued	-	-	-	-	-	-	-	2	1 852
- stamp duty	-	-	-	-	-	-	-	-	-
- swap of debt into loan	-	-	-	-	-	-	-	-	324
- released provisions	-	-	-	-	-	-	-	-	3 729
- additional capital contributions	-	-	-	-	-	-	-	5 361	5 361
- shares received for contributions in kind	-	-	-	-	-	-	-	-	-
- transfer of provision from long term to short term	-	-	-	-	-	-	-	-	2 693
- transfer to long term loan	-	-	-	-	-	-	-	-	755
- other	-	-	-	-	-	-	-	6 068	6 068
c) disposals	-	-	-	-	-	-	-	(22 013)	(68 571)
- transfer to short term loan	-	-	-	-	-	-	-	-	(6 957)
- interest repaid	-	-	-	-	-	-	-	-	(3 598)
- provision for interest	-	-	-	-	-	-	-	(2)	(1 852)
- loan into shares swap	-	-	-	-	-	-	-	-	(729)
- revaluation	-	-	-	-	-	-	-	(3)	(311)
- provision for loan and shares	-	-	-	-	-	-	-	-	(10 494)
- sells share	-	-	-	-	-	-	-	-	(22 492)
- return of additional capital contributions	-	-	-	-	-	-	-	(22 000)	(22 000)
- other	-	-	-	-	-	-	-	(8)	(138)
d) closing balance	-	-	-	-	-	-	-	15 163	61 289
<b>Financial fixed assets, Total</b>	-	-	-	-	-	-	-	<b>15 163</b>	<b>61 289</b>

SHARES IN SUBSIDIARIES AND AFFILIATED COMPANIES (INVESTMENTS)												
No.	a	b	c	d	e	f	g	h	i	j	k	l
	Company (with its legal status)	location	Company's activity	Kind of relation	consolidation method used	control overtaking/ influence date	shares purchase price	amounts provided for (total)	shares balance sheet value	percentage of share in share capital	percentage of votes on Shareholders meeting	other than in j) or k) kind of domination
1	KKK FM SA	Wrocław	local radio station	subsidiary	excluded from consolidation	1.02.98	1 787	-	1 787	84,2%	84,2%	-
2	Inforadio Sp. z o.o.	Warszawa	supra-regional radio station	affiliated	excluded from consolidation	1.02.98	6 781	6 781	-	41,6%	41,6%	-
3	Elita Sp. z o.o.	Bydgoszcz	local radio station	subsidiary	excluded from consolidation	1.02.98	3 586	-	3 586	99,0%	99,0%	-
4	Radio Trefl Sp. z o.o.	Sopot	local radio station	subsidiary	excluded from consolidation	1.02.98	4 772	-	4 772	100,0%	100,0%	-
5	Jan Babczyszyn Radio Jazz FM Sp. z o.o.	Poznań	local radio station	affiliated	excluded from consolidation	1.02.98	353	-	353	42,0%	42,0%	-
6	IM 40 Sp. z o.o.	Warszawa	local radio station	subsidiary	excluded from consolidation	1.02.98	1 260	-	1 260	72,0%	72,0%	-
7	Radio Wawel Sp. z o.o.	Kraków	local radio station	subsidiary	excluded from consolidation	1.02.98	2	-	2	50,0%	50,0%	-
8	Lokalne Rozgłośnie Radiowe Sp. z o.o.	Warszawa	radio activity	subsidiary	excluded from consolidation	1.02.98	804	-	804	100,0%	100,0%	-
9	O'LE Sp. z o.o.	Opole	local radio station	subsidiary	excluded from consolidation	1.02.98	1 929	-	1 929	100,0%	100,0%	-
10	Karolina Sp. z o.o.	Tychy	local radio station	subsidiary	excluded from consolidation	26.03.98	1 499	-	1 499	100,0%	100,0%	-
11	CITY Radio Sp. z o.o.	Częstochowa	local radio station	subsidiary	excluded from consolidation	25.06.98	1 699	-	1 699	100,0%	100,0%	-
12	Biuro Obsługi Radiowej Sp. z o.o.	Poznań	radio, TV, commercial services	affiliated	excluded from consolidation	9.09.98	430	-	430	46,0%	46,0%	-
13	BARYS Sp. z o.o.	Tychy	radio, TV, commercial, market research services	subsidiary	excluded from consolidation	17.12.99	533	-	533	90,0%	90,0%	-
14	ZUH UZNAM Sp z o.o.	Świnoujście	local radio station	subsidiary	excluded from consolidation	29.12.99	348	-	348	100,0%	100,0%	-
15	Agora Poligrafia Sp. z o.o.	Tychy	newspaper printing	subsidiary	full consolidation	16.02.98	1 068	-	1 068	100,0%	100,0%	-
16	Centrum Handlu Internetowego Sp. z o.o.	Warszawa	e-commerce and trading, utilities, production	affiliated	excluded from consolidation	15.11.00	4 500	4 000	500	50,0%	50,0%	-
17	ROM Sp. z o.o.	Warszawa	local radio station	subsidiary	excluded from consolidation	12.01.00	1 444	-	1 444	100,0%	100,0%	-
18	City Magazine Sp. z o.o.	Warszawa	free press magazine publishing	subsidiary	excluded from consolidation	4.05.2001	992	-	992	100,0%	100,0%	-
19	Radio Wanda Sp. z o.o.	Kraków	radio, TV, commercial, market research services	affiliated	excluded from consolidation	22.06.2001	1 091	-	1 091	24,0%	24,0%	-
20	Twoje Radio Sp. z o.o.	Wałbrzych	local radio station	subsidiary	excluded from consolidation	06.08.2001	2	-	2	19,0%	19,0%	Agora owns 99,12% in AR Jowisz, which owns 77% of Twoje Radio
21	Agencja Reklamowa Jowisz Sp. z o.o.	Jelenia Góra	local radio station	subsidiary	excluded from consolidation	19.09.2001	227	-	227	99,1%	99,1%	-
22	Multimedia Plus Sp. z o.o.	Śrem	radio, TV, advertising	affiliated	excluded from consolidation	11.12.2001	808	-	808	48,0%	48,0%	-
23	Wibor Sp. z o.o.	Nowy Sącz	radio, TV, advertising	affiliated	excluded from consolidation	10.12.2001	2 305	-	2 305	24,9%	24,9%	-

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

No.	a Company	m share capital of a company :					n Company's liabilities, - long-term	o Company's receivables: - long-term		p Total Company assets	r Sales revenue	s Outstanding share capital contribution	t Dividends/shares in profits for last accounting year received		
		share capital	capital called but not paid in (a negative figure)	reserve capital	other capital items	unappropriated result from previous years		net profit/(loss)							
1	KKK FM S.A.	1 947	-	-	(1 355)	(1 576)	221	533	342	692	-	1 127	2 967	-	-
2	Inforadio Sp. z o.o.	14 490	-	641	(52 223)	(42 436)	(9 787)	38 620	38 073	739	-	3 298	2 297	-	-
3	Elita Sp. z o.o.	3 629	-	-	(3 442)	(3 087)	(355)	635	220	218	-	822	1 383	-	-
4	Radio Trefl Sp. z o.o.	2 683	-	900	(3 154)	(3 212)	58	905	542	648	-	1 343	3 232	-	-
5	Jan Babczyszyn Radio □ Jazz FM Sp. z o.o.	600	-	-	(373)	(501)	128	460	-	504	-	687	1 365	-	-
6	IM 40 Sp. z o.o.	1 000	-	465	3 286	-	3 286	1 207	-	3 180	-	5 958	11 755	-	2 420
7	Radio Wawel Sp. z o.o. (the company has not commenced operations)	4	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Lokalne Rozgłośnie □ Radiowe Sp. z o.o.	804	-	224	(833)	(365)	(468)	715	607	411	-	911	1 688	-	-
9	O'le Sp. z o.o.	1 994	-	250	(2 415)	(1 788)	(627)	664	300	209	-	493	848	-	-
10	Karolina Sp. z o.o.	1 100	-	-	2 782	-	2 782	1 613	833	2 102	-	5 534	8 017	-	389
11	City Radio Sp. z o.o.	1 701	-	180	(3 280)	(2 827)	(453)	1 944	1 065	392	-	548	1 173	-	-
12	Biuro Obsługi □ Radiowej Sp. z o.o.	935	-	500	(2 950)	(1 005)	(1 945)	3 124	-	1 244	-	1 763	8 659	-	-
13	BARYS Sp. z o.o.	269	-	-	-	-	-	-	-	-	-	-	-	-	-
14	UZNAM Sp z o.o.	31	-	417	(1 893)	(651)	(1 242)	2 727	2 524	318	-	1 285	353	-	-
15	Agora Poligrafia Sp. z o.o.	1 000	-	54 324	14 366	-	14 366	3 368	-	6 041	-	73 271	53 751	-	-
16	Centrum Handlu Internetowego Sp. z o.o.	9 000	-	-	(4 805)	-	(4 805)	427	-	738	-	4 622	223	-	-
17	ROM Sp. z o.o.	684	-	315	(5 272)	(3 678)	(1 594)	5 034	4 128	411	-	824	445	-	-
18	City Magazine Sp. z o.o.	50	-	3 150	(2 570)	(1 531)	(1 039)	470	-	715	-	1 229	4 472	-	-
19	Radio Wanda Sp. z o.o. (the company has not commenced operations)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Twoje Radio Sp. z o.o.	10	-	-	(471)	(336)	(161)	638	206	43	-	177	457	-	-
21	Agencja Reklamowa Jowisz Sp. z o.o.	114	-	-	(814)	(129)	(685)	1 350	1 121	172	-	650	578	-	-
22	Multimedia Plus Sp. z o.o.	1 121	-	-	(413)	(26)	(387)	1 275	932	114	-	1 990	210	-	-
23	Wibor Sp. z o.o.	3 300	-	-	(721)	(427)	(294)	118	-	237	-	2 730	2 457	-	-

The financial data for Centrum Handlu Internetowego is presented for the period from inception of its activities that is from 20 December 2000 till 31 December 2001.

