



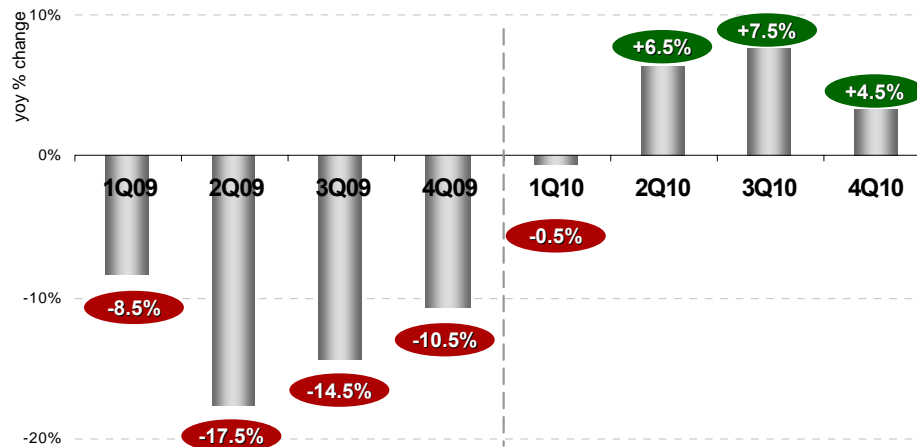
AGORA SA

## Investor presentation

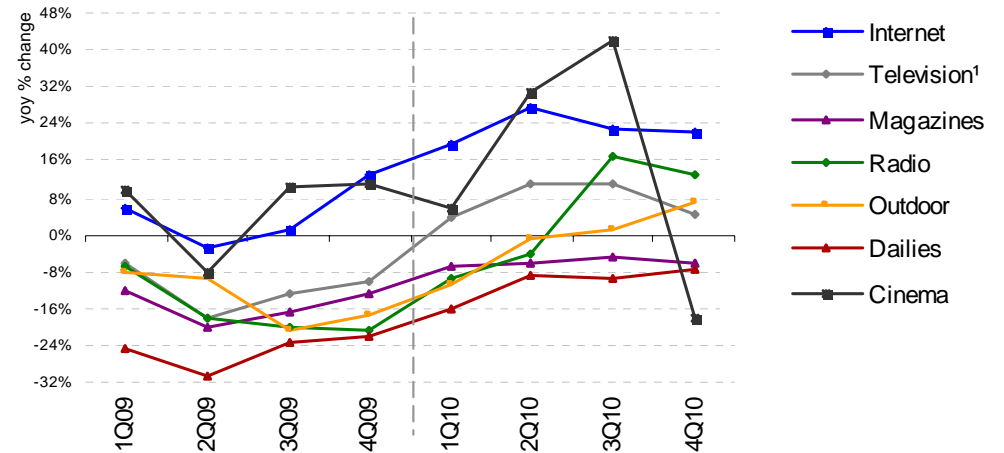
February/March 2011

# Improvement in the advertising market

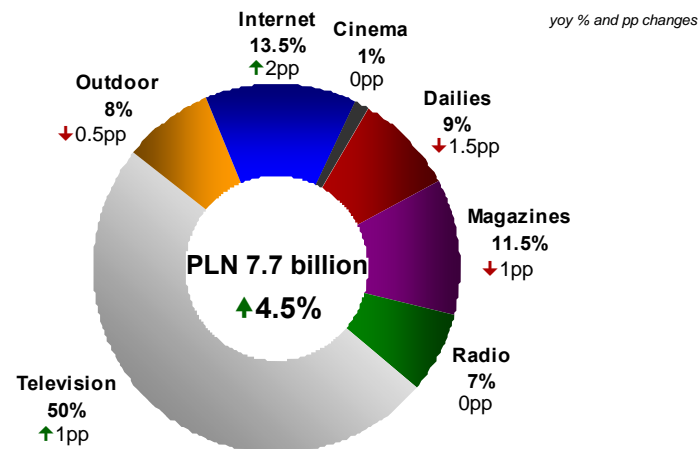
Quarterly ad spend performance



Quarterly performance of ad market segments



Advertising market structure in 2010



Source: ad spend estimates by: Agora (press based on Kantar Media and Agora's monitoring, radio based on Kantar Media), Starlink (TV, cinema, Internet – comprise revenues from e-mail marketing, display, search engine marketing and affiliate marketing), IGRZ (outdoor);  
<sup>1</sup> Data, for 1-4Q09 and 1-4Q10, according to new methodology of TV ad market measurement (by media house Starlink), comprise standard TV advertising and sponsoring revenues. The estimates for previous reporting periods have not been adjusted adequately therefore they are not fully comparable.

# Agora Group improves results

<i>PLN million</i>	4Q 2010	yoy change	2010	yoy change	
<b>Revenues, incl.:</b>	<b>340.7</b>	<b>17.0%</b>	<b>1 116.7</b>	<b>0.6%</b>	Growth of revenues caused by consolidation of revenues of Helios group and improvement in the advertising market.
- advertising	202.9	2.1%	715.7	(2.5%)	Growth resulting from growing advertising revenues of the Group's selected business segments.
- copy sales	55.4	(8.1%)	208.9	(15.4%)	Decrease caused mainly by lower revenues from copy sales.
- tickets sales	33.2	-	40.1	-	
- other	49.2	53.3%	152.0	17.8%	
<b>Operating cost, incl.:</b>	<b>310.4</b>	<b>14.3%</b>	<b>1 031.8</b>	<b>(2.4%)</b>	Growth resulting from inclusion of food and beverages sales in cinemas of Helios group and revenues from additional undertakings in Special Projects.
- raw materials, energy and consumables	66.1	18.7%	203.3	(8.8%)	Growth resulting from inclusion of the cost of materials and energy of Helios group and higher cost of publishing book collections in 4Q10.
- staff cost <sup>1</sup>	78.6	17.8%	283.2	5.6%	
- non-cash expense relating to share-based payments	4.5	45.2%	10.4	2.0%	Growth resulting from larger number of employees in the Group after the acquisition of Helios group, higher achievement rate of budgetary objectives and development projects executed in the Group.
- marketing & promotion	39.9	(1.5%)	130.9	(12.8%)	
- D&A	22.5	12.5%	82.4	1.5%	Decrease resulting from lower prices of media purchase and limited scope and number of advertising campaigns in the Group's selected segments.
<b>EBIT</b>	<b>30.3</b>	<b>55.4%</b>	<b>84.9</b>	<b>60.5%</b>	
EBIT margin	8.9%	2.2pp	7.6%	2.8pp	
<b>Operating EBITDA<sup>1</sup></b>	<b>57.3</b>	<b>34.5%</b>	<b>177.6</b>	<b>23.4%</b>	
Operating EBITDA margin <sup>1</sup>	16.8%	2.2pp	15.9%	2.9pp	
<b>Net profit</b>	<b>18.0</b>	<b>20.8%</b>	<b>71.9</b>	<b>87.7%</b>	

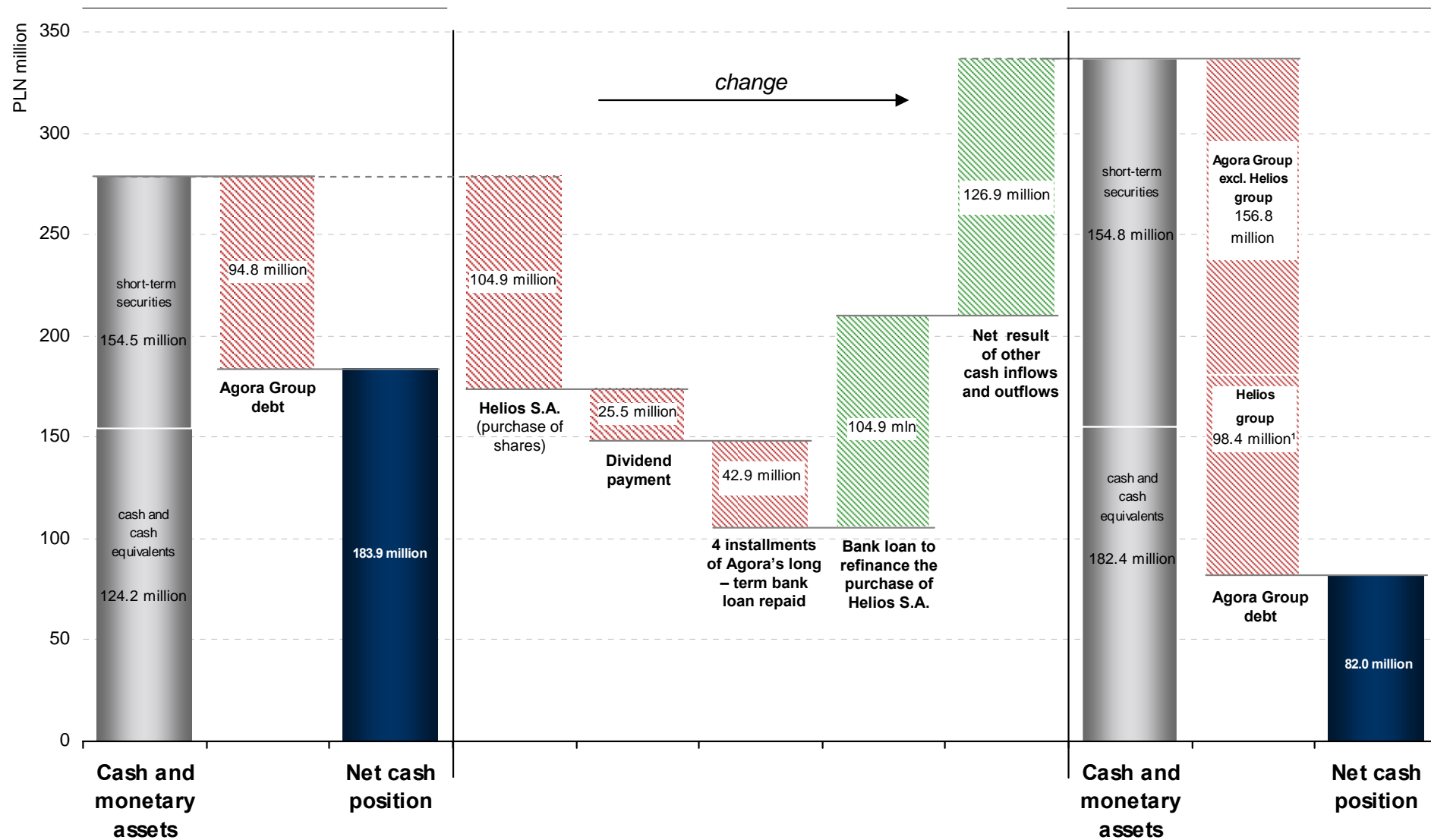
Source: consolidated financial statements according to IFRS, 4Q10;  
<sup>1</sup> excluding non-cash cost of share-based payments;



