

Report and
declaration relating
to Agora SA
compliance with the
corporate
governance rules
in 2010

April 12, 2011

REPORT AND DECLARATION RELATING TO AGORA SA COMPLIANCE WITH THE CORPORATE GOVERNANCE RULES IN 2010

Agora SA complies with the corporate governance rules as described in the attachment to the resolution No. 12/1170/2007 of the Supervisory Board of the Warsaw Stock Exchange dated July 4, 2007 entitled Code of Best Practice for WSE Listed Companies amended by the resolution no. 17/1249/2010 dated May 19, 2010. These rules are disclosed on the web site <http://www.corp-gov.gpw.pl/>.

Agora SA understands the importance of the corporate governance rules and their role in strengthening the transparency of public companies therefore it pays a lot of attention to their implementation in every day operations. The Company's efforts to become fully transparent are visible in its adherence to the Code of Best Practice since 2002.

The Company discloses current and periodical reports, which are subsequently published on the corporate website. On the Company's corporate website one can also find a list of the most important events, presentations of Company's financial results, conference call recordings concerning the aforementioned results and also information on current events in the Company.

The Company prepares quarterly presentations of its financial results, which are then discussed with analysts and investors during conference calls or meetings. Such discussions enable everyone interested full access to information about the Company and are a great occasion to meet with the members of the Management Board of the Company.

Meeting the expectations of the capital market, in 2004, Agora introduced the rule on restricted external communication with the capital market participants before publication of financial results. According to the aforementioned rule, two weeks before publication of quarterly results, the representatives of the Company do not conduct any talks and do not participate in any meetings with analysts and investors. The purpose of this rule is to increase transparency and to ensure equal access to the information on the Company before the publication of financial results.

1. LISTING OF THE CORPORATE GOVERNANCE RULES THAT WERE NOT OBSERVED BY THE ISSUER INCLUDING THE CIRCUMSTANCES AND REASONS FOR THEIR REJECTION AS WELL AS THE REMEDY FOR ITS POSSIBLE EFFECTS AND THE WAY THE COMPANY IS TO ELIMINATE RISK OF NOT APPLYING THE RULE OR MEASURES AND THE STEPS THE COMPANY IS TO TAKE IN ORDER TO REDUCE RISK OF NOT APPLYING THE RULE IN THE FUTURE.

The Company complied with all the rules listed in the Code of Best Practice for WSE Listed Companies.

As far as recommendation regarding remuneration policy is concerned the rules regarding remuneration of Agora's employees are based on internal regulations. This rule does not apply to the members of the Supervisory Board and Management Board. The remuneration of the Management Board members is set by the Human Resources and Remuneration Committee – an advisory body within Supervisory Board. Supervisory Board sets objectives and bonus criteria for individual Management Board members in a given year or for a three – year - period.

Eligible employees of the Group participate in the Three – Year – Long Incentive Plan (2010 – 2012) for the members of the Management Board and top managers based on achieving operating EBITDA objective and the degree of the Company's share price increase. The rules, objectives and conditions of settlement the Three – Year – Long Incentive Plan were set in case of the members of the Management Board by the Supervisory Board and in case of top managers by the Management Board by means of resolution. The detailed description of the Three – Year – Long Incentive Plan can be found in note 26.C to the condensed annual consolidated financial statements for 2010.

Additionally, the members of the Management Board participate also in a motivation plan based on Company's shares. The Company informed about the plan in current report no. 71/2005 dated September 26, 2005. The description of this motivation plan can be found in note 26.A to the condensed annual consolidated financial statements for 2010.

The remuneration and other benefits due to the Management and Supervisory Board members are reported in the Annual Financial Statements.

The remuneration of the Supervisory Board is set by the General Meeting of Shareholders of Agora SA.

As far as recommendation for balanced participation of men and women in the governing bodies of the companies is concerned, the Management Board of Agora SA wishes to stress that the main criteria for selection of proper candidates for all positions in the Group include knowledge, experience and abilities necessary to perform given function. The Management Board believes that using that criteria for recruiting all employees in the Group, including Management and Supervisory Board members, ensures efficient operation and overcoming new business challenges.