SHARES IN OTHER ENTITIES (INVESTMENTS)								
	a	b	c	d	e	f	g	h
No.	Name of entity, legal form	Location	Activity	Book value of shares	% of share capital	Share in the total number of votes on shareholders meeting	Value of shares unpaid by the Company	Dividends received or due for the last year
1	Polskie Badania Internetu Sp. zo.o.	Warszawa	internet research	16	16,67%	16,67%	-	-
2	Radio Mazowsze	Łomianki	local radio station	3 367	18,99%	18,99%	-	-
3	Others	-	-	128	less than 1% in each company	less than 1% in each company	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-

LONG TERM LOANS GRANTED (CURRENCY STRUCTURE)	31 December 2001	31 December 2000
a) in Polish zloty	15 176	8 444
b) in foreign currencies (by currencies and after translation into PLN)	-	-
b1. unit/currency thousand PLN	-	-
.....	-	-
b2. other currencies in thousand PLN	-	-
<b>Total long term loans granted</b>	<b>15 176</b>	<b>8 444</b>

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

LONG TERM SECURITIES, SHARES AND OTHER PROPERTY RIGHTS (CURRENCY STRUCTURE)	31 December 2001	31 December 2000
a) in Polish zloty	30 950	42 820
b) in foreign currencies (by currencies and after translation into PLN)	-	-
b1. unit/currency thousand PLN	-	-
.....	-	-
b2. other currencies in thousand PLN	-	-
<b>Total long term securities, shares and property rights</b>	<b>30 950</b>	<b>42 820</b>

LONG TERM SECURITIES, SHARES AND OTHER PROPERTY RIGHTS (BY LIQUIDITY)	31 December 2001	31 December 2000
A. Readily marketable, quoted on the stock exchange (balance sheet value)	-	-
a) shares (balance sheet value):	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
b) bonds (balance sheet value)	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
c) other - grouped by kind (balance sheet value):	-	-
c1 ...	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
...	-	-

B. Readily marketable, quoted on the controlled over the counter market (balance sheet value)	-	-
a) shares (balance sheet value):	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
b) bonds (balance sheet value)	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
c) other - grouped by kind (balance sheet value):	-	-
c1 ...	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
...	-	-
C. Readily marketable, quoted neither on the stock exchange nor on the controlled over the counter markets (balance sheet value)	-	-
a) shares (balance sheet value):	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
b) bonds (balance sheet value)	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
c) other - grouped by kind (balance sheet value):	-	-
c1 ...	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
...	-	-
D. Securities with restricted marketability (balance-sheet value)	30 950	42 820
a) shares (balance sheet value):	30 950	42 820
- adjustments updating the value (balance)	(10 781)	(101 318)
- the value according to purchase price	41 731	144 138
b) bonds (balance sheet value)	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
c) other - grouped by kind (balance sheet value):	-	-
c1 ...	-	-
- adjustments updating the value (balance)	-	-
- the value according to purchase price	-	-
...	-	-
Total value per purchase price	41 731	144 138
Total adjustments updating the value (balance)	(10 781)	(101 318)
<b>Total balance sheet value</b>	<b>30 950</b>	<b>42 820</b>

<b>OTHER FINANCIAL ASSETS (BY CURRENCY STRUCTURE)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) in PLN	15 163	25 681
b) in foreign currency (per currency translated into PLN)	-	-
b1. unit/currency ...../.....	-	-
thousand PLN	-	-
.....	-	-
b2. other currency in thousand PLN	-	-
<b>Total other financial assets</b>	<b>15 163</b>	<b>25 681</b>

## Note 4.

in PLN thousand

<b>LONG TERM RECEIVABLES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) trade long term receivables, including:	-	-
- from subsidiary companies	-	-
- from associated entities	-	-
- from parent company	-	-
b) other long term receivables, including	-	-
- from subsidiary companies	-	-
- from associated entities	-	-
- from parent company	-	-
Net long term receivables	-	-
c) provision for receivables (positive value)	-	-
<b>Gross long term receivables</b>	-	-

<b>CHANGE IN LONG TERM RECEIVABLES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) value as at the beginning of the period	-	-
b) additions:	-	-
c) disposals:	-	-
<b>Long term receivables as at the end of the period</b>	-	-

<b>CHANGE IN PROVISION FOR LONG TERM RECEIVABLES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) value as at the beginning of the period	-	-
b) additions:	-	-
c) disposal	-	-
d) writing down	-	-
<b>Provision for long term receivables as at the end of the period</b>	-	-

<b>LONG TERM RECEIVABLES (BY CURRENCY STRUCTURE)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) in Polish currency	-	-
b) in foreign currency (per currency translated into PLN)	-	-
b1. unit/currency .....	-	-
thousand PLN	-	-
.....	-	-
b2. other currency in thousand PLN	-	-
<b>Total long term receivables</b>	-	-

## Note 5.

<b>INVENTORY</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Raw materials	13 069	23 283
b) Semi-products and work in progress	-	-
c) Finished products	-	-
d) Merchandise	1 499	645
e) Prepayments for inventory	66	485
<b>Total inventory</b>	<b>14 634</b>	<b>24 413</b>

The balance of raw materials as at 31 December 2001 includes a printing press that is no longer in use and has been offered for resale. The carrying cost of the assets is nil, as the cost of PLN 5,890 thousand, ( which includes the net book value of the equipment when removed from use of PLN 4,748 thousand, and capitalised removal costs of PLN 1,142 thousand) was in total provided for during the year.

## Note 6.

in PLN thousand

<b>CURRENT DEBTORS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Trade debtors	87 579	92 550
- subsidiary companies	4 276	3 149
- associated entities	489	283
- parent company	-	-
b) Other debtors - subsidiary companies	2 741	271
c) Other debtors - associated entities	-	-
d) Other debtors - parent company	-	-
e) Taxation, subsidy and social security debtors	8 580	2 355
f) Dividends and other participation in earnings	-	-
g) Other debtors	7 783	7 401
h) Debtors subject to legal proceedings for which provision was not	-	5
<b>Net current debtors</b>	<b>106 683</b>	<b>102 582</b>
i) Provision for doubtful debt (positive figure)	36 389	29 034
<b>Current debtors, gross value</b>	<b>143 072</b>	<b>131 616</b>

As described in note 16 in the additional explanatory notes, the comparative figures for other other debtors - subsidiary companies and other debtors have been restated to conform with the change in presentation.

<b>MOVEMENTS IN PROVISION FOR SHORT TERM DEBTS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Balance at the beginning of the year	29 034	25 136
b) Additions	19 716	14 026
- provision for debts subject to legal proceedings	1 974	2 036
- provision for outstanding interest	585	271
- provision for doubtful debts	14 464	11 669
- reclassification to short term	2 693	50
-provision for long term loan reclassified to short term	-	-
-provision for share prepayments	-	-
c) Utilisation	(4 269)	(5 310)
- debts written-off	(1 447)	(2 706)
- penalty interest written-off	(2 822)	(2 604)
d) Release	(8 092)	(4 818)
- settlement of payments provided for	(5 657)	(4 818)
- reclassification to long term	(48)	-
- release provision for loans	(2 387)	-
<b>Debt provision closing balance</b>	<b>36 389</b>	<b>29 034</b>

<b>DEBTORS (BY CURRENCY)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) in Polish currency	142 095	130 714
b) in foreign currencies	977	902
b1. unit/currency thousand USD	84	201
thousand PLN	336	833
b2. unit/currency thousand DEM	139	14
thousand PLN	251	28
b3. unit/currency thousand EUR	97	-
thousand PLN	342	-
b4. unit/currency thousand FRF	35	8
thousand PLN	19	4
b5. unit/currency thousand/BEF	138	303
thousand PLN	12	29
.....	-	-
b6. other currencies (translated) into thousand PLN	17	8
<b>Total short term debtors</b>	<b>143 072</b>	<b>131 616</b>

<b>AGEING OF TRADE DEBTORS (NOMINAL VALUE) AS AT THE YEAR END</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a. Due within 1 month	48 433	47 397
b. Due between 1 and 3 months	227	1 388
c. Due between 3 and 6 months	45	109
d. Due between 6 months and 1 year	84	74
e. Due after 1 year	16	157
f. Overdue trade debtors	73 953	71 669
Total trade debtors (nominal value)	122 758	120 794
g. Provision for doubtful debts (negative figure)	(35 179)	(28 244)
<b>Total trade debtors (net)</b>	<b>87 579</b>	<b>92 550</b>

in PLN thousand

Trade debtors payment terms on regular sales is:

- advertisements 7 - 21 days
- newspapers 7 - 22 days

<b>AGEING OF OVERDUE TRADE DEBTORS (NOMINAL VALUE) AS AT THE YEAR END - UNSETTLED WITHIN:</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a. 1 month	26 675	24 991
b. between 1 and 3 months	13 200	19 255
c. between 3 and 6 months	5 735	7 725
d. between 6 months and 1 year	8 642	5 855
e. after 1 year	19 701	13 843
<b>Total overdue trade debtors (nominal value)</b>	<b>73 953</b>	<b>71 669</b>
f. Provision for doubtful debts (negative figure)	(35 179)	(28 244)
<b>Total overdue trade debtors (net)</b>	<b>38 774</b>	<b>43 425</b>

Out of the total value of debtors of PLN 143,072 thousand the overdue debtors are:

- trade debtors of PLN 73,953 thousand, including PLN 38,774 thousand not provided for,

As at 31 December 2001 disputed debtors amounted to PLN 2,180 thousand and were fully provided for.

Provisions for trade debtors amount to PLN 35,179 thousand and cover all doubtful accounts or overdue for at least 90 days.