# Changes in the Group's cash flow

As of 31/12/2009

As of 31/12/2010



Source: consolidated financial statements according to IFRS, 4Q10;  
<sup>1</sup> long term bank loans, borrowings and finance lease liabilities.

# Segment performance: Newspapers

(Gazeta, Metro, Special Projects, Printing Division)

## Financial performance<sup>1</sup>

PLN million	4Q 2010	yoy change	2010	yoy change
<b>Revenues, incl.:</b>	<b>173.3</b>	<b>(2.6%)</b>	<b>644.0</b>	<b>(7.6%)</b>
- advertising in <i>Gazeta</i>	79.3	(12.4%)	305.9	(10.8%)
- advertising in <i>Metro</i>	8.7	(1.1%)	31.4	(2.5%)
- copy sales of <i>Gazeta</i>	36.6	(2.1%)	146.1	(2.9%)
<b>Operating cost, incl.:</b>	<b>138.6</b>	<b>0.4%</b>	<b>496.6</b>	<b>(10.8%)</b>
- raw materials, energy, consumables and printing services	56.2	(2.4%)	196.0	(16.6%)
- staff cost excl. non-cash cost of share-based payments	33.1	2.2%	130.5	0.5%
- marketing & promotion	25.2	5.9%	80.0	(17.4%)
<b>EBIT<sup>2</sup></b>	<b>34.7</b>	<b>(13.3%)</b>	<b>147.4</b>	<b>5.3%</b>
EBIT margin <sup>2</sup>	20.0%	(2.5pp)	22.9%	2.8pp
<b>Operating EBITDA<sup>3</sup></b>	<b>43.1</b>	<b>(10.6%)</b>	<b>178.2</b>	<b>3.6%</b>
Operating EBITDA margin <sup>3</sup>	24.9%	(2.2pp)	27.7%	3.0pp

The decrease of revenues results mainly from the limitation of advertising spending in categories: telecommunication, automotive, tourism and recruitment.

The decrease of revenues from display ads by 6.3% yoy was partially offset by additional activities, including mTarget.

The decrease in revenues by 2.1% yoy despite smaller by 6.1% number of *Gazeta*'s copies sold.

Lower production volume and favorable EUR/PLN exchange rate.

Influence of, i.a., growth of variable element of remuneration related to higher achievement rate of budgetary objectives and development projects executed in the segment.

Result of higher cost of marketing & promotion of Special Projects (due to larger number of projects).

Source: financials: consolidated financial statements according to IFRS, 4Q10; ad spend in dailies: Agora, display advertising, 4Q10;

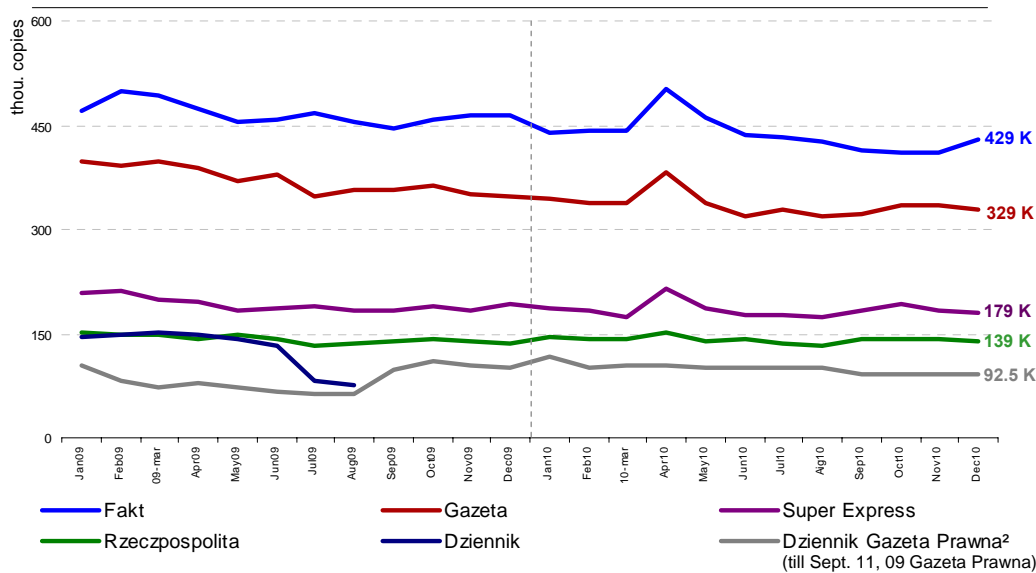
<sup>1</sup> incl. *Gazeta*, *Metro*, Special Projects, Printing Division;

<sup>2</sup> excluding allocations of general overhead cost of Agora SA;

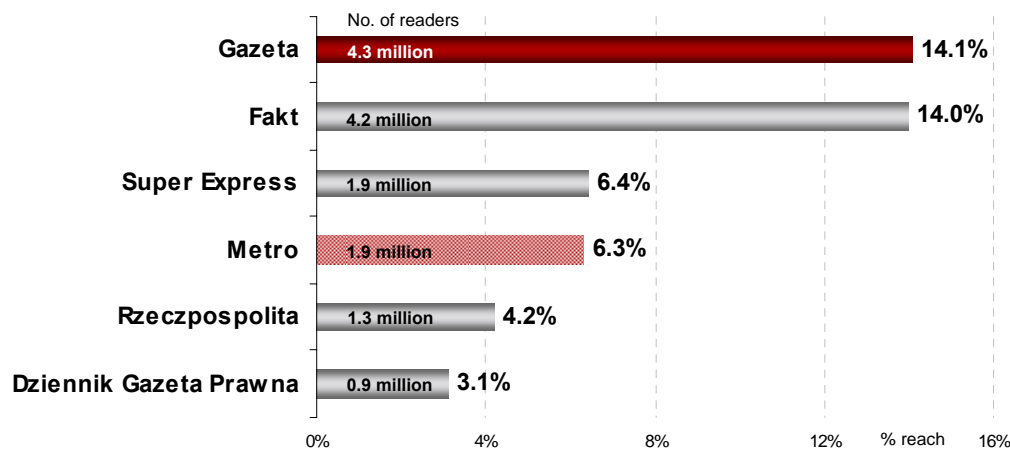
<sup>3</sup> excluding non-cash cost of share-based payments and allocations of general overhead cost of Agora SA.

# Stable position of Gazeta in dailies segment

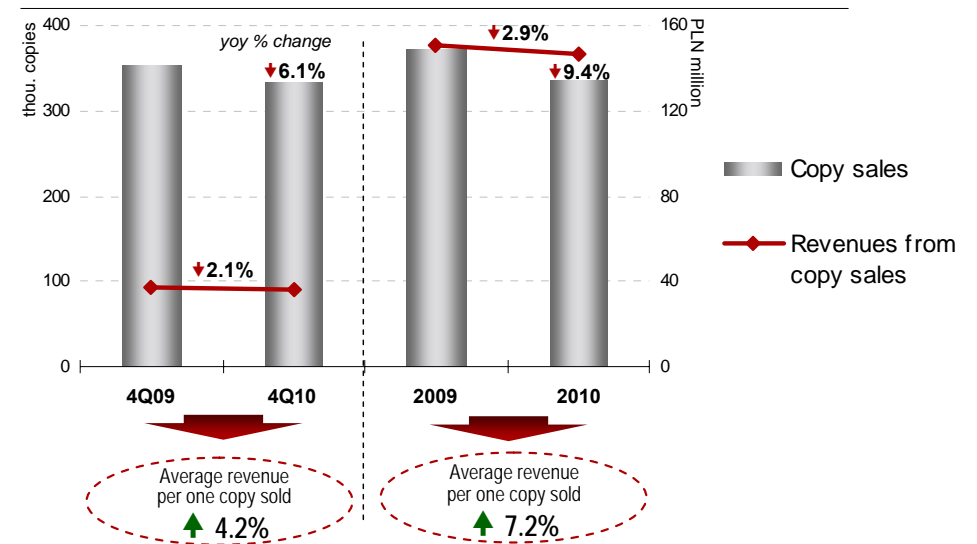
Copy sales of dailies<sup>1</sup>



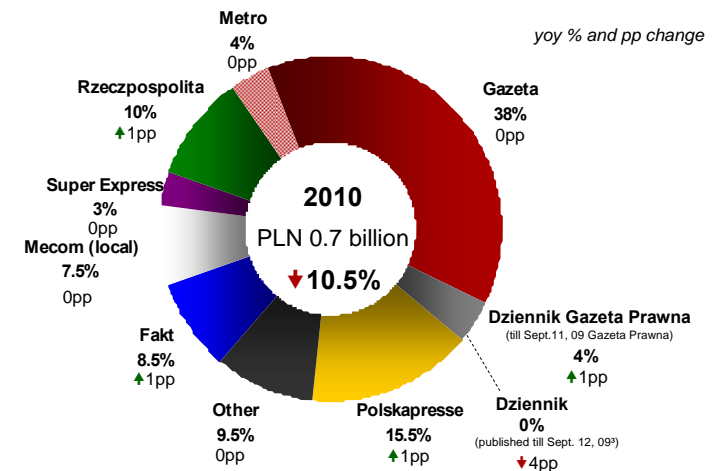
Weekly readership reach in 2010<sup>1</sup>



