

Resolution of the Supervisory Board to adopt the concise evaluation of the situation of the Company in 2014

With regard to the adoption by Agora S.A. („the Company”) Good practices of publicly traded companies quoted on Warsaw Stock Exchange in Warsaw S.A., resolved on the basis of § 29 of the Warsaw Stock Exchange S.A. by-laws, the Supervisory Board of the Company resolves as follows:

1. The Supervisory Board of the Company evaluated the Company's situation in 2014.

(1) The Supervisory Board formulated its evaluation on the basis of the review of the Agora Group's (“the Group”) affairs and the discussions with the Management Board which took place during the Supervisory Board meetings attended by the Management Board, as well as on daily basis. The Supervisory Board has also taken into consideration the review of the financial statements for the first half of 2014 and the financial year 2014 prepared by the Audit Committee, whose meetings were held with the participation of the representatives of the Company's auditor. Judging the market situation, the Supervisory Board takes into account all publicly available data on activities of other entities and therefore it should be remembered that the market data presented in this document and the judgment based on that data can be treated only as rough estimates.

In 2014 Agora was in the process of execution of the first stage of the midterm development plan of the Agora Group for the upcoming years, introduced in 1Q2014. It is the answer to all the structural changes which can be observed on the media market. It is aimed at growth of scale through revenue increase, while at the same time improving profitability. Effective implementation of development initiatives, as well as improvement of the advertising market and a record breaking attendance in Polish cinemas, showed an increase of total revenue of the Group. What is important, most of the businesses other than press at the same time improved profitability.

As at the end of 2014, the Agora Group had PLN 110.2 million (in cash and in short-term monetary assets, of which PLN 52.3 million was in cash and cash equivalents and PLN 57.9 million in secure short-term securities). Additionally, the Group had deposited PLN 37.6 million by the subsidiary AMS S.A. as a cash collateral securing the bank guarantee issued in relation to the concession contract for construction and utilization of bus shelters in Warsaw. The Group's bank loan liabilities amounted to PLN 93.4 million (including bank liabilities of Helios group and finance lease liabilities in the amount of PLN 84.7 million). The amount of cash hold by the Group (as of December 31, 2014) was also influenced by the execution of the first stage of share buyback program. The Company bought 2,500,00 of own shares by the purchase price of PLN 12.0 per one purchased share, outside of the regulated market. The acquisition of the shares was settled on September 12, 2014. The total expenses incurred in the performance and settlement amounted to nearly PLN 30.1 million.

(2) The year 2014 brought about difficulties to all the press market in the form of further decline of copy sales. As the first publisher in Poland, Agora decided to introduce a series of steps leading to the transformation of its press business. With the model of Western publishers, Agora introduced the system of metered paywall for *Gazeta Wyborcza*'s digital content. The first stage of the process is a huge success – as at the end of December 2014, the number of active subscriptions of *Wyborcza* amounted to 54,900, well above the goal of 40,000 subscriptions.

Gazeta Wyborcza in its traditional paper form was the most popular quality daily in Poland, with the largest share in ad spend in dailies. Cover price increase of *Gazeta Wyborcza*, introduced twice in 2014, as well as the system of metered paywall to *Wyborcza*'s digital content, allowed to increase revenues for the first time since 4Q2009.

The segment (comprising *Gazeta Wyborcza* as well as Magazines and Free Press division) also undertook extensive work on digitalizing the content of magazines, as well as new mobile applications for all of the titles published by the Company. It also introduced new titles in paper form, as well as developed the offer for advertisers.

(3) 2014 was the year of further development of the cinema market in Poland. Due to its consistent investment policy, the Helios cinema chain comprised 34 locations with 180 screens total, as at the end of 2014. As a result, Helios is now the largest cinema network in Poland, as far as the number of locations is concerned. As an effect of record breaking attendance, Movies and Books segment

(comprising Helios S.A., NEXT FILM Sp. z o.o. and Special Projects division) significantly increased its revenues from tickets sales and concessions.

What is more, the dynamically growing activity of the Movies and Books segment related to co-production and film distribution brought an extra PLN 17,0 million revenues, in turn improving the results of the whole Segment. NEXT FILM, a Helios subsidiary which is involved in film distribution, introduced to Polish cinemas the following films: *Powstanie Warszawskie*, *Karuzela*, *Bogowie* and *Serce, serduszko*. Agora co-produced two of them: *Serce, serduszko* and the film *Bogowie* which was the most watched film production in the whole 2014 with 2,2 million viewers. As a result, the Segment's operating result improved on the level of both EBIT and EBITDA.

In 2014, the outdoor market remained unchanged. However, Agora's Outdoor segment (comprising AMS S.A. and Adpol Sp. z o.o.) improved its operating result due to the consistent execution of cost control policy in each of the quarters of the past year. Additionally, AMS was able to maintain its share in the outdoor market, according to IGRZ.

In 2014 the segment introduced a new interactive bus shelter. A special application inside a citylight in the bus shelter allows now to combine both the virtual and the real world. What is more, the segment added to its offer panels of Urban System of Paid Information with panels directing to the advertised points of interest in Warsaw.