## Note 7.

<b>OWN SHARES FOR SALE</b>				
Amount	Amount	Purchase price	Purpose for purchasing	Purpose
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

  

<b>SHARES OF AGORA SA IN POSSESSION OF RELATED COMPANIES</b>			
Company name, location	Amount	Acquisition price	Balance sheet value
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

## Note 8.

in PLN thousand

<b>SHORT-TERM SECURITIES, SHARES AND OTHER PROPERTY RIGHTS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Shares	-	-
- in subsidiary companies	-	-
- in associated entities	-	-
- in parent company	-	-
b) Other short-term securities	10 196	50 462
- in subsidiary companies	-	361
- in associated entities	190	187
- in parent company	-	-
c) Other securities and property rights	46 475	101 000
- shares in investment funds	46 475	101 000
<b>Total short-term securities, shares and property rights</b>	<b>56 671</b>	<b>151 462</b>

<b>SHORT-TERM SECURITIES, SHARES AND PROPERTY RIGHTS (BY CURRENCY)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) in PLN currency	56 671	151 462
b) Denominated in foreign currencies	-	-
b1. unit/currency	-	-
thousand PLN	-	-
.....	-	-
b2. other currencies translated in thousand PLN	-	-
<b>Total short-term securities, shares and property rights</b>	<b>56 671</b>	<b>151 462</b>

<b>SHORT-TERM SECURITIES, SHARES AND PROPERTY RIGHTS (BY LIQUIDITY)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
A. Readily marketable securities, quoted on stock exchanges (balance-sheet value)	-	-
a) shares (balance-sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
b) bonds (balance-sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
c) other (balance-sheet value)	-	-
c1 ...	-	-
- market value (net)	-	-
- purchase cost	-	-
c2 ...	-	-
- market value (net)	-	-
- purchase cost	-	-
c3 ...	-	-
- market value (net)	-	-
- purchase cost	-	-
...	-	-
B. Readily marketable securities, quoted on regulated, over-the counter-market (balance-sheet value)	-	-
a) shares (balance-sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
b) bonds (balance-sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
c) other (balance-sheet value)	-	-
c1 ...	-	-
- market value (net)	-	-
- purchase cost	-	-
c2 ...	-	-
- market value (net)	-	-
- purchase cost	-	-
c3 ...	-	-
- market value (net)	-	-
- purchase cost	-	-
...	-	-

C. Readily marketable securities, not quoted on stock exchanges or regulated over-the-counter market (balance-sheet value)	56 671	151 462
a) shares (balance-sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
b) bonds (balance-sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
c) other, including: (balance-sheet value)	56 671	151 462
c1 corporate bonds ( balance sheet value)	-	-
- market value (net)	-	-
- purchase cost	-	-
c2 treasury bills (balance sheet bonds)	-	9 385
- market value (net)	-	9 385
- purchase cost	-	8 236
c3 commercial papers	10 196	41 077
- market value (net)	10 196	41 077
- purchase cost	10 172	39 645
c4 shares in an investment funds	46 475	101 000
- market value (net)	46 475	101 000
- purchase cost	40 000	101 000
D. Securities with restricted marketability (balance-sheet value)	-	-
a) shares (balance-sheet value)	-	-
- estimated market value (net)	-	-
- purchase cost	-	-
b) bonds (balance-sheet value)	-	-
- estimated market value (net)	-	-
- purchase cost	-	-
c) other (balance-sheet value)	-	-
c1 ...	-	-
- estimated market value (net)	-	-
- purchase cost	-	-
c2 ...	-	-
- estimated market value (net)	-	-
- purchase cost	-	-
c3 ...	-	-
- estimated market value (net)	-	-
- purchase cost	-	-
...	-	-
Total purchase / acquisition cost	50 172	148 881
Total valuation adjustment (net)	6 499	2 581
Total market value	56 671	151 462
<b>Total book value</b>	<b>56 671</b>	<b>151 462</b>

in PLN thousand

## Note 9.

CASH AND CASH EQUIVALENTS	31 December 2001	31 December 2000
a) Cash in hand	222	339
b) Cash at bank	131 282	36 371
c) Other	68	166
<b>Total cash and cash equivalents</b>	<b>131 572</b>	<b>36 876</b>

CASH AND CASH EQUIVALENTS (BY CURRENCY)	31 December 2001	31 December 2000
a) PLN currency	39 979	35 583
b) in foreign currencies	91 593	1 293
b1. unit/currency thousand USD	22 962	145
thousand PLN	91 532	599
b2. unit/currency thousand EUR	133	176
thousand PLN	468	677
b3. unit/currency thousand CHF	(189)	-
thousand PLN	(449)	-
.....	-	-
b4. other currencies in thousand PLN	43	17
<b>Total cash and cash equivalents</b>	<b>131 572</b>	<b>36 876</b>

**Note 10.**

<b>MOVEMENT IN DEFERRED TAX ASSETS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
Deferred tax asset at beginning of period	-	-
a) increases	-	-
b) decreases	-	-
Deferred tax asset at the end of period	-	-

<b>OTHER PREPAID EXPENSES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) prepaid expenses, incl.:	1 370	1 341
- rents	6	258
- insurance	105	123
- import services	454	210
- press subscription	26	66
- computer services	428	428
- others	-	-
b) other prepaid expenses, incl.:	-	-
<b>Total prepaid expenses</b>	<b>1 370</b>	<b>1 341</b>

**Note 11.**

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

Shareholders who have at least 5% of total voting rights on General Shareholders Meeting (GSM), at the 31 December 2001:

- AGORA-HOLDING Sp. z o.o., based in Warszawa - 42,8 % of total voting rights on GSM,
- COX Poland Investments, Inc., based in Wilmington, USA - 10,25 % of total voting rights on GSM,
- Bankers Trust Company, based in New York City, USA - 7,26% of total voting rights on GSM.

**Note 12.**

<b>RESERVE CAPITAL</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Share premium	353 646	353 646
b) Statutory reserves	-	-
c) Capital reserves established in accordance with the statute / (deed), in excess of legal requirements	381 330	237 833
d) Additional capital contributions from shareholders	1 038	1 038
e) Other	689	663
<b>Total reserve capital</b>	<b>736 703</b>	<b>593 180</b>

**Note 13.**

<b>OTHER RESERVE CAPITAL (BY APPROPRIATION)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
-	-	-
-	-	-
<b>Total other reserve capital</b>	<b>-</b>	<b>-</b>

**Note 14.**

in PLN thousand

<b>ACCUMULATED PROFIT / (LOSS) FROM PREVIOUS YEARS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Accumulated profit (positive figure)	-	-
b) Accumulated loss (negative figure)	-	-
<b>Accumulated profit / (loss) from previous years</b>	-	-

**Note 15.**

<b>MOVEMENTS IN DEFERRED TAX PROVISION</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
Balance at beginning of year	5 093	4 355
a) additions:	27 398	10 619
- investment relief	2 060	6 312
- tax on valuation of commercial papers and t-bills	1 820	774
- tax on released / utilised provisions	8 341	-
- tax on share issue costs	1 196	1 281
- tax on salaries	1 172	1 074
- tax on a difference between tax and accounting depreciation	12 462	1 159
- other	347	19
b) decreases:	(11 531)	(9 881)
- tax on depreciation of assets under an investment relief	(3 161)	(1 753)
- tax on prior year revaluation of bonds sold in current year	(723)	(2 451)
- tax on created provisions	(2 297)	-
- tax on accrued interest on loans and credits	-	(1 308)
- tax on unrealised foreign exchange losses	(1 623)	(1 205)
- change in tax rate	-	(630)
- tax on salaries	(1 007)	(2 516)
- tax on provision for the lay-offs	(426)	-
- other	(645)	(18)
- tax on provision for the deconstructed printing press	(1 649)	-
Balance at the end of year	<b>20 960</b>	<b>5 093</b>

**Note 16.**

<b>OTHER PROVISIONS</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
- provisions for certain and probable losses	28	-
- provisions for guarantees given to Inforadio	9 600	-
- provision for the lay-offs	1 522	-
<b>Total other provisions</b>	<b>11 150</b>	-

<b>MOVEMENTS IN OTHER PROVISIONS (EXCLUSIVE OF RECEIVABLES PROVISION)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) Balance of other provisions at the beginning of the year	-	-
b) additions	11 150	-
- provision against certain and probable losses	28	-
- provisions for guarantees given to Inforadio	9 600	-
- provision for the lay-offs	1 522	-
c) utilisations	-	-
d) released	-	-
e) Balance of other provisions at year end	11 150	-
- provision against certain and probable losses	28	-
- provisions for guarantees given to Inforadio	9 600	-
- provision for the lay-offs	1 522	-
<b>Balance of other provisions at year end</b>	<b>11 150</b>	-

## Note 17.

in PLN thousand

<b>LONG-TERM LIABILITIES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) long-term bank credits, incl.:	-	-
- from parent company	-	-
b) long-term loans, incl.:	-	83 376
- from subsidiaries	-	-
- from associated entities	-	-
- from parent company	-	-
c) liabilities relating to long-term debt securities issued	-	-
d) liabilities relating to other securities	-	-
e) finance lease commitments	-	-
f) other long-term liabilities	2	7 782
- f/x hedging transactions	-	7 782
- trade	2	-
<b>Total long-term liabilities</b>	<b>2</b>	<b>91 158</b>

<b>AGEING OF LONG TERM LIABILITIES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) between 1 and 3 years	2	7 782
b) between 3 and 5 years	-	-
c) after 5 years	-	83 376
<b>Total long-term liabilities</b>	<b>2</b>	<b>91 158</b>

<b>LONG-TERM LIABILITIES (BY CURRENCY)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) long-term liabilities in Polish currency	2	7 782
b) long-term liabilities in foreign currencies (translated into Polish currency)	-	83 376
b1. unit/currency thousands/ USD	-	20 123
thousands PLN	-	83 376
b2. unit/currency ...../.....	-	-
thousands PLN	-	-
.....	-	-
b3. other currencies in thousands PLN	-	-
<b>Total long-term liabilities</b>	<b>2</b>	<b>91 158</b>