Revenues vs copy sales of Gazeta



Dailies ad spend structure<sup>1</sup>



Source: copy sales: ZKDP, total paid circulation, Jan09 – Dec10, comparison; financials: consolidated financial statements IFRS, 4Q10; readership: Polskie Badania Czytelnictwa, execution MillwardBrown SMG/KRC, Jan-Dec 10, N=48 445, CCS indicator (weekly readership), elaboration Agora SA; ad spend in dailies Agora, estimates, display advertising;

<sup>1</sup> comparison of major dailies only

<sup>2</sup> the title appeared on the market on September 14, 2009 from the merger of *Gazeta Prawna* and *Dziennik*. Previous copy sales data based on copy sales of *Gazeta Prawna*. The copy sales of *Dziennik Gazeta Prawna* in the period Sep 14-30 amounted to 126 thou. copies;

<sup>3</sup> the title appeared on the market on September 14, 2009 from the merger of *Gazeta Prawna* and *Dziennik*. Previous ad revenue data relates to the ad revenue of *Gazeta Prawna*.

# New undertakings in Newspapers' segment

## Wysokie Obcasy Extra (High Heels Extra)



## Wysokie Obcasy Extra on the iPad



## Mobile applications

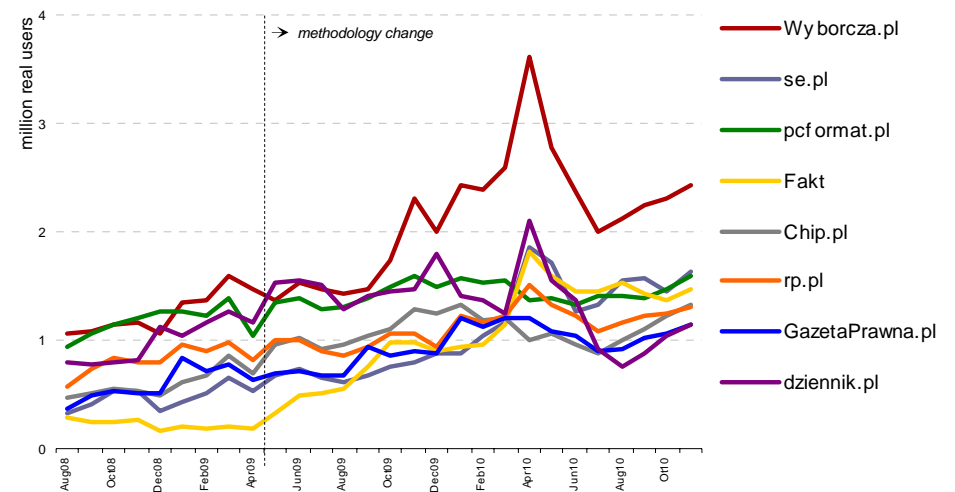


Mobile websites m.Wyborcza.pl and m.Wyborcza.biz



Development of iPhone applications Wyborcza.pl i Wyborcza.biz

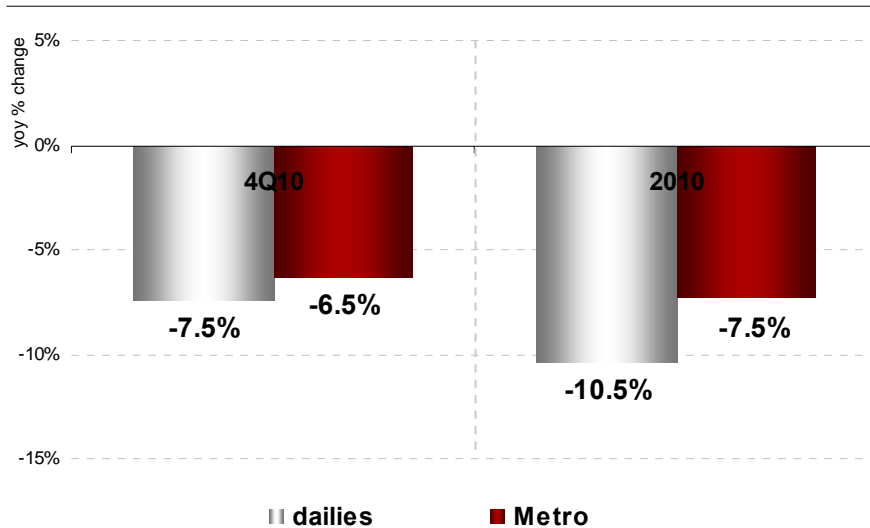
## Wyborcza.pl the most popular press title in Internet



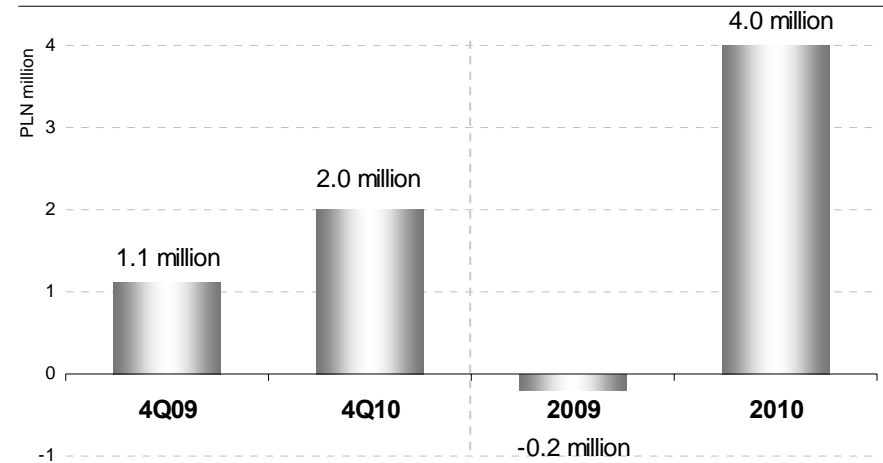
Source: Internet statistics – real users, Megapanel PBI/Gemius, selected websites, elaboration Agora SA.

# Metro improves operating results

Display ad revenue dynamics in dailies vs Metro

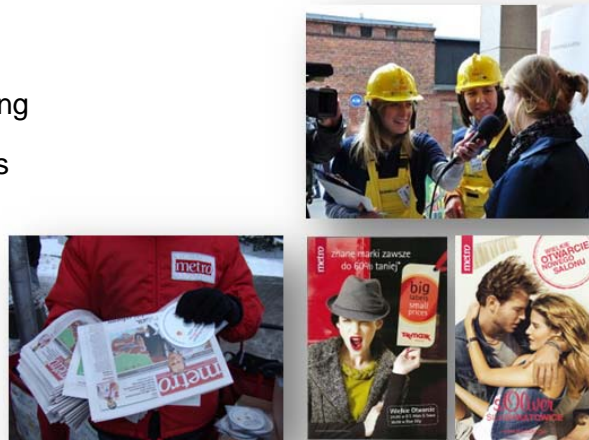


Operating EBITDA<sup>1</sup>

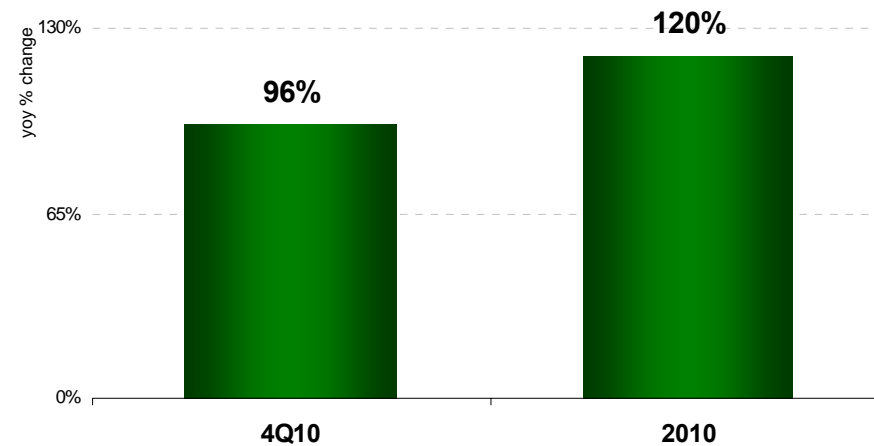


Development of new advertising forms

- Events
- Custom publishing
- Magazine covers
- Leaflets



% change in revenues from additional activities: Metro's special projects and mTarget