Below one can find the way the Company observed the aforementioned rules of corporate governance.

2. DESCRIPTION OF THE GENERAL MEETING OF SHAREHOLDERS AND ITS FUNDAMENTAL AUTHORIZATIONS AS WELL AS THE RIGHTS OF SHAREHOLDERS AND THEIR EXECUTION.

The General Meeting of Shareholders of Agora SA acts in compliance with the Commercial Companies Code and the Statutes of Agora SA. The Statutes of the Company stipulates adoption by the General Meeting of Shareholders regulations defining its functioning (§ 16 of the Statutes). Adopting, amending or rejecting the regulations requires three quarters of votes cast. Such regulations were adopted and can be found at the following URL address: http://www.agora.pl/agora_eng/1,67052,1659254.html. The General Meeting of Shareholders is convened in compliance with the Commercial Companies Code.

Unless the provisions of the Commercial Companies Code and the Company's Statutes provide otherwise, the resolutions of the General Meeting of Shareholders are adopted by an absolute majority of votes cast. According to the § 15 of the Statutes, resolutions concerning merger of the Company with another entity, other forms of consolidation and division of the Company that are or will be permitted by law are adopted by the absolute majority of three quarters of votes cast. The same rule applies to settlements concerning the remuneration of the Supervisory Board members, including individual remuneration of those members who were elected to a continuous supervisory. The absolute majority of three quarters of votes cast in the presence of shareholders representing at least 50 % of the Company's share capital, is required for resolutions concerning removal of matters from the agenda of the General Meeting of Shareholders. When the aforementioned motion for removal is submitted by the Management Board of the Company an absolute majority of votes cast shall be required to adopt such a resolution. Purchase and sale of property, perpetuity or share in property shall not require a resolution of the General Meeting of Shareholders.

In accordance with § 15 item 4 of the Company's Statutes, removal of any matters from the agenda of the General Meeting of Shareholders on request placed on the basis of Article 400 or 401 of the Commercial Companies Code by a shareholder, representing at least one tenth of the Company's share capital, shall require consent of the shareholder who made such request. Adoption of resolution relating to shareholder's responsibility to the Company, no matter the reason, shall require an absolute majority of three quarters of votes cast in the presence of shareholders representing at least 50% of all Company's shares entitling to adoption of such resolution.

In accordance with § 17 of the Company's Statutes none of the shareholders may exercise more than 20 % of the overall number of votes at the General Meeting of Shareholders. The above mentioned restriction is not effective when establishing obligations of purchasers of substantial stakes, stipulated in the Public Offer of Financial Instruments Act. The aforementioned restriction shall also not apply to:

- shareholders holding the preference A shares;
- the depository bank which, on the basis of the agreement with the Company, issued depository receipts based on the Company shares, when such an entity exercises voting rights attached to shares which constituted the basis for the issue of depository receipts;

- ▶ a shareholder who, having no more than 20% of the overall number of votes at the General Meeting of Shareholders, announced a tender for subscription for the sale or exchange of all the shares of the Company in compliance with the Public Offer of Financial Instruments Act. The restriction does not apply if as a result of the transaction described above, the number of shares owned by him, including the previously held Company's shares, authorizes him to exercise at least 75% of the overall number of votes at the General Meeting of Shareholders. When calculating a shareholder's share in the aforementioned overall number of votes at the General Meeting of Shareholders (the 20% share - mentioned in the sentence above) the restriction of the voting rights does not exist.

In accordance with § 17 item 5 of the Company's Statutes, percentage of votes at the General Meeting of Shareholders of foreign entities and entities controlled by them may not exceed 49%. The limit shall not refer to entities with their registered seats or residence in a member state of the European Economic Area.

Each share, whether preference or not, entitles its holders to one vote when passing a resolution regarding the withdrawal of the Company's shares from public trading.