**Note 18.**

001

in PLN thousand

<b>SHORT-TERM LIABILITIES</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) bank loans, incl.:	-	-
- from parent company	-	-
b) loans, incl.:	-	-
- from subsidiaries	-	-
- from associated entities	-	-
- from parent company	-	-
c) liabilities relating to short-term debt securities issued	-	-
d) liabilities relating to other short-term debt securities issued	-	-
e) trade payables, to:	75 061	84 784
- subsidiaries	3 995	9 040
- associated entities	5	16
- parent company	-	-
f) advance payments received	-	-
g) bills of exchange payable	-	-
h) taxation, customs payable	1 594	5 789
i) dividends payable	-	-
j) salaries payable	76	143
k) social security and other payable	3 752	3 754
l) current portion of long-term liabilities, incl.:	-	-
- bank credits and loans	-	-
l) special funds	7 976	6 347
m) other short-term liabilities, incl.:	3 418	925
- interest on loans and credits	-	-
- deposits paid	-	-
- payables to employees	171	264
- from foreign currency options	2 303	-
-	-	-
-	-	-
<b>Total short-term liabilities</b>	<b>91 877</b>	<b>101 742</b>

<b>SHORT-TERM LIABILITIES (BY CURRENCY)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) in Polish currency	58 147	63 471
b) in foreign currencies (translated into Polish currency)	33 730	38 271
b1. unit/currency thousands/ DEM	13 215	12 964
thousands PLN	23 797	25 549
b2. unit/currency thousands/ USD	172	199
thousands PLN	688	824
b3. unit/currency thousands/ CHF	266	4 606
thousands PLN	632	11 658
b4. unit/currency thousands/ GBP	53	-
thousands PLN	306	-
b5. unit/currency thousands/ EUR	2 353	-
thousands PLN	8 286	-
.....	-	-
b6. other currencies in thousands PLN	21	240
<b>Total short-term liabilities</b>	<b>91 877</b>	<b>101 742</b>

LONG TERM LIABILITIES FROM LOANS								
Name of an entity and its legal status	Location	Amount of loan according to the agreement		Amount of outstanding loan		Interest terms	Due date	Pledges
		PLN thousand	USD thousand	PLN thousand	USD thousand			
-	-	-	-	-	-	-	-	none
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-



<b>SPECIAL FUND (BY TYPE)</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
- Social Fund	7 976	6 347
- Others	-	-
<b>Total special funds</b>	<b>7 976</b>	<b>6 347</b>

### Note 19.

<b>ACCRUED EXPENSES AND DEFERRED INCOME</b>	<b>31 December 2001</b>	<b>31 December 2000</b>
a) accrued expenses, including:	11 015	11 615
- holiday pay accrual	7 548	7 548
- accrual for employee incentive plan	2 730	3 000
- current period salaries paid out in the following period	737	1 067
b) deferred income, including:	6 252	6 350
- unrealised foreign exchange rate differences	1 886	2 229
- prepayments received for advertisements and subscriptions	3 083	3 067
- court costs to be recovered	1 077	734
- negative goodwill	93	206
<b>Total accrued expenses and deferred income</b>	<b>17 267</b>	<b>17 965</b>

### Additional balance sheet note

#### Calculation of book value per share and diluted book value:

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

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

### Note 20.

<b>NET SALES OF FINISHED PRODUCTS (BY TYPE OF PRODUCTS)</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
- sale of advertising	585 588	642 055
- sale of publications	174 173	155 521
- sale of services of auxiliary activity	23 342	10 944
- other sales	2 774	2 228
<b>Total net sales of finished products</b>	<b>785 877</b>	<b>810 748</b>

<b>NET SALES OF FINISHED PRODUCTS (BY GEOGRAPHIC AREA)</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
a. Domestic sales	785 635	810 473
b. Export sales	242	275
<b>Total net sales of finished products</b>	<b>785 877</b>	<b>810 748</b>

### Note 21.

<b>NET SALES OF MERCHANDISE AND MATERIALS (BY TYPE OF ACTIVITY)</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
- sales of materials	3 371	2 281
- sales of reinforcements and merchandise	3 035	2 869
- sales of albums	96	163
- other sales	51	18
<b>Total net sales of merchandise and materials</b>	<b>6 553</b>	<b>5 331</b>

<b>NET SALES OF MERCHANDISE AND MATERIALS (BY GEOGRAPHIC AREA)</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
a. Domestic sales	6 553	5 331
b. Export sales	-	-
<b>Total net sales of merchandise and materials</b>	<b>6 553</b>	<b>5 331</b>

## Note 22.

<b>COST BY TYPE OF EXPENDITURE</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
a) materials and energy	185 187	185 490
b) external services	157 663	173 039
c) taxes and charges	3 626	2 129
d) payroll	151 638	143 125
e) social security on employee payroll and similar	30 818	28 726
f) depreciation	83 943	47 063
g) other	45 475	36 511
<b>Total cost by type of expenditure</b>	<b>658 350</b>	<b>616 083</b>
Changes in stock and prepaid and accrued expenses		
Cost of production for in-house use	(6 118)	(6 825)
Selling costs (negative number)	(92 333)	(79 423)
Administrative and general expenses (negative number)	(100 279)	(104 289)
<b>Cost of products sold</b>	<b>459 620</b>	<b>425 546</b>

## Note 23.

<b>OTHER OPERATING INCOME</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
a) revenue from sales of fixed assets	820	1 138
b) subsidies		
c) reversal of provisions	4 777	4 339
- payment of debts provided for	4 524	4 314
- provision for inventory	253	25
d) other, including:	1 092	769
- donations obtained	80	44
- received contractual fines	2	22
- court fees returned	281	217
- liabilities written - off	65	67
- written - off debts repaid	284	66
- sundry income on taxes	38	30
- other	342	
<b>Total other operating income</b>	<b>6 689</b>	<b>6 246</b>

## Note 24.

<b>OTHER OPERATING EXPENSES</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
a) net book value of fixed assets sold	908	1 595
b) valuation adjustment to stock		
c) unplanned depreciation charges	762	15 569
d) provisions created for:	29 416	10 383
- overdue debts	9 193	10 099
- inventory	302	284
- for liquidated fixed assets	12 509	
- deconstructed printing press kept for resale	5 890	
- lay-offs costs	1 522	
e) other, including:	6 841	4 057
- donations	1 738	1 407
- receivables written-off	3 616	1 596
- legal charges and suit costs	752	590
- membership fees	85	319
<b>Total other operating expenses</b>	<b>37 927</b>	<b>31 604</b>

## Note 25.

<b>INCOME FROM SHARES IN OTHER ENTITIES</b>	<b>1.01.2001 till 31.12.2001</b>	<b>1.01.2000 till 31.12.2000</b>
Income from shares in other entities, including:	2 809	10 105
1. from subsidiaries	2 809	1 724
2. from associates		
3. from parent company		
<b>Total income from shares in other entities</b>	<b>2 809</b>	<b>10 105</b>

**Note 26.**

INCOME FROM OTHER FINANCIAL FIXED ASSETS	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
Income from other financial fixed assets, including:		
1. from subsidiaries		
2. from associates		
3. from parent company		
<b>Total income from other financial fixed assets</b>		

**Note 27.**

OTHER FINANCIAL INCOME	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
a) interest on loans granted, including:	2 829	1 672
- from subsidiaries	1 867	1 000
- from associates	449	641
- from parent company		
b) other interest, including:	21 281	8 816
- from subsidiaries		
- from associates		
- from parent company		
c) profit on sale of securities	113 410	20 497
d) gain on the revaluation of financial fixed assets and short term securities	6 499	2 581
e) foreign exchange gains	7 447	5 279
f) provision reversal, including:	710	429
- interest paid on outstanding debts	710	424
- revaluation of securities of joint companies		
- foreign exchange on repaid TKP loan		5
g) other, including:	4 208	1 774
- net income on f/x forwards and future interest rate contracts	1 835	1 339
- income from investment funds	1 760	
- others	613	435
<b>Total other financial income</b>	<b>156 384</b>	<b>41 048</b>

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

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

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

The sale of TKP shares increased the Company's net profit for the period by PLN 101 914 thousand

**Note 28.**

FINANCIAL EXPENSES	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
a) interest on loans and credits, including:		4 360
- from subsidiaries		
- from associates		
- from parent company		
b) other interest, including:	8	9
- from subsidiaries		
- from associates		
- from parent company		
c) loss on sale of financial fixed assets and short term securities		
d) loss on the revaluation of financial fixed assets and short term securities		
e) foreign exchange losses	13 391	6 486
- realised	7 565	6 399
- unrealised	5 826	87
f) created provisions, including:	27 341	5 062
- for interest accrued	9 635	5 062
- for investments in Inforadio	13 706	
- for investments in CHI	4 000	
g) other financial expenses, including:	26 411	14 459
- fees on bank credits	202	153
- interest on late payments to state budget	82	12
- f/x hedging transactions	26 123	14 194
<b>Total financial expenses</b>	<b>67 151</b>	<b>30 376</b>

## Note 29.

EXTRAORDINARY GAINS	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
a) random effects	71	18
b) other	1	49
<b>Total extraordinary gains</b>	<b>72</b>	<b>67</b>

## Note 30.

EXTRAORDINARY LOSSES	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
a) random effects	-	-
b) other, including:	-	-
<b>Total extraordinary losses</b>	<b>-</b>	<b>-</b>

## Note 31.

CORPORATE INCOME TAX	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
1. Profit before taxation	196 147	198 240
2. Permanent differences between profit (loss) before taxation and taxable income	(70 790)	(2 058)
3. Temporary differences between profit (loss) before taxation and taxable income	(55 640)	(4 559)
4. Other differences between profit (loss) before taxation and taxable income, including:	-	-
- prior period losses	-	-
5. Tax base	69 717	191 623
6. Corporate income tax at 28% in 2001, 30% in 2000	19 521	57 487
7. Increase, abandonment, exemption, deduction and reduction of tax	(4 721)	(3 481)
8. Corporate income tax payable	14 800	54 006
9. Deferred tax liability	-	-
- opening balance	20 472	17 911
- additions	16 667	8 245
- disposals	(3 884)	(5 684)
- closing balance	33 255	20 472
10. Deferred tax asset	-	-
- opening balance	15 378	13 555
- additions	7 647	5 029
- disposals	(10 731)	(3 206)
- closing balance	12 294	15 378
11. Difference between the increase of deferred tax liability and	15 867	738
12. Corporate income tax commensurate with profit (loss) before taxation, presented in unconsolidated profit and loss account	<b>30 667</b>	<b>54 744</b>