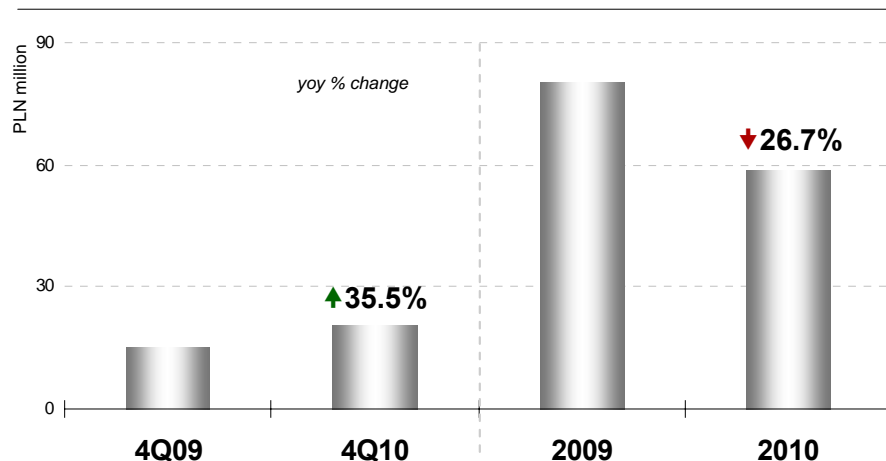


Source: financials: consolidated financial statements according to IFRS, 4Q10; ad expenditure in dailies: Agora's estimates, display advertising;  
<sup>1</sup> excluding non-cash cost of share-based payments and allocations of general overhead cost of Agora SA;

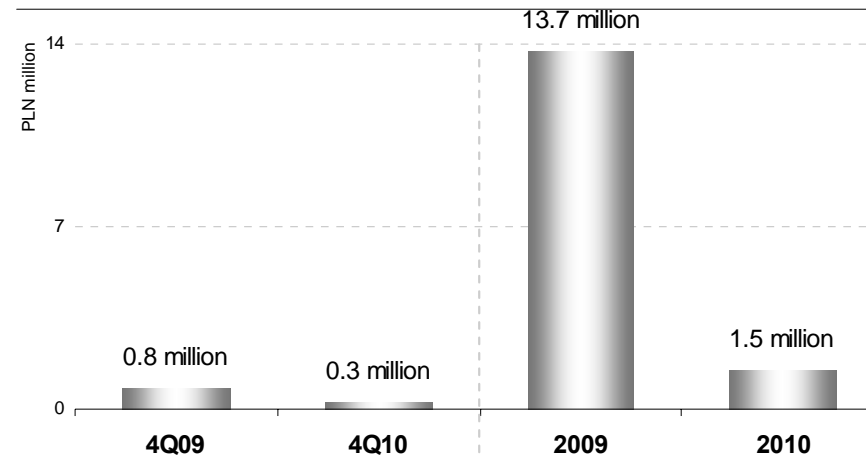


# Growth of revenues of Special Projects in 4q10

## Revenues



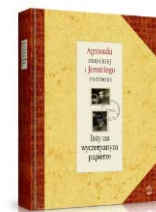
## EBIT<sup>1</sup>



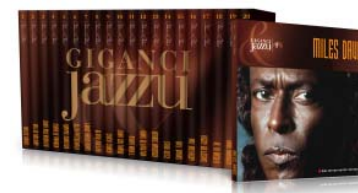
## Statistics

	4Q 2010	2010
Series	7	15
One-offs	30	59
<b>Total:</b>	<b>37</b>	<b>74</b>
Copies sold (million) <sup>2</sup>	0.8	2.5

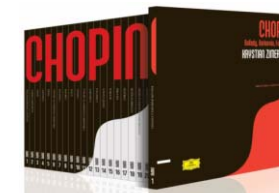
## Publishing hits



„Letters of Agnieszka Osiecka and Jeremi Przybora”

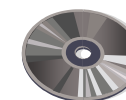


20-volume collection  
Jazz Giants



20-volume collection  
Chopin

Bestseller in online bookstore  
(Merlin.pl)  
(#2 in 4Q10; #3 in 2010)



Each volume of the collections  
received the title of the platinum  
record

Source: financials: consolidated financial statements according to IFRS, 4Q10; data about number of copies sold: online bookstore Merlin.pl, The Polish Society of the Phonographic Industry (ZPAV);

<sup>1</sup> excluding allocations of general overhead cost of Agora SA;

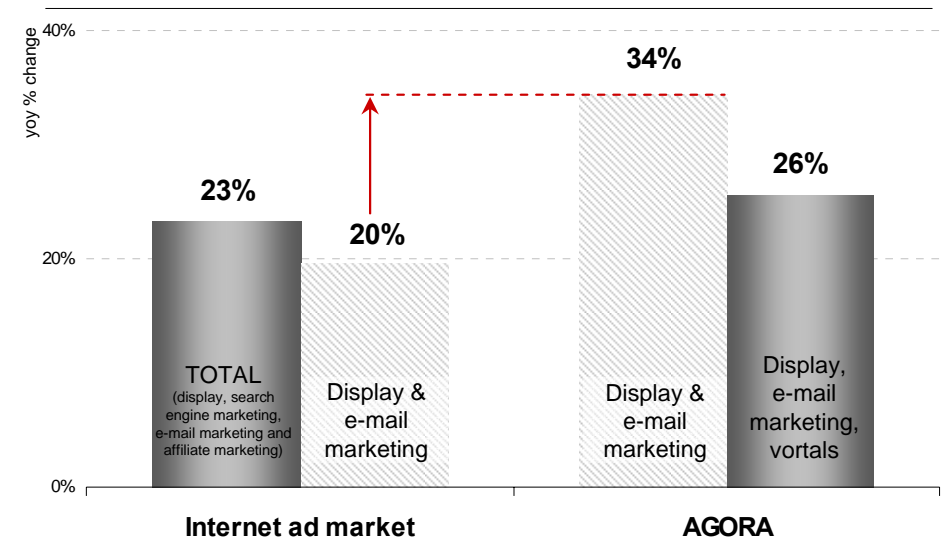
<sup>2</sup> books and books with DVDs and CDs.

# Dynamic growth of ad revenues in Internet segment

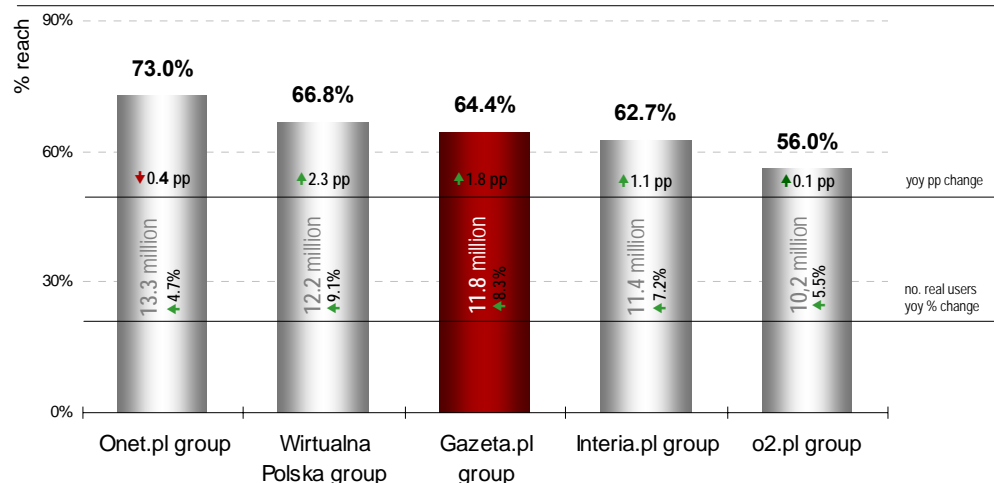
## Financial results<sup>1</sup>

PLN million	4Q10	4Q09	yoy change	2010	2009	yoy change
<b>Revenues, incl.:</b>	<b>31.3</b>	<b>26.4</b>	<b>18.6%</b>	<b>101.8</b>	<b>84.9</b>	<b>19.9%</b>
- display ads	22.7	18.7	21.4%	69.9	52.0	34.4%
- incl. Trader.com (Polska)	1.2	0.6	100.0%	4.0	2.1	90.5%
- vortal ad sales	6.1	5.5	10.9%	23.3	22.2	5.0%
- incl. Trader.com (Polska)	2.8	2.6	7.7%	10.9	10.0	9.0%
<b>Operating cost, incl.:</b>	<b>28.5</b>	<b>29.2</b>	<b>(2.4%)</b>	<b>97.1</b>	<b>95.3</b>	<b>1.9%</b>
- staff cost excl. non-cash cost of share-based payments	11.4	10.3	10.7%	43.5	42.3	2.8%
- marketing & promotion	7.1	9.6	(26.0%)	19.9	23.4	(15.0%)
<b>EBIT<sup>2</sup></b>	<b>2.8</b>	<b>(2.8)</b>	<b>-</b>	<b>4.7</b>	<b>(10.4)</b>	<b>-</b>
EBIT margin <sup>2</sup>	8.9%	(10.6%)	19.5pp	4.6%	(12.2%)	16.8pp
<b>Operating EBITDA<sup>3</sup></b>	<b>4.6</b>	<b>(0.7)</b>	<b>-</b>	<b>11.9</b>	<b>(3.0)</b>	<b>-</b>
Operating EBITDA margin <sup>3</sup>	14.7%	(2.7%)	17.4pp	11.7%	(3.5%)	15.2pp