In 4Q2014 AMS' investment in bus shelters was officially launched. It covers installation of 1580 brand new elegant bus shelters in Warsaw. On April 23, 2015 the 200th shelter has been launched. The whole project is aimed at expanding AMS' advertising potential in Warsaw, and in the whole country.

(5) The past year yet again brought about a significant improve of the Company's Internet businesses. Revenues and operating result were best in the history of the segment (comprising Internet division in Agora S.A., Trader.com (Polska) Sp. z o.o., AdTaily Sp. z o.o., Sport4People Sp. z o.o. and Sir Local Sp. z o.o.). This was made possible by significantly higher revenues of the segment (growth by 14.1% yoy), which was mainly influenced by higher Internet ad sales in Gazeta.pl as well as via AdTaily internet advertising network, growth of ad sales for mobile devices and the development of video sales.

In 2014 the Internet segment was actively developing mobile applications of Gazeta.pl, Sport.pl and Kinoplex.pl. Readers of Gazeta.pl were offered a new kind of content – a special weekend edition of Gazeta.pl. As a result, a new advertising offer appeared.

2014 also brought about a significant change of the co-operation between Gazeta.pl and Microsoft. MetroMSN, a portal of Gazeta.pl group, was closed, which influenced the reach position of the whole group.

(6) Agora Group's radio stations noted a significant improvement of the result yoy. It was made possible by growth of revenues of the segment (comprising Radio division in Agora S.A., all local radio stations and superregional TOK FM radio station) to PLN 87.4 million, as well as by limitation of costs. In the beginning of 2014 the music format of Radio Roxy was changed as a means of increasing revenue potential of the station. As a result, on January 31, 2014 Radio Roxy changed its name to Rock Radio.

Agora's radio stations actively participate in contests for radio frequencies, thus expanding the Group's technical reach.

In 2014 Radio Złote Przeboje started broadcasting in more Polish cities, and now it has 24 local stations. In the second half of 2014, National Broadcasting Council authorized Radio TOK FM with two new frequencies – in Częstochowa and in Białystok.

The Radio segment also developed its digital offer by providing the listeners of Radio TOK FM with a mobile application.

Towards the end of 2014 the Radio segment expanded its activities by on-screen and off-screen ad sales in Helios cinemas.

(7) Due to growth of revenues by 5.7% yoy the Print segment (comprising Printing division in Agora S.A. and Agora Poligrafia Sp.z o.o.) significantly improved its operating result yoy. Both EBIT and EBIDTA grew significantly and amounted to PLN 0,6 million and PLN 16,9 million, respectively [1]. In 2014, the printing houses of Agora S.A. and Agora Poligrafia Sp. z o.o. executed the project of

implementation of the 5S system which is the leading organizational solution supporting the improvement of quality of the products, increase of stability and limiting of cost.

(8) The Supervisory Board appreciates the success Agora's first TV project, developed in co-operation. The channel Stopklatka TV had reached its planned 1% audience share.

Taking into account the market challenges which the Group was forced to face in 2014, as well as various development initiatives aimed at diversification of the sources of revenue and the possibilities to enter new markets, the Supervisory Board is positive about the execution of development activities implemented by the Management Board of the Company within the midterm development plan of the Group.

2. Evaluation of the internal control system and risk management in Agora Group

The Supervisory Board, together with the Company's Management Board analysis the market situation and risk factors on the daily basis. New projects are scrutinized and evaluated. The Group maintains high liquidity and low level of debt, which limits the financial risk. In the case of regulation changes, the Group adjusts its operations accordingly.

Internal control and risk management systems currently operate in the Group. The main elements of the internal control system are parts of business processes of the Group and they include:

- procedures and by-laws regarding, inter alia: delegation of the rights and decision authorization, evaluation of the business projects, registration and processing of business transactions,
- reporting and transaction control of the processes and results of particular areas of the Group's activity,
- controls in the IT systems supporting execution of the business processes and monitoring activities of the system itself.

The executive personnel fulfills particular tasks arising from the internal control system and permanent supervision over its effectiveness as a part of managing selected segments of the Group. Moreover, the Internal Audit department, supervised by the President of the Management Board, operates in the Company. Internal Audit Department formally identifies risks in the area of internal control and security and recommends the Management Board activities aimed at decreasing risks when applicable. In the next stage, the department supports control of the system effectiveness through systematic research of selected areas of activity.

This operation aims at identifying weaknesses of the system and operational risks. The Audit Department recommends the Management Board actions eliminating above mentioned risks. Risk management system includes internal control system and permanent, multistage supervision of the Management Board and executive personnel over particular business activities. Moreover, evaluation of the risk factors for the execution of the particular business goals arising from the strategy accepted by Management Board is undertaken, on the daily basis. Whenever there are identified risks, the Management Board and executive personnel implement changes to the procedures in force. Based on the information submitted to the Supervisory Board and discussion with the Management Board and representatives of the Agora's Internal Audit Department, Supervisory Board is of the opinion that the internal control and risk management system has proved itself in the activities of the Company up to date.

[1] EBIT, EBITDA of Press, Print, Internet as well as Movies and Books segments are calculated on the basis of cost directly attributable to the appropriate operating segment of the Agora Group and excludes allocations of all Company's overheads (such as: cost of Agora's Management Board and a majority of cost of the supporting divisions), which are included in matching positions.