	31 December 2001	31 December 2000
	<b>19 521</b>	<b>57 487</b>
1. Investment bonus	7 359	9 351
- tax on investment bonus	(2 061)	(2 805)
2. Donations	3 488	2 254
- tax relief on donations	(977)	(676)
3. Tax refund	(1 684)	-
4. Tax in merged companies	-	-
5. Future corporate income tax liabilities (28% of tax base in 2001), including:	<b>12 784</b>	<b>4 024</b>
- due to investment relief	(1 100)	4 559
- due to revaluation of securities held for resale	1 097	(1 676)
- due to the difference between tax and accounting depreciation	12 463	1 159
- others	324	(18)
6. Future corporate income tax receivables (28% of tax base in 2001), including:	<b>3 084</b>	<b>(2 656)</b>
- due to foreign exchange losses	2 742	(1 186)
- due to creation/release of provision for unused holiday pay and salaries	165	(1 443)
- due to accrued interest on loans and credits	3 999	(1 308)
- share issue costs	1 196	1 281
- provisions set up	(4 373)	-
- others	(645)	-
7. Change in deferred taxation due to change in tax rates	-	(630)
- deferred tax liability	-	(1 462)
- deferred tax asset	-	832
8. Deferred tax assets written off as not recoverable	-	-
Corporate income tax presented in profit and loss account	<b>30 667</b>	<b>54 744</b>

## Note 32.

OTHER OBLIGATORY REDUCTIONS OF PROFIT (LOSS), DUE TO:	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
-	-	-
-	-	-
<b>Total other obligatory reductions of profit (loss)</b>	-	-

### Calculation of profit per share and diluted profit per share

Profit per share was calculated by dividing the net profit for 2001 year by the weighted average number of shares that participate in dividends.

### Distribution of net profits of the Company :

The General Shareholders Meeting transferred the 2000 profit of 143 496 395.62 PLN to retained earnings.

### Proposed distribution of net profits of the Company :

The Management Board proposes to transfer the 2001 profit of 165 479 990,46 PLN to retained earnings.

## Notes to the unconsolidated cash flow

THE STRUCTURE OF CASH IN THE STATEMENT OF CASH FLOW	1.01.2001 till 31.12.2001	1.01.2000 till 31.12.2000
Cash on hand	222	339
Cash at bank	3 483	3 417
Bank deposits	127 799	32 954
Bills of exchange, cheques received	4	6
Cash in transit	64	160
<b>Total cash</b>	<b>131 572</b>	<b>36 876</b>

### The classification of Company's activity by operating, investing and financing activities

#### I. Cash flow from operating activities includes:

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

#### II. Cash flow from investing activities includes:

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

#### III. Cash flow from financing activities includes:

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

**Explanatory notes to selected items of cash flow statement**

**1. Change in inventory**

change in opening and closing balance sheet balances	9 779
adjustment for recovered fixed assets	(37)
<b>Amount per cash flow statement</b>	<b>9 742</b>

**2. Change in receivables:**

change in opening and closing balance sheet balances	(4 101)
debt to shares swap	(1 319)
adjustment for change in income tax receivable	2 238
long term debt to shares swap	729
loans repaid	(50)
transfer from long term to short term debt	3 509
reclassification of current debt to long term loans	(324)
others	(130)
<b>Amount per cash flow statement</b>	<b>552</b>

**3. Change in payables**

change in opening and closing balance sheet balances	(9 863)
adjustment for change in income tax payable	886
adjustment for increase in investing payables	632
<b>Amount per cash flow statement</b>	<b>(8 345)</b>

**4. Change in accruals and prepayments**

change in opening and closing balance of prepayments	(29)
change in opening and closing balance of accruals	(600)
<b>Amount per cash flow statement</b>	<b>(629)</b>

**5. Change in deferred income**

change in opening and closing balances	(98)
adjustment for foreign exchange differences	282
adjustment for foreign exchange differences on loans repaid	85
<b>Amount per cash flow statement</b>	<b>269</b>

**6. Long term loans taken**

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

**7. Long term investments purchased**

change in opening and closing balances	11 870
debt to shares swap	1 319
increase in provision for shares in company Inforadio and CHI	(4 966)
net book value of TKP shares disposed of	(22 491)
others	110
<b>Amount per cash flow statement</b>	<b>(14 158)</b>

**8. Loans granted**

change in opening and closing balances	(6 732)
adjustment for foreign exchange differences revaluation	(308)
provision for loan to Inforadio	(2 512)
reclassification of long debt to current term loans	(3 509)
debt to shares swap	(729)
reclassification of current debt to long term loans	324
<b>Amount per cash flow statement</b>	<b>(13 466)</b>

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

revaluation of short term securities	(6 499)
provision for loan granted to and shares in Inforadio and CHI	7 479
donations	1 120
provision for liquidated fixed assets	12 509
<b>Amount per cash flow statement</b>	<b>14 609</b>

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

income from investment funds	1 760
net income on futures and forwards	1 834
additional capital repaid from Agora Poligrafia Sp. z o.o.	22 000
others	10
<b>Amount per cash flow statement</b>	<b>25 604</b>

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

change in opening and closing balances of prepayments for investments	(4 000)
additional capital paid in to related companies	(5 361)
Prepayments for shares	(6 041)
Payment to Cox as per agreement	(1 805)
others	(64)
<b>Amount per cash flow statement</b>	<b>(17 271)</b>

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

costs of f/x hedging transactions	(33 905)
<b>Amount per cash flow statement</b>	<b>(33 905)</b>

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

Settlement of Agora's loan payable to Cox	(83 376)
Net book value of TKP shares disposed of	22 491
Adjustment for foreign exchange differences	(85)
Cash proceeds from disposal of TKP shares	(41 264)
Payment to Cox as per agreement	1 805
Interest repaid by TKP	(3 598)
Others	(6 406)
<b>Amount per cash flow statement</b>	<b>(110 433)</b>

**ADDITIONAL EXPLANATORY NOTES**

1. As at 31 December 2001 the Company the following financial instruments:

in PLN

	13-11-01	13-11-01	17-12-01	13-11-01	31-10-01
a) nature of the instrument	Foreign currency option put wrote	Foreign currency option put wrote	Foreign currency option put wrote	Foreign currency option put wrote	Foreign currency option put wrote
b) accounting policies applied,	initially recorded as a liability, adjusted for changes in fair value				
c) fair value	180 000 PLN	197 500 PLN	143 000 PLN	793 000 PLN	1 510 000 PLN
d) purchase of the transaction	hedge	hedge	hedge	hedge	hedge
e) Reference amount	5 000 000 EURO	5 000 000 USD	5 000 000 USD	10 000 000 USD	10 000 000 EURO
f) amount and timing of a future payments	0 PLN	0 PLN	0 PLN	cannot be assessed	cannot be assessed
g) Maturity or expiration or execution date	08-02-02	08-02-02	08-02-02	12-09-02	06-11-02
h) possibility of early closing and timing	anytime by purchasing of a opposite option	anytime by purchasing of a opposite option	anytime by purchasing of a opposite option	anytime by purchasing of a opposite option	anytime by purchasing of a opposite option
i) Agora as writer received	180 000 PLN	197 500 PLN	143 000 PLN	793 000 PLN	1 510 000 PLN
j) possibility to exchange for another asset or liability	none	none	none	none	none
k) agreed rate or amount of interest, dividend or other income, and payment date	option premium paid at date of writing day	option premium paid at date of writing day	option premium paid at date of writing day	option premium paid at date of writing day	option premium paid at date of writing day
l) additional collateral accepted or received	none	none	none	none	none
m) above information (a - l) for the derivative the instrument can be exchanged for	none	none	none	none	none
n) other conditions	none	none	none	none	none
o) type of risk associated with the instrument e.g. interest rate risk	f/x risk	f/x risk	f/x risk	f/x risk	f/x risk
p) amount of the existing liabilities from the instruments	0 PLN	0 PLN	0 PLN	793 000 PLN	1 510 000 PLN

2. As at 31 December 2001 the Company did not have material contingent liabilities other than the disclosed below the balance sheet.
3. The Company has no liability to the State, or local authorities pursuant to acquisition of buildings.
4. Until 31 December 2001 Agora SA has not discontinued any activity and does not anticipate any discontinuance in the current year.
5. In the twelve months ended 31 December 2001 produced in-house for its own use microcomputers of the carrying value amounting to PLN 1 787 thousand, and improved existing for an amount of PLN 1 900 thousand (in total PLN 3 687 thousand).

6. In the twelve months ended 31 December 2001 Agora spent PLN 211 million for capital expenditure, with no direct expenditures for environmental protection. Till 31 December 2002 the Company plans to invest further PLN 166 million, including:
- building and equipping printing plant in Warsaw PLN 8 million,
  - building and equipping printing plant in Pila PLN 21 million,
  - extension of printing plant (building and machine) in Tychy PLN 7 million,
  - building the Company's head office building in Warsaw PLN 83 million,
  - extension of telecommunication and computer network PLN 22 million,
  - internet (hardware and software) PLN 4 million,
  - land in Warsaw PLN 10 million.

Until 31 December 2002 no direct expenditures for environmental protection are planned. Contracted capital commitments existing at the date of signing the financial statements amounted to PLN 95 654 thousand.