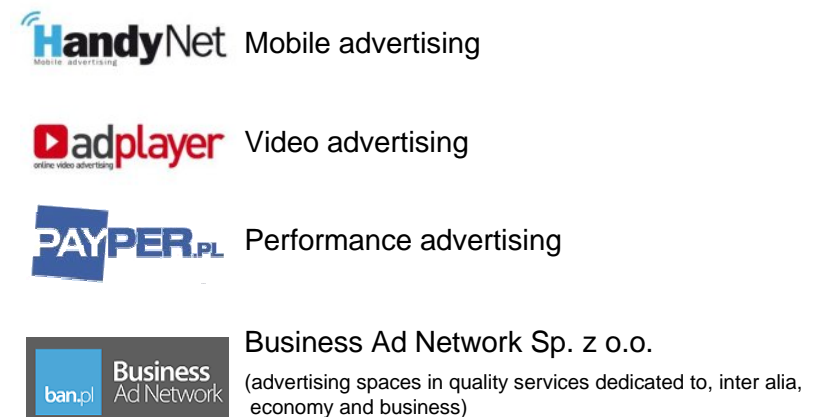
## Dynamics of ad expenditure in Internet in 2010



## Reach of websites of selected Internet publishers (November '10)



## Diversification of revenue sources – new ad networks



Source: financials: consolidated financial statements according to IFRS, 4Q10; Internet ad spend: Starlink (display, search engine marketing, e-mail marketing and affiliate marketing); Internet statistics: Megapanel PBI/Gemius, reach, real users, Nov 2009, Nov 2010;

<sup>1</sup> Internet division, Agora Ukraine, AdTaily, Trader.com (Polska) including print revenues;

<sup>2</sup> excluding allocations of general overhead cost of Agora SA;

<sup>3</sup> excluding non-cash cost of share-based payments and allocations of general overhead cost of Agora SA.

# Outdoor segment improves operating results

## Financial results

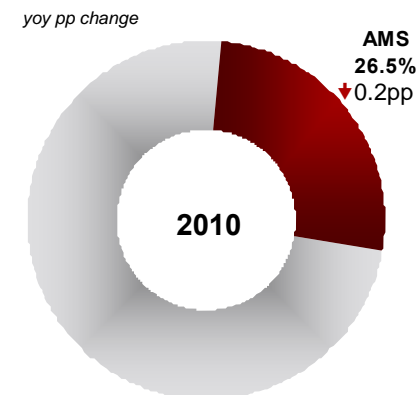
PLN million	4Q10	4Q09	yoy change	2010	2009	yoy change
<b>Revenues, incl.:</b>	<b>48.3</b>	<b>45.8</b>	<b>5.5%</b>	<b>164.1</b>	<b>168.0</b>	<b>(2.3%)</b>
- advertising	47.8	45.3	5.5%	161.7	165.8	(2.5%)
<b>Operating cost, incl.:</b>	<b>41.4</b>	<b>47.7</b>	<b>(13.2%)</b>	<b>158.9</b>	<b>178.4</b>	<b>(10.9%)</b>
- execution of campaigns	8.1	8.2	(1.2%)	27.3	31.6	(13.6%)
- maintenance cost	19.4	20.2	(4.0%)	73.5	79.8	(7.9%)
- staff cost (excl. non-cash cost of share-based payments)	4.9	4.2	16.7%	18.7	18.4	1.6%
- D&A	5.0	5.7	(12.3%)	21.3	23.6	(9.7%)
- marketing & promotion	1.4	2.0	(30.0%)	6.0	5.0	20.0%
<b>EBIT</b>	<b>6.9</b>	<b>(1.9)</b>	<b>-</b>	<b>5.2</b>	<b>(10.4)</b>	<b>-</b>
EBIT margin	14.3%	(4.1%)	18.4pp	3.2%	(6.2%)	9.4pp
<b>Operating EBITDA<sup>1</sup></b>	<b>12.2</b>	<b>4.0</b>	<b>205.0%</b>	<b>27.3</b>	<b>13.6</b>	<b>100.7%</b>
Operating EBITDA margin <sup>1</sup>	25.3%	8.7%	16.6pp	16.6%	8.1%	8.5pp

## AMS ad market share<sup>2</sup>

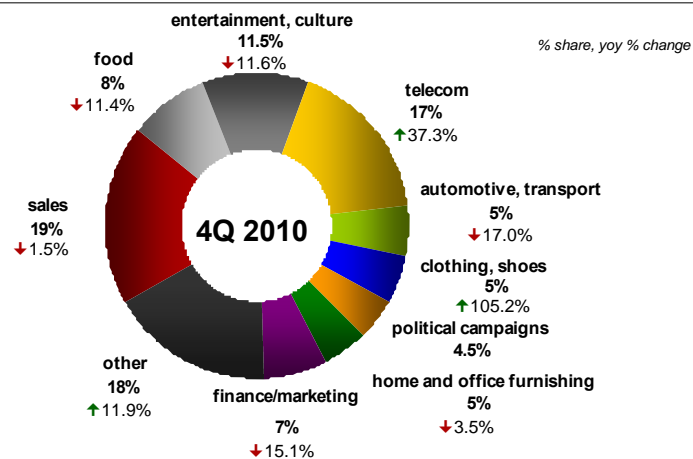
Advertising revenues in the segment grew for the first time in 2010.

Gradual reduction of system maintenance cost through the review of panels to meet the demand of the market and decrease unit maintenance cost.

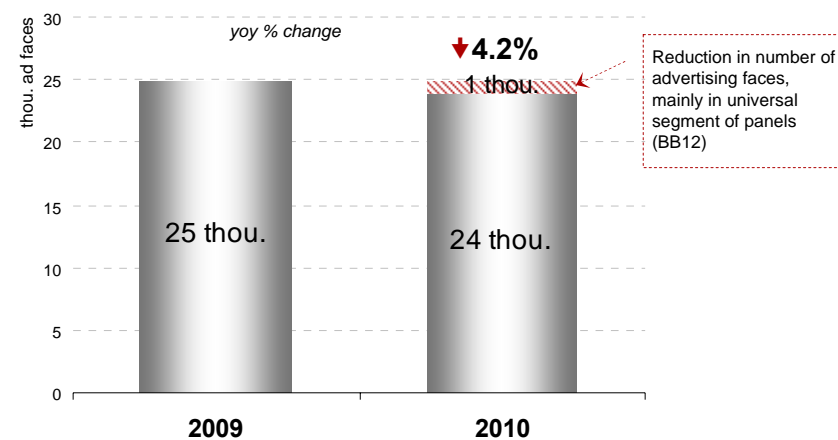
Result of higher achievement rate of budgetary objectives increasing the variable component of remuneration.



## Structure of outdoor advertising according to categories



## Number of AMS ad faces<sup>3</sup>



Source: financials: consolidated financial statements according to IFRS, 4Q10; ad expenditure in outdoor: IGRZ;

<sup>1</sup> excluding non-cash cost of share-based payments;

<sup>2</sup> excluding cross-promotion of Agora's other media on AMS panels if such promotion was executed without prior reservation;

<sup>3</sup> excluding advertising panels of AMS Group installed on petrol stations, small panels on bus shelters and in the Warsaw subway, as well as advertising panels on buses and trams.

# Stable position of magazines

## Financial results

PLN million	4Q 2010	yoy change	2010	yoy change
<b>Revenues, incl.:</b>	<b>20.6</b>	<b>(7.6%)</b>	<b>83.6</b>	<b>(9.4%)</b>
- copy sales	9.3	(10.6%)	37.5	(9.2%)
- advertising	11.2	(5.9%)	45.6%	(10.1%)
<b>Operating cost, incl.:</b>	<b>17.1</b>	<b>(6.6%)</b>	<b>67.7</b>	<b>(9.9%)</b>
- raw materials, energy and consumables	6.6	(10.8%)	26.1	(16.9%)
- staff cost excl. non-cash cost of share-based payments	4.2	5.0%	16.8	(2.9%)
- marketing & promotion	4.6	(8.0%)	17.6	(6.9%)
<b>EBIT<sup>1</sup></b>	<b>3.5</b>	<b>(12.5%)</b>	<b>15.9</b>	<b>(7.6%)</b>
EBIT margin <sup>1</sup>	17.0%	(0.9pp)	19.0%	0.4pp
<b>Operating EBITDA<sup>2</sup></b>	<b>3.8</b>	<b>(11.6%)</b>	<b>16.7</b>	<b>(7.7%)</b>
Operating EBITDA margin <sup>2</sup>	18.4%	(0.9pp)	20.0%	0.4pp

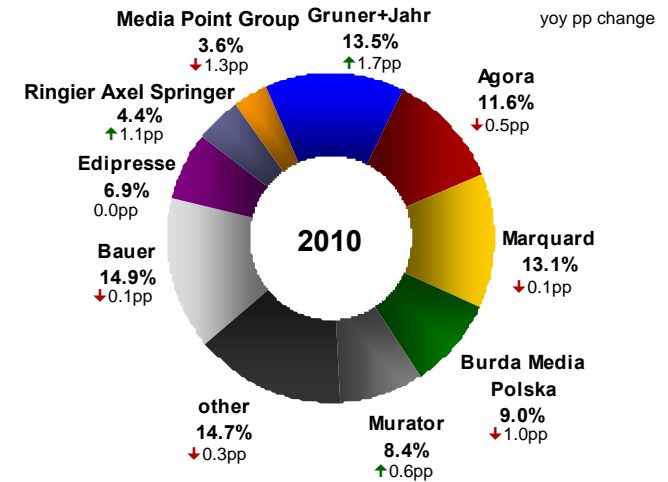
Decrease resulting from 8.2% yoy drop in volume of magazines sold.