According to § 7 of the Company's Statutes, apart from the registered series A shares, the share capital also comprises ordinary shares series B i D, bearer and registered. The registered shares of preference series A entitle their holders to five votes at the General Meeting of Shareholders.

According to § 11 of the Company's Statutes, sale or conversion of preference A shares require written consent of shareholders holding at least 50% of the preference A shares registered in the share register on the date of filing of an appropriate application. Within 14 days from the date of receipt of the request to sell or convert preference A shares, the Management Board is obliged to deliver a copy of that request to each holder of preference A shares, to the address disclosed in the share register.

Candidates to the Supervisory Board can be nominated by shareholders holding preference A shares. The same right is attributed to shareholders with formally documented entitlement to not less than 5% of the votes at the General Meeting of Shareholders preceding the nomination of candidates and who at the time of submitting the nomination hold not less than 5% of the share capital of the Company (§ 21 point 1 letter a of the Statutes). Should a Supervisory Board member's mandate expire due to his or her resignation the other Supervisory Board members may appoint a new member who shall perform his/her functions until the General Meeting appoints a Supervisory Board member, however not longer than until the end of the term of its predecessor. Dismissal (removal) of the Supervisory Board member, prior to the end of his term of office, may be effected by a resolution of the General Meeting of Shareholders adopted by a simple majority of votes cast, provided that until the expiry of the preference status of the A series, 80% of votes attached to all preference A shares are cast in favour of such resolution.

Information on further rights and obligations of General Meeting of Shareholders and shareholders in relation to appointment and dismissal of the Management Board Members are included in consecutive parts of the present report.

Bearer shares cannot be converted into preference shares.

Rights of the Company's shareholders, including minority shareholders are performed in compliance with the provisions of the Commercial Companies Code.

Implementing transparency and effective information policy as well as trying to ensure all shareholders equal access to information on the Company Agora has been transmitting its AGMs (in English and Polish) via Internet. During the General Meeting of Shareholders held in 2010, the Company, due to security reasons, did not decide to provide the possibility of two-way communication with shareholders in real time and casting votes via Internet personally or via proxy during the course of the meeting by electronic means of communication. The Company shall exert all efforts to comply with this rule provided that available technology shall guarantee safe and effective execution of the General Meeting of Shareholders taking into account the Company's dispersed ownership structure.

Agora SA enables media representatives to participate in the AGM.

In 2010, the General Meeting of Shareholders was held once in the Company's premises: on June 25, 2010.

Agora's AGM is always attended by the representatives of the Management Board, Supervisory Board and the Company's statutory auditor.

The AGM was convened by the Management Board of Agora SA. The AGM was executed in compliance with the provisions of the Commercial Companies Code and with the By-laws of General Meeting of Shareholders of Agora

SA. The Management Board and Supervisory Board members as well as the representative of the statutory auditor present at the AGM were ready to explain all the issues within their competence and law provisions. Due to the amendment of the Commercial Companies Code the Company prepared draft resolutions to the Company's regulations (Statutes and the By-laws of General Meeting of Shareholders), which were adopted by the AGM.

3. THE COMPOSITION AND RULES OF FUNCTIONING OF THE COMPANY'S GOVERNING BODIES AND OF THE SUPERVISORY BOARD'S COMMITTEES.

3.1. The Management Board

The Management Board of the Company acts in compliance with the provisions of the Commercial Companies Code and the Statutes of the Company. According to the Statutes of the Company, the Management Board shall consist of 3 to 6 members. The exact number is determined by shareholders holding the majority of preference A shares and after the expiration of such preference status - by the Supervisory Board.

As of the day of publishing the report, the Company's Management Board is represented by:

- Piotr Niemczycki - the President of the Management Board,
- Zbigniew Bak - the Deputy President of the Management Board,
- Tomasz Jozefacki - the Member of the Management Board,
- Grzegorz Kossakowski - the Member of the Management Board,

The Management Board members are elected for five years (§ 29 item 1 of the Company's Statutes). Remuneration and other benefits of the Management Board are set by the Supervisory Board. According to § 27 of the Company's Statutes the Management Board shall manage the Company's affairs and represent the Company in dealings with the third parties. The responsibilities of the Management Board shall include all matters related to conducting the Company's affairs, provided they were not reserved for the competence of other governing bodies. The resolutions of the Management Board are adopted by a simple majority of votes cast (§ 34 of the Company's Statutes). Each member of the Management Board shall be authorized to make binding statements with respect to Company's proprietary rights and obligations and to sign on behalf of the Company. The Management Board determined its rules of conduct in its regulations.

