

Ladies and Gentlemen, Dear Shareholders,

Another year of positive changes in the Agora Group, including dynamic development of many of our projects, as well as restructuring of some of our businesses, is behind us. The year 2017 was yet another stage in the execution of the Group's development plan announced in March 2014. We are glad that the initiatives which we have been consistently implementing over the last four years are bringing tangible results - better than expected.

The Press segment has been successfully changing the business model and restructuring its operations. This led to a significant improvement of its operating result. At the end of 2017, the number of active digital paid subscriptions of *Gazeta Wyborcza* exceeded a record level of 133,000. This is an excellent result and a good sign, confirming the correct direction of changes and development of our press activity.

The Film and Book segment closed the year with a double-digit revenues and operating result increase. Undoubtedly, this was the result of our consistent policy in the cinema market - for this reason we are going to continue to expand the Helios chain. The success of the segment is also due to the improved results of the film business and Agora's Publishing House, with huge popularity of such productions as *Sztuka kochania. Historia Michaliny Wisłockiej* or *Po prostu przyjaźń* and books such as *Sztuka kochania, Tu byłem. Tony Halik* and *Ania* – a biography of Anna Przybylska.

In the outdoor advertising market the priority of the Agora Group remains reinforcing its leading position in the premium media segment. We have been implementing this plan with considerable success, which is reflected in the financial results of our Outdoor Advertising segment. AMS has been achieving business targets significantly higher than planned – it ended last year with a double-digit improvement of its operating result, recording the best result in its history.

When it comes to the online business of the Group, our priority is a significant development in the fastest-growing market segments. We plan investments in selected content categories, new formats and mobile applications. We dynamically develop the programmatic area, which is one of the sections of the online advertising market offering the best prospects. Yieldbird, a company operating in this segment, was listed in a prestigious ranking of the fastest-growing technology companies in Europe. When it comes to our radio business, the overriding objective is to increase profitability. In 2017, the operating result of the Radio segment saw a double-digit increase. At the same time, we continue pursuing an effective development strategy of our stations by increasing considerably the scale of our activity. Radio Pogoda enjoys huge popularity among listeners, and TOK FM Radio reaches record audiences. The changing situation in the media market prompted us to verify the approach of the Agora Group to our presence in the television market. In 2017, we decided to divest of shares in the most popular television channel created on the eight multiplex of terrestrial digital television. We still remain a partner of Kino Polska and continue to co-create the Stopklatka TV channel.

One of the targets announced by the Group in 2014 was keeping the Print segment in the black. In 2017 we failed to achieve this due to the rapid changes in the portfolio of our customers. In response to this situation we made a difficult decision to restructure this area of our business, including group redundancies. The aim of the Management Board is to permanently restore the profitability of this segment.

Summarising, we see the positive effects of the implementation of our development plans. We are successfully adjusting our offer to the requirements of the fast-changing media market and systematically seek new sources of revenues.

In 2018, we will present a new development strategy of the Agora Group. I am convinced that everything that we have done to-date is an excellent starting point for taking a bolder look at the possibilities of increasing the business volume and the further development of the Group. In the new, enlarged Management Board, we are working on a plan that will meet the challenges of the future.

Attaining our business and financial goals, we want to be the first and obvious choice for users and partners to whom our media and undertakings provide reliable information, quality journalism, interesting entertainment or innovative solutions guaranteeing that they can effectively reach their customers.

I would like to thank everybody – our shareholders, customers and employees – for their support and trust placed in Agora, and our everyday audiences: readers, users, listeners and viewers – for their interest and loyalty.

Bartosz Hojka  
President of the Management Board of Agora S.A.