7. All transactions made with related parties in the year 2001 are of a regular business nature, the material ones are listed below:
- printing services of Agora Poligrafia to Agora SA totalling PLN 50 910 thousand,
  - printing machinery lease (Agora SA leases to Agora Poligrafia), with rent totalling PLN 14 666 thousand,
  - office space rental (Agora Poligrafia lets to Agora SA), with rent totalling PLN 1 157 thousand,
  - loans granted by Agora SA to affiliates, PLN 7 693 thousand in total, including:
    - PLN 1 895 thousand to ZUH "Uznam" Sp. z o.o.
    - PLN 700 thousand to Barys Sp. z o.o.
    - PLN 300 thousand to Lokalne Rozgłosnie Radiowe Sp. z o.o.
    - PLN 150 thousand to Radio O'le Sp. z o.o.
    - PLN 100 thousand to City Radio Sp. z o.o.
    - PLN 300 thousand to Radio Trefl Sp. z o.o.
    - PLN 860 thousand to ROM Sp. z o.o.
    - PLN 1 087 thousand to Agencja Reklamowa Jowisz Sp. z o.o.
    - PLN 190 thousand to Twoje Radio Sp. z o.o.
    - PLN 1 611 thousand to Inforadio Sp. z o.o.
    - PLN 500 thousand to Multimedia Plus Sp. z o.o.
  - Agora SA purchased commercial papers issued by affiliates totalling PLN 1 747 thousand, including amounts of:
    - PLN 1 578 thousand purchased from Radio Trefl Sp. z o.o.
    - PLN 169 thousand purchased from Jan Babczyszyn Radio Jazz FM Sp. z o.o.
  - Affiliates repurchased commercial papers from Agora SA totalling PLN 1 891 thousand, including amounts of:
    - PLN 1 691 thousand repurchased by Radio Trefl Sp. z o.o.
    - PLN 200 thousand repurchased by Jan Babczyszyn Radio Jazz FM Sp. z o.o.
  - Following the loan agreement signed 11 September 1997 between Agora SA and Cox Poland Investments Inc. (Cox) Agora disposed of its 12,12% interest in shares of Telewizyjna Korporacja Partycypacyjna S.A. (TKP). The whole transaction is described in note 27.

All balances of settlements of debtors, creditors and loans as at 31 December 2001 in PLN thousand:

Company	owned capital	share of votes in %	Receivables	Liabilities	Loans granted	Commercial papers
Agora-Holding Sp.z o.o.	-	-	-	-	-	-
KKK FM SA	84%	84%	10	30	342	0
Jan Babczyszyn Radio Jazz FM Sp. z o.o.	42%	42%	-	-	-	190
IM-40 Sp.z o.o.	72%	72%	725	108	-	-
Radio Trefl Sp.z o.o.	100%	100%	76	27	542	-
Elita Sp.z o.o.	99%	99%	169	21	220	-
O'le Sp.z o.o.	100%	100%	265	21	300	-
Agora Poligrafia Sp.z o.o.	100%	100%	1 897	4 265	-	-
Inforadio Sp. z o.o.	42%	42%	1	3	8 801	-
Karolina Sp.z o.o.	100%	100%	134	48	892	-
Lokalne Rozgłosnie Radiowe Sp.z o.o.	100%	100%	14	-	607	-
City Radio Sp.z o.o.	100%	100%	299	32	678	-
Biuro Obsługi Radiowej Sp.z o.o.	46%	46%	468	-	-	-
Radio Wawel Sp. z o.o.	50%	50%	-	-	-	-
ZUH "Uznam" Sp. z o.o.	100%	100%	57	4	2 524	-
ROM Sp. z o.o.	100%	100%	242	13	4 267	-
Barys Sp.z o.o.	90%	90%	379	-	1 992	-
Centrum Handlu Internetowego Sp. z o.o.	50%	50%	19	-	-	-
City Magazine Sp. z o.o	100%	100%	8	-	-	-
Radio Wanda Sp. z o.o.	24%	24%	2	-	-	-
Twoje Radio Sp. z o.o.	19%	19%	284	-	232	-
Agencja Reklamowa Jowisz Sp. z o.o.	99%	99%	2	-	1 121	-
Multimedia Plus Sp. z o.o.	48%	48%	-	-	502	-
Wibor Sp. z o.o.	25%	25%	-	3	-	-
<b>TOTAL</b>			<b>5 051</b>	<b>4 575</b>	<b>23 020</b>	<b>190</b>

Revenue related to transactions with related parties between 01.01.2001 to 31.12.2001 in PLN thousand:

Company	Sales of products and services	Sales of merchandise and materials	Interest received	Other income
Agora-Holding Sp.z o.o.	10	-	-	-
KKK FM SA	125	-	59	257
Jan Babczyszyn Radio Jazz FM Sp. z o.o.	-	-	-	13
IM-40 Sp.z o.o.	983	-	-	-
Radio Trefl Sp.z o.o.	140	-	28	86
Elita Sp.z o.o.	77	-	36	-
O'le Sp.z o.o.	79	-	46	-
Agora Poligrafia Sp.z o.o.	16 561	127	-	-
Inforadio Sp. z o.o.	17	-	447	-
Karolina Sp.z o.o.	485	2	46	9
Lokalne Rozgłosnie Radiowe Sp.z o.o.	94	-	97	4
City Radio Sp.z o.o.	169	1	114	-
Biuro Obsługi Radiowej Sp.z o.o.	400	-	-	-
Radio Wawel Sp. z o.o.	-	-	-	-
ZUH "Uznam" Sp. z o.o.	156	-	215	-
ROM Sp.z o.o.	175	-	546	-
Barys Sp.z o.o.	201	-	251	-
Centrum Handlu Internetowego Sp. z o.o.	141	-	-	-
City Magazine Sp. z o.o	29	-	-	1
Radio Wanda Sp. z o.o.	21	-	-	-
Twoje Radio Sp. z o.o.	-	-	9	-
Agencja Reklamowa Jowisz Sp. z o.o.	2	-	35	-
Multimedia Plus Sp. z o.o.	-	-	2	-
Wibor Sp. z o.o.	16	-	-	-
<b>TOTAL</b>	<b>19 881</b>	<b>130</b>	<b>1 931</b>	<b>370</b>

Costs related to transactions with related parties in the period from 1 January 2001 till 31 December 2001 in PLN thousand.

Company	Purchases of products and services	Purchases of merchandise and materials	Interest paid	Other costs
Agora-Holding Sp. z o.o.	-	-	-	-
KKK FM SA	67	-	59	-
Jan Babczyszyn Radio Jazz FM Sp. z o.o.	-	-	-	-
IM-40 Sp.z o.o.	143	-	-	-
Radio Trefl Sp. z o.o.	79	-	28	6
Elita Sp. z o.o.	7	-	36	-
O'le Sp.z o.o.	12	-	46	-
Agora Poligrafia Sp. z o.o.	52 424	128	-	-
Inforadio Sp. z o.o.	504	-	447	13 707
Karolina Sp.z o.o.	307	2	46	-
Lokalne Rozgłosnie Radiowe Sp. z o.o.	6	-	97	4
City Radio Sp. z o.o.	29	1	114	-
Biuro Obsługi Radiowej Sp. z o.o.	138	-	-	-
Radio Wawel Sp. z o.o.	-	-	-	-
ZUH "Uznam" Sp. z o.o.	10	-	215	1
ROM Sp. z o.o.	31	-	546	23
Barys Sp. z o.o.	20	-	251	-
Centrum Handlu Internetowego Sp. z o.o.	-	-	-	4 000
City Magazine Sp. z o.o	38	-	-	2
Radio Wanda Sp. z o.o.	19	-	-	-
Twoje Radio Sp. z o.o.	-	-	9	-
Agencja Reklamowa Jowisz Sp. z o.o.	-	-	35	-
Multimedia Plus Sp. z o.o.	-	-	2	-
Wibor Sp. z o.o.	17	-	-	-
<b>TOTAL</b>	<b>53 851</b>	<b>131</b>	<b>1 931</b>	<b>17 743</b>

8. The Company did not have any joint ventures with other entities.
9. Employment:  
The average number of employees in total:  
including: 3 210  
- journalists 1 225  
- white collars 1 712  
- blue collars 273
10. Salaries paid by the Company in the 12 months ended 31 December 2001 to:  
Members of Board of Directors PLN 1 220 thousand,  
Supervisory Board Members PLN 143 thousand
11. In the 12 months ended 31 December 2001 the Company did not grant any guarantees or advances to the Board of Directors and Supervisory Board members.
12. The financial statements for the twelve months ended 31 December 2001 include no items regarding previous years.
13. Significant post balance sheet events.
- On January 18, 2002 Agora SA purchased shares in WIBOR Sp. z o. o. representing 24.08% of the share capital. The purchase price amounted to PLN 2.2 million. Together with previously owned shares, Agora now owns shares representing 48.98% of the share capital of WIBOR sp. z o. o. which entitle Agora to 48.98% of all votes at the General Meeting of Shareholders.
  - On February 18, 2002 the Company signed an investment agreement to purchase the enterprise of "Proszynski i S-ka Czasopisma" Sp. z o. o. (Polish limited liability company), which includes all the titles published by that company. The investment agreement binds both parties to conclude final purchase contract. Detailed information regarding the acquired enterprise (as defined in the Polish Civil Code) will be presented following the execution of the final sale agreement. "Proszynski i S-ka- Czasopisma" sp. z o. o. is not affiliated entity of Agora.
  - On April 5, 2002 the Company has entered into a long-term syndicated loan agreement with Bank Polska Kasa Opieki S.A., with its registered seat in Warsaw. The value of the loan is up to PLN 500 million (USD 122 million). The loan may be drawn in tranches in the period ending on March 30, 2004. The loan may be used to finance completion of the construction of the new Agora's premises in Warsaw, purchase of fixed and financial assets, capital increases in entities in which Agora may purchase shares, as well as financing of current working capital needs. The base schedule set by the agreement provides for repayment of the principal of the loan in 16 equal quarterly installments between 31st March 2004 and 31st December 2007. The agreement permits for amendments to this schedule. The interests will be payable monthly or quarterly. The interest of the loan shall be set based on the WIBOR rate for the given interest period plus bank commission.
14. In the period covered by the financial statements there have been no relations between Agora SA and its legal predecessors companies.
15. The data reported by the Company has not been adjusted for the inflation rates, since the cumulated inflation rate for the last 3 year did not exceed a 100%.
16. In 2001 the Grupa have changed the presentation of cost of shares purchased as compared to the previous period. For the comparability of the data for 2000 the amount of PLN 3 681 thousand was moved from short-term receivables to the other financial fixed assets.  
In the financial statements in comparison to previously published statements for the fourth quarter of 2001 foreign currency option premiums received amounting to PLN 2 303 thousand were disclosed as a liability while previously they were recognised as financial income. Consequently the deferred tax liability and tax charge for the year were reduced by PLN 645 thousand.