According to § 35 of the Company's Statutes, the Members of the Management Board shall be bound by a non-competition clause. In particular they cannot engage in any competitive business or be a participant, a shareholder or member of governing bodies of such business. The above restriction does not pertain to the participation in supervisory and managing bodies of competing entities in which the Company, directly or indirectly, holds any shares. The restriction also does not apply to the acquisition by members of the Management Board of no more than 1% of the shares in competing public companies.

The Company announces all the changes in the Management Board by means of current reports. Professional biographies of the Management Board members are accessible on the Company's corporate website and are updated on the current basis.

3.2. The Supervisory Board

The Supervisory Board acts in compliance with the provisions of the Commercial Companies Code and the Statutes of the Company. The Supervisory Board shall be composed of five members. The Chairman of the Supervisory board is chosen by the General Meeting of Shareholders. Members of the Supervisory Board may elect from among themselves a deputy of the chairman or persons performing other functions (§18 item 2 of the Company's Statutes).

As of the day of publication of this report, the Company's Supervisory Board consists of:

- Andrzej Szlezak - the Chairman,
- Marcin Hejka - the Member of the Supervisory Board,
- Wanda Rapaczynski - the Member of the Supervisory Board,
- Tomasz Sielicki - the Member of the Supervisory Board,
- Sławomir S. Sikora - the Member of the Supervisory Board,

On the basis of the resolution adopted by the AGM on June 25, 2010 the Company's Statutes were amended, inter alia, in respect to the term of office of Supervisory Board members. Now, after the change of the Statutes, the members of the Supervisory Board are elected for the common three - year - term of office. In connection with that amendment, Mr. Andrzej Szlezak – the Chairman of the Supervisory Board and members of the Supervisory Board: Mr. Marcin Hejka, Ms Wanda Rapaczynski, Mr. Tomasz Sielicki and Mr. Slawomir S. Sikora were dismissed from their positions in Agora's Supervisory Board and elected for the common three – year – term of office with the effect since July 15, 2010. The term of office of this Supervisory Board shall expire on the day of AGM adopting the resolution on approval the financial statements of the Company for the financial year 2012.

According to § 20 item 4 of the Company's Statutes, at least three members of the Board should be independent. The majority of the current Supervisory Board members are independent. The Supervisory Board is responsible for setting remuneration for the Management Board members, selection of the auditor and approving of the conditions concerning significant transactions with the affiliates. Such transactions cannot be conducted without the consent of the majority of the independent members of the Supervisory Board. According to § 23 item 4 of the Statutes, the Supervisory Board Meetings are convened at least every three months. The Chairman convenes the meeting on the request of the member of the Management Board expressed in the form of the resolution and on the request of each of the Supervisory Board members. The meetings of the Supervisory Board may be held by distance means of communication in a manner allowing communication among all members taking part in such meeting. The place of the meeting held in this form is determined by the place of the person who chairs the meeting.

According to § 24 of the Company's Statutes, the resolutions of the Supervisory Board shall be adopted by an absolute majority of votes cast in the presence of at least three members of the Supervisory Board.

The Company announces all the changes in the Supervisory Board composition by means of current reports. Professional biographies of the Supervisory Board members are accessible on the Company's corporate website and are updated on the current basis.

3.3. Committee and Commission acting within the Supervisory Board

There is one Committee and one Commission operating within the Supervisory Board: the Audit Committee and Human Resources and Remuneration Commission created in compliance with the Company's Statutes performing advisory role to Supervisory Board. The course and scope of action of were set in By-laws of both bodies accepted by means of Supervisory Board resolutions.