Result of limited advertising expenditure in categories: hygiene, beauty care and interior furnishings.

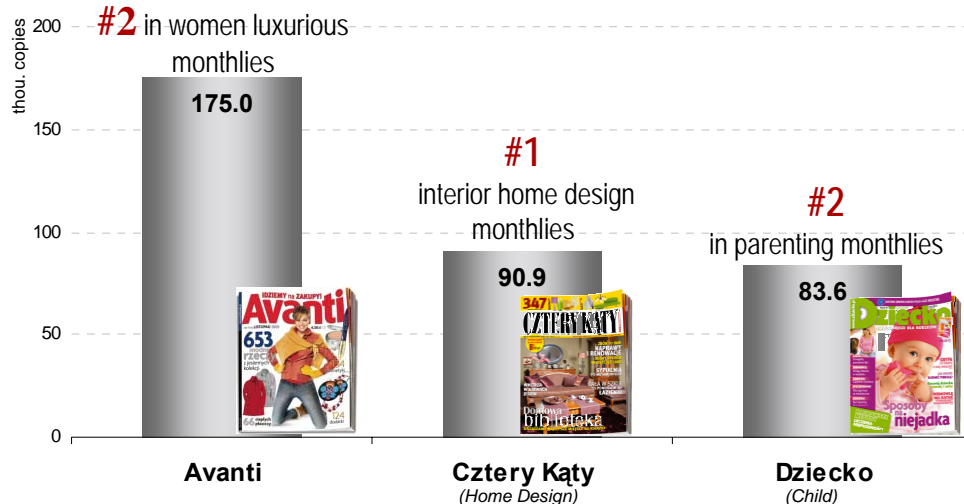
Lower price of paper purchase (price, favorable EUR/PLN exchange rate), lower production volume, change of paper mix and size of selected magazines.

Limited number and intensity of advertising campaigns.

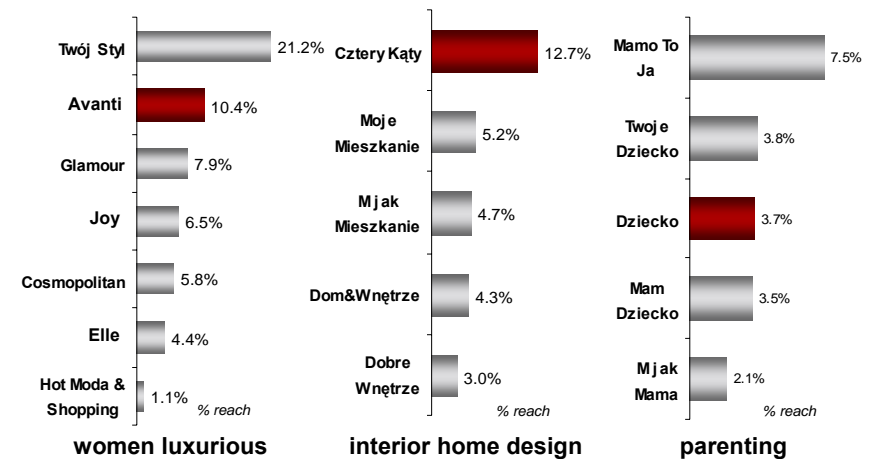
## Ad spend structure in monthlies



## Stable copy sales position in selected magazine segments (Jan-Nov10)



## Stable readership position in selected magazine segments (women, Jan-Dec 2010)



Source: financials: consolidated financial statements according to IFRS, 4Q10; monthlies ad market: monitoring of Kantar Media based on rate card data, 123 titles in 2009 and 128 in 2010, excl. specialist titles; copy sales: ZKDP, total paid circulation, Jan-Nov10; readership: Polskie Badania Czytelnictwa, execution MillwardBrown SMG/KRC, Jan-Dec 10, N=24 784, CCS indicator (weekly readership), elaboration Agora SA comparison (luxurious women monthlies: Twój Styl, Joy, Avanti, Glamour, Cosmopolitan, Elle, Hot Moda & Shopping; interior design monthlies: Cztery Kąty, M jak Mieszkanie, Moje Mieszkanie, Dobre Wnętrze, Dom & Wnętrze; parenting monthlies: Mam To Ja, Dziecko, Mam Dziecko, Twoje Dziecko, M jak Mama);  
<sup>1</sup> excluding allocations of general overhead cost of Agora SA;  
<sup>2</sup> excluding non-cash cost of share-based payments and allocations of general overhead cost of Agora SA.



# Radio segment improves operating results

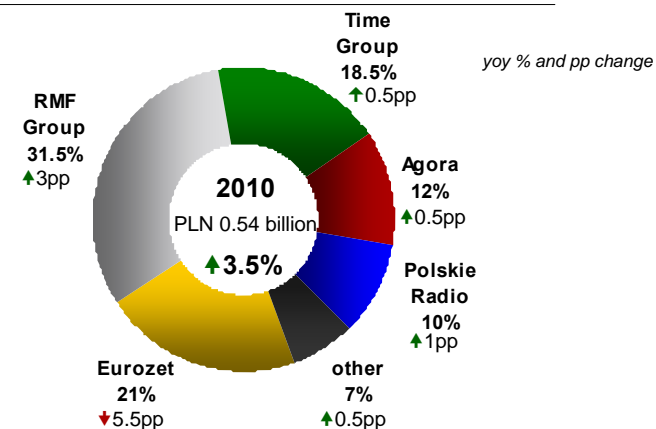
## Financial performance<sup>1</sup>

PLN million	4Q10	4Q09	yoy change	2010	2009	yoy change
<b>Revenues, incl.:</b>	<b>25.0</b>	<b>20.9</b>	<b>19.6%</b>	<b>77.6</b>	<b>75.1</b>	<b>3.3%</b>
- ad revenues	24.1	20.3	18.7%	75.8	73.2	3.6%
<b>Operating cost, incl.:</b>	<b>22.2</b>	<b>19.4</b>	<b>14.4%</b>	<b>73.9</b>	<b>73.9</b>	<b>0.0%</b>
- staff cost excl. non-cash cost of share-based payments	6.5	6.9	(5.8%)	24.5	25.1	(2.4%)
- promotion & marketing	4.9	3.3	48.5%	17.1	16.2	5.6%
<b>EBIT</b>	<b>2.8</b>	<b>1.5</b>	<b>86.7%</b>	<b>3.7</b>	<b>1.2</b>	<b>208.3%</b>
EBIT margin	11.2%	7.2%	4.0pkt%	4.8%	1.6%	3.2pkt%
<b>EBITDA operacyjna<sup>2</sup></b>	<b>3.6</b>	<b>2.4</b>	<b>50.0%</b>	<b>6.9</b>	<b>4.7</b>	<b>46.8%</b>
Operating EBITDA margin <sup>2</sup>	14.4%	11.5%	2.9pkt%	8.9%	6.3%	2.6pkt%

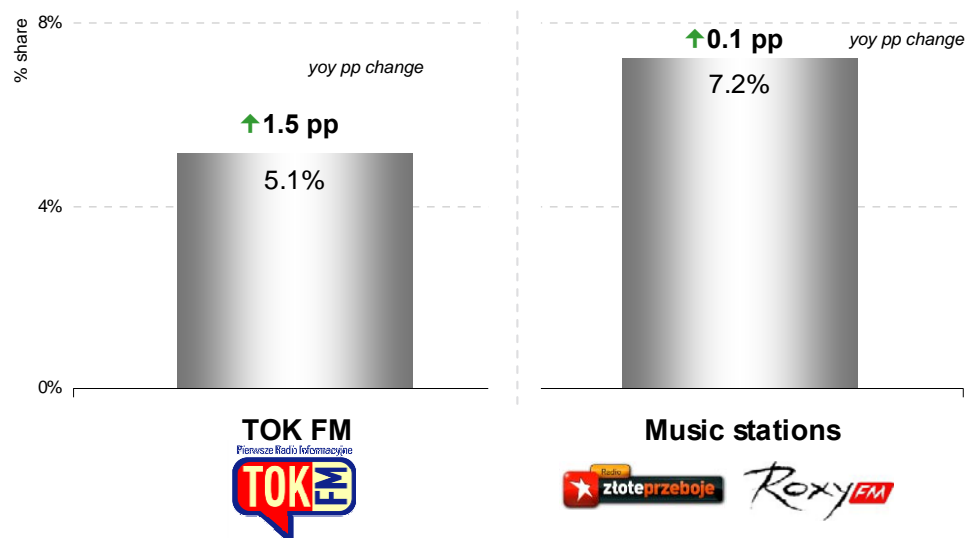
## Radio ad market structure

Result of increased advertising expenditure in radio (by over 12.5% yoy) and higher revenues from brokerage services and barter transactions.