17. The Company did not change its accounting policies.
18. The financial statements of 2001 and 2000 did not contain fundamental errors.
19. There are no threats that the Company is a going concern.
20. In the year covered by the financial statements the entities of the Company did not merge with any other entity.
21. The Parent Company excluded from the consolidation the following subsidiary and associated companies as not significant based on the Accounting Act from 29 September 1994 article 56 point 2.

Numbers are in PLN thousand

	Company	Balance sheet total	Net sales revenues and financial income	% of Agora's balance sheet total	% of Agora's net sales revenues and financial income
1	Inforadio Sp. z o.o.	3 298	2 334	0,30 %	0,24 %
2	Elita Sp. z o.o.	822	1 385	0,07 %	0,15 %
3	KKK FM SA.	1 127	3 038	0,10 %	0,32 %
4	Radio Trefl Sp. z o.o.	1 343	3 239	0,12 %	0,34 %
5	Jan Babczyszyn Radio Jazz FM Sp. z o.o.	687	1 365	0,06 %	0,14 %
6	IM-40 Sp. z o.o.	5 958	12 067	0,54 %	1,26 %
7	O'le Sp. z o.o.	493	857	0,04 %	0,09 %
8	Lokalne Rozgłosnie Radiowe Sp. z o.o.	911	1 697	0,08 %	0,18 %
9	Karolina Sp. z o.o.	5 534	8 305	0,50 %	0,87 %
10	City Radio Sp. z o.o.	548	1 173	0,05 %	0,12 %
11	Biuro Obsługi Radiowej Sp. z o.o.	1 763	8 663	0,16 %	0,91 %
12	Wawel Sp. z o.o.	-	-	-	-
13	Barys Sp. z o.o.	458	391	0,04 %	0,04 %
14	ZUH "Uznam" Sp. z o.o.	1 285	356	0,12 %	0,04 %
15	CHI Sp. z o.o.	4 622	962	0,42 %	0,10 %
16	ROM Sp. z o.o.	824	467	0,07 %	0,05 %
17	City Magazine Sp.z o.o.	1 229	4 510	0,11 %	0,47 %
18	Radio Wanda Sp. z o.o.	-	-	-	-
19	Twoje Radio Sp. z o.o.	177	458	0,02 %	0,05 %
20	Agencja Reklamowa Jowisz Sp. z o.o.	650	579	0,06 %	0,06 %
21	Multimedia Plus Sp. z o.o.	1 990	215	0,18 %	0,02 %
22	Wibor Sp. z o.o.	2 730	2 505	0,25 %	0,26 %
	Total	36 449	54 566	3,31%	5,73%
	Agora SA	1 100 814	951 623	100,00 %	100,00 %

**Signatures of the Management Board Members:**

12-04-2002, Wanda Rapaczynski, The President *signed on the Polish original*

12-04-2002, Piotr Niemczycki, The Vice-President *signed on the Polish original*

12-04-2002, Helena ! uczywo, Board Member *signed on the Polish original*

12-04-2002, Zbigniew B" k, Board Member *signed on the Polish original*

**and signature of the person responsible for keeping the accounting records**

12-04-2002, Hanna Kossowska, Chief Accountant *signed on the Polish original*

## Letter to shareholders

As I write this letter in early April 2002 to report to you on the 2001 results and to discuss prospects for 2002, the thirteenth year of Agora's operations, three main themes are preeminent in my mind.

One, the economy. 2001 was a very tough year; 2002 does not promise to look any brighter. As the economy slowed down last year, for the first time in our history we faced a shrinking advertising market. For our team, which honed its skills under conditions of double digit annual growth, it was a demanding learning experience; we learned as we went along.

Nevertheless, both our newspaper and our local radio business outperformed the market and delivered respectable results. And *Gazeta Wyborcza* was the only national newspaper to grow paid circulation! Our team truly rose to the challenge and we, the Management Board, are very proud of them.

One of the hardest tasks was forecasting sales, given growth in the first quarter, then followed by three quarters of rapidly accelerating decline. In effect, although we were much more conservative than market analysts, who saw recovery around each and every corner of last year, until late in the year we played catch-up. Advertising decline led, while our cost-containment programs lagged. Cost savings program was implemented in the second half of the year; its full benefit will be visible this year.

Meanwhile, the market panicked. Large advertisers kept sharply reducing budgets throughout the year, often canceling orders mid-campaign; many small ones simply gave up on promoting their goods and services. Media - led by TV stations, particularly public TV - offered increasingly deep discounts, often charging a fraction of rate-card prices. Most media players rode this downward rate spiral. *Gazeta* resisted its allure and stayed with a recession appropriate strategy, in keeping with the market position of our newspaper. We made our advertising product scarce by keeping our rates high and allowing volume to decline, thus reducing newsprint cost. In effect, we kept and, in some cases, grew our market share and we maintained a healthy margin.

Judging by the first quarter of this year, we are in for a repeat performance –the advertising market will continue very weak, with stagnation following early decline and no rebound before the end of 2002. We built our operating plan on this assumption and, unless the situation deteriorates beyond that, we expect a very small decline in revenues, while EBITDA margin will stay on the 2001 level.

Two, investment strategy. Early in the year, we communicated to shareholders a frame for our growth strategy. Since then, we have been immensely busy filling the deal pipeline and evaluating opportunities in Poland and in the region. To accelerate the origination process, we declared an open door policy for investment banks, with a promise of mandate for any bank which brings us an interesting deal; the policy paid off, with many mandates currently out. Much of the groundwork has been accomplished and we are pleased with the array of value building opportunities.

Now the work is coming to fruition: we announced a transaction (purchase of 12 magazines) earlier this year; several more deals are well advanced. Funding is lined up: we have cash, we just signed a loan agreement in the amount of up to 500 million PLN, and, should it become necessary, we have significant authorized capital.

It should be kept in mind that the addition of these new businesses to our portfolio is likely to affect our 2002 financials, rendering year on year comparisons less straightforward. For example, some acquisitions might be initially dilute the operating results. After all, few media companies deliver EBITDA margins comparable to Agora's. This is particularly true in our region, where companies are immature and require investment to realize their growth

potential – but then, they are not fully valued, either. Needless to say, the acquisitions will also affect the bottom line wherever goodwill arises.

While the work of looking for deals, analyzing target operations and negotiating terms continues unabated, we are also focusing very hard on how to successfully integrate and leverage performance of these new businesses and on getting management teams in place. Going forward, these are the most important objectives for our Business Development team and for the whole organization. The proof of the pudding, after all, is not in merely buying companies, but in managing them to deliver value.

Three, the draft media law. As I write this, one of the hottest issues in Poland is the government draft of a new media law, just sent to the Parliament. The law imposes stiff cross-ownership restrictions, for example banning a national newspaper publisher from owning a terrestrial television station with national (80% of territory) coverage. It is not clear whether the draft will become the law. The bill has provoked a public uproar in Poland and censure from international human rights and press organizations, both on substance and on the secretive and hasty manner of its preparation; Poland's President went on record warning he will not sign it.

We prefer to make our investment choices on our own, without assistance from state authorities. This is why, together with other media companies, we are working very hard to prevent the passage of the bill in its current form. We hope reason prevails over murky political ends and the controversial provisions are dropped from the bill. This would be good for both Polish democracy and Polish media.

If the law is passed, this company will be irked, but not hurt. True, certain paths to Agora's growth – such as buying a national TV station – will be barred, for the time being. But there are many other media segments and investment opportunities, both in Poland and in the region, abound. We have made a promise to our shareholders to grow this company and, administrative obstacles notwithstanding, we fully intend to deliver.

Please stay tuned.

Wanda Rpaczynski  
*President of the Management Board*

Warsaw, 19 April 2002

**AGORA SA MANAGEMENT DISCUSSION OF NON-CONSOLIDATED RESULTS  
FOR FISCAL YEAR 2001  
(PRESENTED ACCORDING TO POLISH ACCOUNTING RULES)**

Accounting principles adopted by Agora SA are described in the introduction to the financial statements. These principles give accurate and fair description of the Agora's fixed and financial assets and its operating results and profitability.

The main product of the Company is *Gazeta Wyborcza*.

For the first time in its history Agora faced an advertising recession. The challenge for the Company was to maintain the market position and profitability of its core business under conditions of shrinking advertising spending and growing competition, while simultaneously implementing its growth strategy.

In our opinion, we acquitted ourselves honorably. Total revenues declined 2.9%, or less than the market, and the key financial measures remained at a respectably high level:

- Operating profit amounted to PLN 104.0 million
- EBITDA margin reached 26.4%
- Net profit of PLN 165.5 million

Description of the factors influencing profitability of the Company in the period covered by the financial statements is provided in the consolidated financial statements for fiscal year 2001. The Company believes that consolidated statements better reflect results and financial condition of the Company as it includes influence of Agora-Poligrafia Sp. z o.o., 100% owned by the Company and providing printing services to it.

**External and internal factors affecting the development of the Company**

Detailed discussion of external and internal factors significant for further growth of the Company is provided in the consolidated financial statements for fiscal year 2001.

***Future prospects***

In 2002 Agora will face dual challenge – we will continue to be embattled by advertising recession while continuing to implement Agora's growth strategy.