On the date of the report publication the members of the committees are:

(i) The Audit Committee:

- Marcin Hejka – the Chairperson of the Audit Committee,
- Wanda Rapaczynski,
- Tomasz Sielicki.

(ii) The Human Resources and Remuneration Commission:

- Wanda Rapaczynski – the Chairperson of the Human Resources and Remuneration Commission,
- Slawomir Sikora,
- Andrzej Szlezak.

The objective of the Audit Committee is to supervise the Management Board in terms of: monitoring of the Company's and the Group's financial reporting and financial revision, monitoring of internal control systems and internal audit as well as monitoring of risk management and independence of external auditor.

The Audit Committee, within the scope of its authority, may request Company to submit information on accounting, financials, internal audit and risk management necessary to perform duties of Audit Committee and review the Company's account books.

The meetings of the Audit Committee are convened at least four times a year, however, the meetings can be convened as often as it is required for its proper functioning.

The meetings of the Audit Committee are convened by its Chairperson on its own or by an Audit Committee member's motion. It can be also convened on the motion submitted by the Company's Management Board, internal and external auditor.

The Audit Committee presents to the Supervisory Board its conclusions, standpoints and recommendations according to the timeline enabling the Supervisory Board adoption of appropriate measures, as well as annual and semi – annual reports on its activities and the Company's evaluation in the scope related to its competencies.

On the basis of the Supervisory Board's resolution dated September 25, 2008 and in accordance with the stipulations of the Statutes, the company KPMG Audyt Sp. o.o with its registered seat in Warsaw at 51 Chlodna Street, registered under the number 458 as an entity entitled to audit financial reports, was elected for the auditor of the Company that is to audit financial reports of the Company for the years 2008, 2009, 2010.

In accordance with the By – laws of the Human Resources and Remuneration Commission the objectives of the Human Resources and Remuneration Commission are to review the principles of remuneration of the Management Board and provide the Supervisory Board with appropriate recommendations in that respect, drafting a proposal for the remuneration of the individual Management Board members and additional benefits, for the purpose of their consideration by the Supervisory Board. The Commission should specify in such a recommendation all forms of remuneration, especially salary, motivation plans and severance pay. Additionally, the Human Resources and Remuneration Commission advises the Supervisory Board on: selection criteria and appointment procedures for the Management Board members in the cases stated in the Company's Statutes, procedures to secure adequate succession of the Management Board members in cases stated in the Company's Statutes.

The meetings of the Human Resources and Remuneration Commission are convened as often as it is required for its proper functioning, at least once a year.

The Commission meetings are convened by its Chairperson on its own or other Commission member's motion. The meeting can be also convened on the motion submits by the President of the Management Board or Supervisory Board member.

The Commission presents to Supervisory Board its conclusions, standpoints and recommendations according to the timeline enabling Supervisory Board adoption of appropriate measures, as well as annual reports on its activities and Company's evaluation in the scope related to its competencies.

4. DESCRIPTION OF THE BASIC CHARACTERISTICS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS APPLIED BY THE COMPANY IN TERMS OF PREPARATION OF ITS SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS.

The Management Board of the Company is responsible for the internal control system and its effectiveness in the process of drawing up financial statements and current reports prepared in accordance with the Regulation of the Minister of Finance dated 19 February 2009 on current and periodic information published by issuers of securities and on the conditions under which such information may be recognized as being equivalent to information required by the regulations of law of a state which is not a member state.

The Chief Financial Officer - the member of the Management Board - is responsible for the factual supervision of the aforementioned process. The process of drawing up annual and interim financial reports is coordinated by the Reporting Department functioning within the Finance and Administration Department. The Company, on a current basis monitors amendments required by the law provisions and external regulations concerning the requirements of the reporting and also prepares in advance to their introducing.

Each month, after the financial books closure, the reports, with the information analyzing key financial data and operational ratios of business segments, are distributed among the Management Board Members and the Company's directors. Once a month the meetings of the Management Board with the directors are convened in order to discuss the results of each segment and department of the Company.