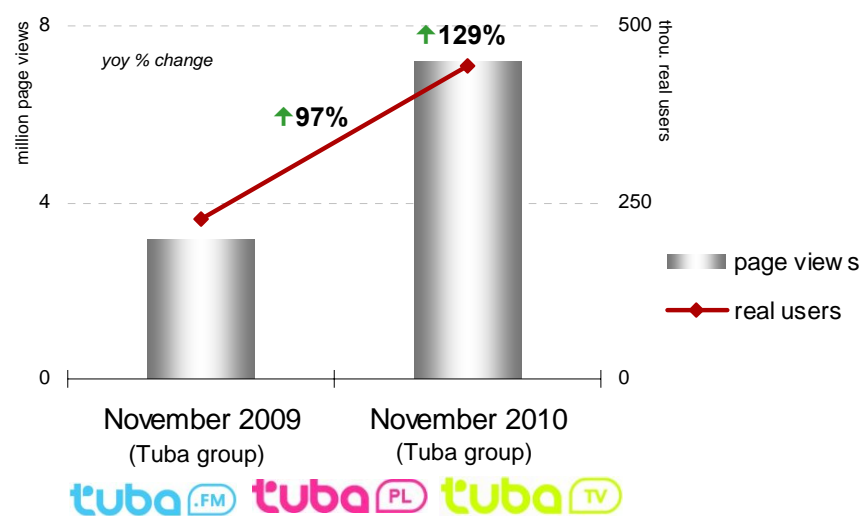
Execution of large advertising campaigns of Golden Oldies, Roxy FM and TOK FM.



## Increase of audience share in cities of broadcasting (4Q10)



## Dynamic development of radio Internet platform



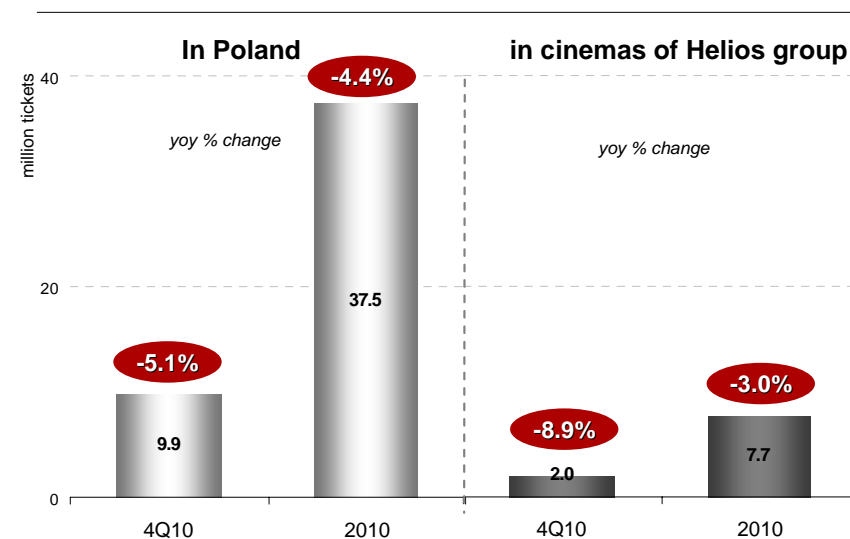
Source: financials: consolidated financial statements according to IFRS, 4Q10; ad market: Agora based on Kantar Media, Agora's share incl. TOK FM, excl. brokerage, incl. cross-promotion of Agora's other media in GRA's radio stations if such promotion was executed without prior reservation; Radio Track, MillwardBrown SMG/KRC, cities of broadcasting, 15+, TOK FM – Oct-Dec 09: N=7 729, Oct-Dec 2010: N=7 742, music stations – Oct-Dec 2009: N=10 423, Oct-Dec 2010: N=10 412; Internet statistics: Megapanel PBI/Gemius, real users, page views, Nov09, Nov10; Tuba group - tuba.FM, tuba.PL, tuba.TV;  
<sup>1</sup> local radio stations (incl. TOK FM);  
<sup>2</sup> excluding non-cash cost of share-based payments.

# Difficult quarter for cinemas in Poland

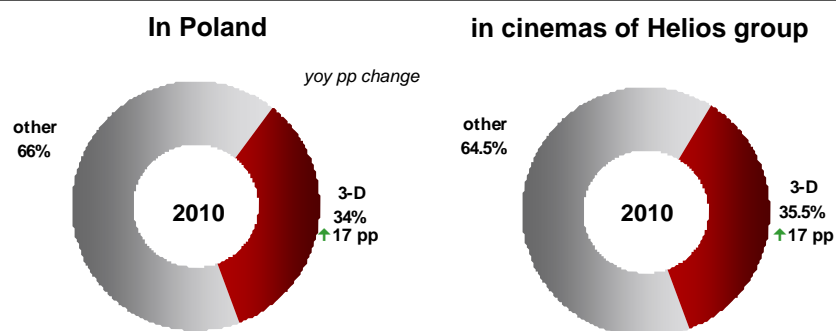
## Financial performance

PLN million	4Q 2010	Sept.-Dec. 2010
<b>Revenues, incl.:</b>	<b>46.1</b>	<b>56.0</b>
- tickets	33.2	40.1
- food & beverages	10.0	12.1
- advertising	2.4	3.3
<b>Operating cost, incl.:</b>	<b>44.0</b>	<b>55.4</b>
- external services	25.2	31.1
- raw materials, energy and consumables	6.0	7.7
- staff cost excl. non-cash cost of share-based payments	6.7	8.5
- D&A	4.0	5.4
<b>EBIT</b>	<b>2.1</b>	<b>0.6</b>
EBIT margin	4.6%	1.1%
<b>EBITDA operacyjna<sup>1</sup></b>	<b>6.1</b>	<b>6.0</b>
Operating EBITDA margin <sup>1</sup>	13.2%	10.7%

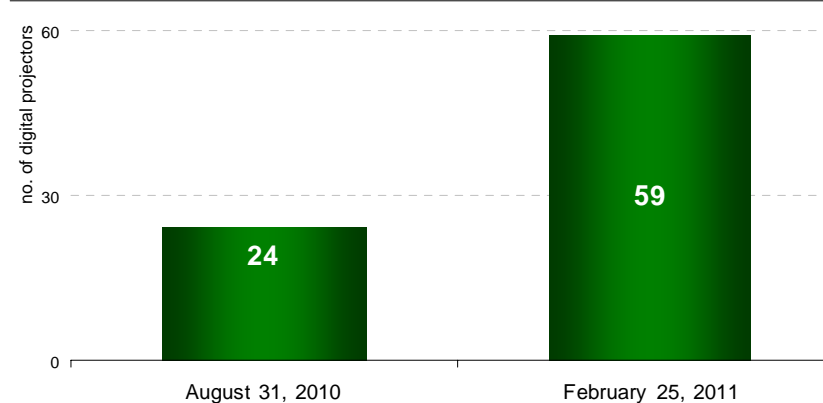
## Number of cinema tickets sold<sup>2</sup>



## Share of tickets for 3-D movies<sup>2</sup>



## Accelerated process of cinema digitalization in Helios group



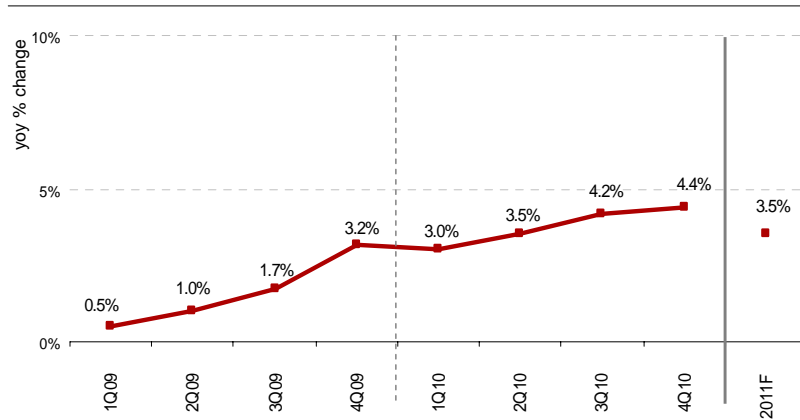
Source: financials: consolidated financial statements according to IFRS, 4Q10; ticket sales: estimates of Helios group prepared on the basis of data received from Boxoffice.pl (based on reports submitted by distributors of film copies);

<sup>1</sup> Ss far as the Helios group is concerned EBITDA and operating EBITDA ratios are equal as in the period referred to in the table there was not any non-cash cost of share-based payments incurred;

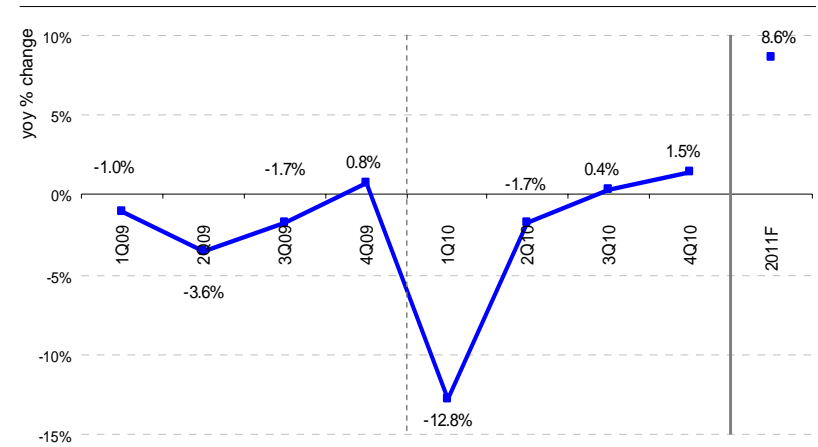
<sup>2</sup> Cinema ticket sales are reported for periods, which do not cover a calendar month, quarter or year. The number of tickets sold in the given period is calculated from the first Friday of a given month, quarter or year until the first Thursday of the next reporting month, quarter or year.