The first few months of 2002 are the clear sign that the advertising market has not yet found its bottom and that the decline may continue for several months. We are not counting on a subsequent rapid recovery, we anticipate that the decline will be followed by a period of stagnation. The first signs of recovery will occur at the end of 2002 or on the cusp of 2002 and 2003.

The Management Board of the Company does not expect revenue growth from existing operations; in fact, we will contend with a further, single digit decline. Our operating plan for 2002 was built on this assumption. Because of difficult market conditions, the plan assumes no periodic salary increases for staff in 2002. A bright point is the expected decline in newsprint prices. Agora estimates that on the average (for various types and weights of paper), the price will decline by 8.5-10%, expressed in EURO. The lower price, combined with continued lower production volumes, should deliver additional savings (provided however that the Polish zloty is not significantly decreased vis a vis EURO).

The Company will continue to carefully monitor its expense base. It should be noted, however, that cost cutting must be selective and should not extend to these expenses which are necessary to maintain market position, continue growth and implement expansion plans.

Current year will be a significant one for Agora's growth. Agora's strong cards include, on the one hand, its attractiveness as partner for many media companies in Poland and abroad, and, on the other hand - particularly under present economic conditions – its liquidity and strong financial position. In the last year, the Company focused on its growth strategy, announced publicly in February 2001. In the last 12 months we evaluated a broad gamut of investment opportunities in this market and in the region. After in-depth analysis, we rejected many potential transactions because in our opinion they failed to meet criteria necessary for building shareholder value. In a couple of cases, we lost the assets to stronger Western European competitors. But a number of transactions – a few of them significant in size – are quite advanced. When they close, Agora will need to equal to challenges of effectively managing newly acquired companies. We are fully aware of the importance of this task and are actively engaged in the process of getting the management ready.

## **OPERATING REVIEW**

Detailed discussion of operating results is provided in the consolidated financial statements for fiscal year 2001.

### **GAZETA WYBORCZA**

#### **Paid circulation**

Revenue from copy sales was up 12.2% to PLN 172.4 million, while the average net price per copy increased by 13.2% (excluding VAT) and distribution margin rose by 1.2pp. Revenue from paid circulation comprised 21.8% of the Company's revenue.

According to the Circulation Audit Office (ZKDP), total sales of paid circulation of Polish daily newspapers decreased by 5.7%. Thanks to active readership promotion, as well as effective leverage of increased Polish and foreign newsflow, *Gazeta*'s average daily copy sales for 2001 reached 463,000 copies (up 0.3% y-o-y).

#### **Advertising Sales**

*Gazeta*'s advertising revenue amounted to PLN 558.3 million, 9.3% down y-o-y, and accounted for 70.5% of the Company's total revenue.

According to Agora estimates, Polish ad market decreased by 6.0% (figures are adjusted for discount rates and not adjusted for inflation), while the daily press market (excl. free press) declined by 10.9%.

<b>ADVERTISING REVENUE</b>			
<b>(in PLN million)</b>	<b>2001</b>	<b>2000</b>	<b>%growth '01/'00</b>
National advertising	294.8	326.6	(9.7%)
<i>Share in total ad revenue</i>	52.8%	53.1%	
Local advertising (excl. Warsaw)	135.0	146.0	(7.5%)
<i>Share in total ad revenue</i>	24.2%	23.7%	
Warsaw advertising	128.5	142.7	(9.9%)
<i>Share in total ad revenue</i>	23.0%	23.2%	
<b>TOTAL</b>	<b>558.3</b>	<b>615.3</b>	<b>(9.3%)</b>

### **FREE PRESS**

On October 15, 2001, Agora SA published the first issue of a free newspaper, *Metro*, distributed twice a week in Warsaw with a total circulation of 50,000 copies. On December 14, 2001, Wrocław's *Metro* kicked off (also twice a week with a circulation of 50,000 copies).

By entering the free press market, Agora SA aims to reinforce its position in the ad market as well as strengthen *Gazeta Wyborcza*'s position in Warsaw and other Polish cities.

In 2001, *Metro* brought revenue of PLN 0.3 million, while operating cost amounted to PLN 0.4 million (including newsprint and other production materials of PLN 0.18 million).

### **INTERNET (with allocations)**

Total online revenue in 2001 amounted to PLN 3.8 million (including advertising revenue of PLN 3.0 million) and increased by 7.2%.

In December 2001, there were 102 employees working on the project, including 4 allocations. Operating costs reached PLN 29.1 million, including D&A of PLN 10.6 million and promotion of PLN 4.4 million. The internet project contributed negatively to the Company's net result by PLN 18.2 million. Capital expenditures (fixed assets, intangible assets and investments-in-progress) amounted to PLN 17.9 million.

## **ADDITIONAL INFORMATION**

- On March 26, 2001 Agora announced a tender offer for the acquisition of shares in Art Marketing Syndicate SA ("AMS"). The tender offer started on April 2, 2001 and closed on April 11, 2001. The tender has been announced in order to acquire shares constituting 24.99% of the total number of votes at the Shareholders' Meeting of AMS at the price of PLN 60 per share. After the price was increased twice, to PLN 63 and PLN 70 shares entitling to 17.95% of the total number of votes at the Shareholders' Meeting were tendered. On April 13, 2001 the

Management Board of Agora SA decided not to accept the shares of AMS that have been tendered as insufficient shares were tendered to reach the minimum acceptance threshold specified in the tender offer.

- On April 11, 2001 pursuant to the terms and conditions of the Exchangeable Loan Agreement of September 11, 1997 with later amendments between Agora and Cox Poland Investments Inc. (Cox), Agora transferred to Cox 9,158 series A registered shares and 15,445 series B registered shares of TKP. The shares transferred to Cox constitute 5.94% of TKP share capital and are entitled to 5.94% of votes at the TKP General Meeting of Shareholders. The shares were transferred to Cox in exchange for and in complete satisfaction of the principal and accrued interest under the Exchangeable Loan Agreement. As a result of the transfer, Agora's stake in TKP decreased from 12.12% to 6.18%.  
On April 20, 2001 Agora and Cox sold all their shares of TKP to PolCom Invest SA Agora received PLN 41.3 million for its stake (6.18% of TKP shares). TKP paid Agora PLN 3.6 million of interest, of which PLN 1.8 million was transferred to Cox pursuant to Strategic Alliance Agreement of December 5, 1997. Furthermore, Agora realised PLN 1.6 million of foreign exchange and interest gains on these transactions.  
The transaction brought about an increase in tax of PLN 2.1 million, while the tax due on the back of the said transactions (paid in the first half) decreased by PLN 4.6 million.  
The sale of TKP shares increased the Company's net result by PLN 101.9 million (calculated as of June 30, 2001).
- On July 12, 2001, a total of 2,870,845 additional common bearer shares of Agora SA were listed on the Warsaw Stock Exchange. These shares constitute 16% of the Company's free float. Of these 2.5 million shares are in possession of shareholders who acquired the shares as a result of the Company's transformation into the joint stock company in 1998. The remaining shares constitute those acquired as a result of incentive plans implemented by Agora. On July 1, 2001, the lock-up on those shares has expired in accordance with the principles disclosed in the international offering circular.
- On December 27, 2001, 190 beneficiaries of incentive plans purchased from Agora-Holding a total of 22,406 common registered series D shares of Agora and 276 beneficiaries purchased from Agora-Holding a total of 1,318,240 common registered series B shares of Agora. The purchase took place due to the execution of the conditional rights to purchase shares resulting from the incentive plans implemented by Agora and Agora-Holding. The granting of the conditional rights to purchase shares was confirmed by the General Meeting of Shareholders of Agora dated June 27, 2001. The unit purchase price for share is PLN 1.00. The Series D shares are subject to lock-up until July 2003. The Series B shares are subject to lock-up until July 2006 in such a way that each year the lock-up will expire in respect to 20% of the initial number of shares unless there appear other conditions provided for in the agreements between Agora and Agora-Holding and between Agora-Holding and each of the purchasers of the above shares.

- Ownership of Agora's shares and rights to these shares by members of the Management Board  
a. shares

**Ownership at 31/12/2001**

Wanda Rapaczynski	1,416,423
Piotr Niemczycki	1,881,300
Helena Łuczywo	1,382,329
Zbigniew Bąk	18,901

- b. conditional right to purchase shares (under the condition of signing a lock-up agreement)

**Ownership at 31/12/2001**

Wanda Rapaczynski	0
Piotr Niemczycki	0
Helena Łuczywo	0
Zbigniew Bąk	0

- Ownership of Agora's shares and rights to these shares (members of the Supervisory Board).

**Ownership at 31/12/2001**

Henryka Bochniarz	0
John Mellott	0
Tomasz Sielicki	33
Stanisław Soltysiński*	-
Louis Zachary	0

\* Stanisław Soltysiński invests in a Blind Trust fund

- Shareholders entitled to execute more than 5% of the votes at the General Shareholder Meeting

	<b>Number of shares</b>	<b>% stake in share capital</b>	<b>Number of votes at AGM</b>	<b>% share in number of votes at AGM</b>
<b>Ownership at 31/12/2001</b>				
Agora-Holding Sp. z o. o.	15,355,351	27.05%	32,461,111	42.80%
Cox Poland Investment, Inc.	5,818,450	10.25%	7,774,690	10.25%
Bankers Trust Company	5,504,794	9.7%	5,504,794	7.26%

#### **POST BALANCE SHEET EVENTS**

The post balance sheet events that have taken place after the 31 December 2001 are described in the note 13 to the financial statement.

#### **THE TRANSACTION WITH THE RELATED PARTIES**

Are described in the addition note 7 to the financial statement.

#### **Warsaw, 12 April 2001**

Wanda Rapaczynski – President *Signed on the polish original*

Piotr Niemczycki - Vice President *Signed on the polish original*

Helena Łuczywo - Member of the Board *Signed on the polish original*

Zbigniew Bąk - Member of the Board *Signed on the polish original*