# Prospects for 2011

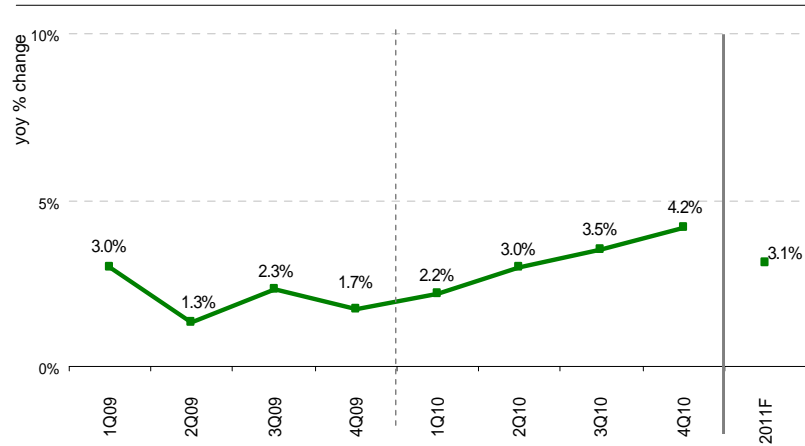
## GDP



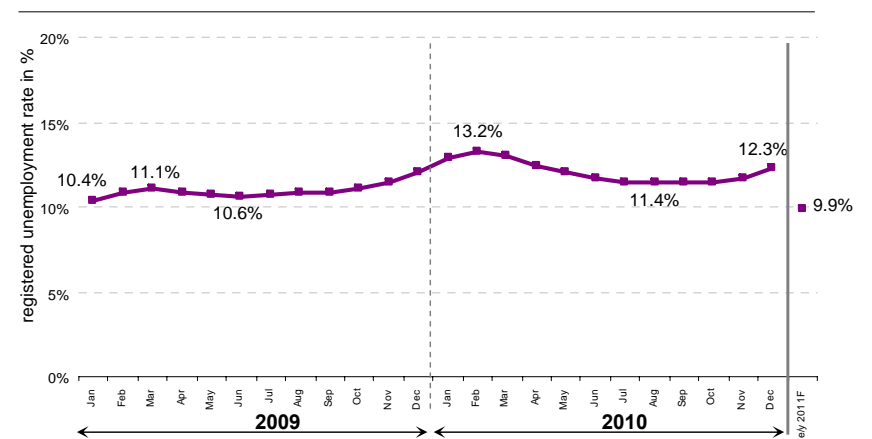
## Investments



## Consumption



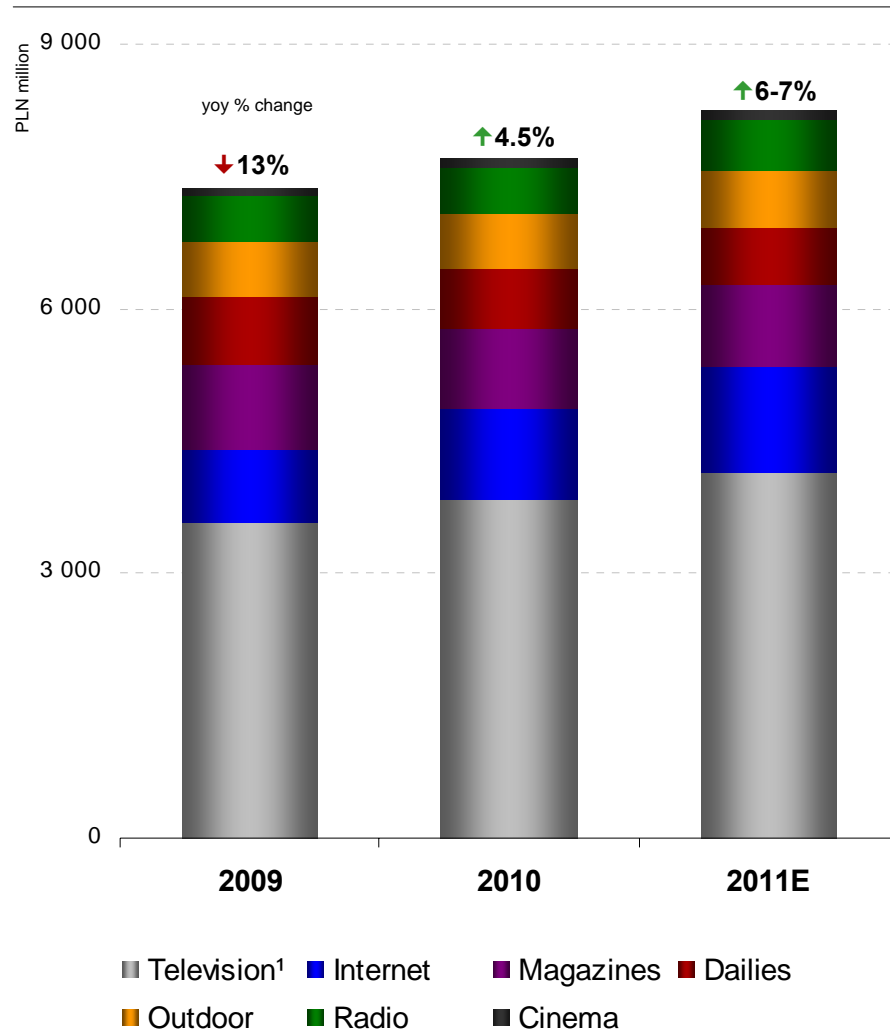
## Unemployment



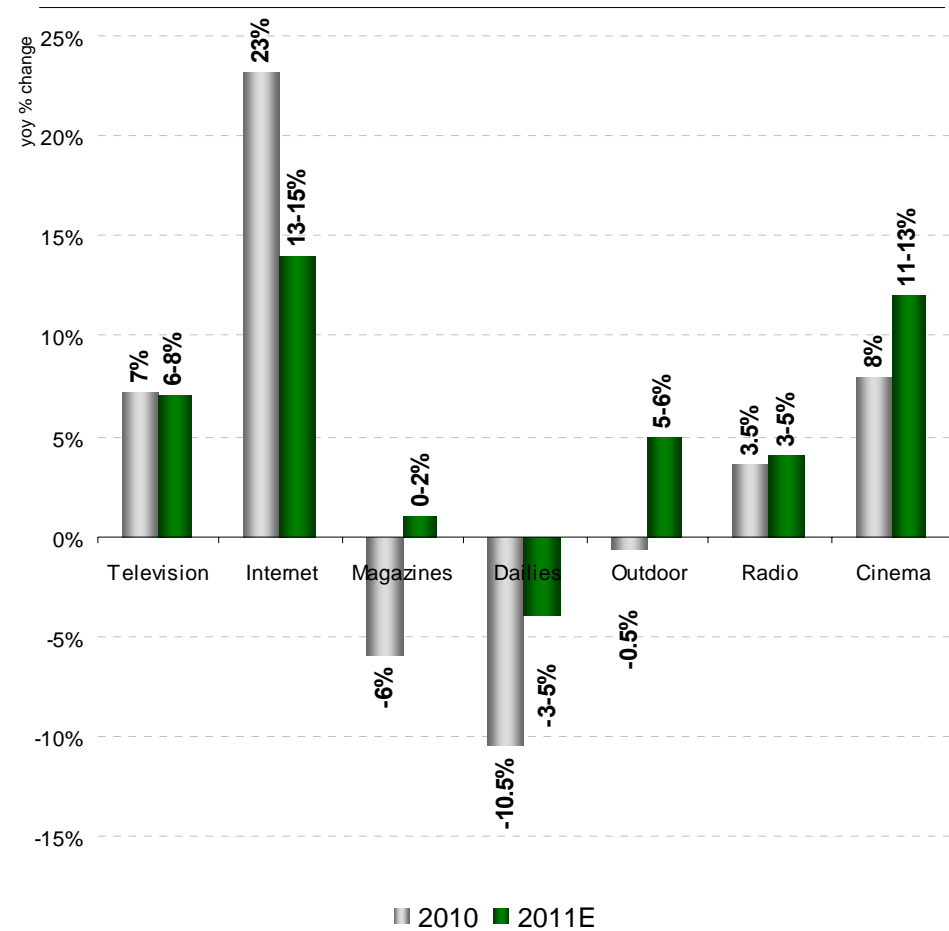
Source: GDP, investments, consumption: 1Q09-3Q10 - GUS; 4Q10 - Gazeta Wyborcza, 29-30 January 2011 (estimates of market analysts on the basis of initial estimates of PKB in 2010 according to GUS; 2011 - explanation to Polish Budget Act for 2011 (Sept. 2010). Unemployment: Jan09-Dec10 - GUS, 2011 - explanation to Polish Budget Act for 2011 (Sept. 2010).

# Estimates of advertising market growth in 2011

Advertising expenditure in Poland



Performance of selected segments of advertising market



Source: 2009-2010 ad spend estimates by: Agora (press based on Kantar Media and Agora's monitoring, radio based on Kantar Media), Starlink (TV, cinema, Internet – comprise revenues from e-mail marketing, display, search engine marketing and affiliate marketing), IGRZ (outdoor);  
<sup>1</sup> Data, for 2009 and 2010, according to new methodology of TV ad market measurement (by media house Starlink), comprise standard TV advertising and sponsoring revenues. The estimates for previous reporting periods have not been adjusted adequately therefore they are not fully comparable.



# The Group's main objectives in 2011



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