The financial data that constitutes the basis of the financial statements and interim reports stem from the accounting - financial system which registers all transactions in compliance with the accounting standards of the Company (accepted by the Management Board) and based on International Financial Reporting Standards. Agora has prepared financial statements in compliance with International Financial Reporting Standards (previously International Accounting Standards) since 1992.

The financial statements are conveyed, for the purpose of verification, to the Chief Financial Officer and then to the Management Board for the final verification. The financial statements before publication are also submitted to the members of the Audit Committee.

The Supervisory Board meetings are held at least once a quarter. During these meetings, depending on the questions posed by the Supervisory Board, the Management Board presents key financial data and operational ratios of the business segments.

Annual and semi-annual reports are audited and reviewed by the Company's auditor. The results of the audit and review are presented to the management of financial division (including the Financial Chief Officer of the parent company – also the Member of the Management Board) during the sum up meetings and are also published in statutory auditor's report.

Conclusions from the audit review are submitted to the Audit Committee. During the closed-door meetings with the auditors the representatives of the Audit Committee analyze the results of the review (without the presence of the Management Board).

Additionally the statutory auditor submits to the Audit Committee recommendation concerning improvements of the internal control system in the Company that were identified during the review.

The Company has its own Internal Audit Department. Its main task is to identify weakness of the internal control and risks in terms of the registration and transactions processing. The Audit Committee during its meetings discusses the results of the work performed by the Internal Audit Department with the Head of the Internal Audit, also without the presence of the Management Board.

The auditor's and Internal Audit's recommendations are discussed by the Audit Committee and the Company's Management Board.

5. SHAREHOLDERS WITH A SUBSTANTIAL HOLDING IN THE COMPANY

To the best of the Company's knowledge as of the day of publication of the 2010 report, the following shareholders were entitled to exercise over 5% of voting rights at the General Meeting of Shareholders of the Company:

	no. of shares	% of share capital	no. of votes	% of voting rights
Agora-Holding Sp. z o.o. <i>(in accordance with the last notification obtained on December 23, 2010)</i>	6,032,025	11.84	23,158,425	34.03
BZ WBK AIB Asset Management S.A., incl.::: <i>(in accordance with the last notification obtained on February 22, 2011)</i>	15,632,682	30.69	15,632,682	22.97
BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. <i>(in accordance with the last notification obtained on December 29, 2009)</i>	12,749,373	25.03	12,749,373	18.73
Arka BZ WBK FIO <i>(in accordance with the last notification obtained on February 14, 2011)</i>	10,118,356	19.86	10,118,356	14.87

6. THE RULES GOVERNING ELECTION AND DISMISSAL OF MANAGEMENT BOARD MEMBERS AND THEIR RIGHTS, INCLUDING THE RIGHT TO DECIDE ABOUT SHARE BUYBACK OR ISSUE PROGRAM.

6.1. Election/ nomination

According to § 28 of the Statutes the Management Board is elected by the General Meeting of Shareholders, except for provisions regarding election by co – option.

With the exception of the situation when co – option of additional members of the Management Board takes place, the Management Board is composed of from 3 to 6 members with the exact number determined by the shareholders holding the majority of preferred series A shares, and following the expiration of such preferred status of all series A shares, by the Supervisory Board.

During the term of its office the Management Board may elect by co-option not more than two additional members; the co-option of additional members is effected by a resolution of the Management Board. In case a member of the Board is appointed by way of co-option, the Management Board is obliged to include in the agenda of the nearest General Meeting of Shareholders an item concerning confirmation of appointment of a new member of the Board by way of co-option and propose an appropriate draft resolution. Should the General Meeting of Shareholders not accept the appointment of the new member of the Board by way of co-option, such Management Board member's mandate expires on conclusion of the General Shareholders Meeting.

According to the Company's Statutes the majority of members of the Management Board shall be Polish citizens residing in Poland.

According to the § 30 of the Company's Statutes candidates for the Management Board shall be nominated exclusively by shareholders holding preferred series A shares, and following the expiry of the preferred status of all such shares, by the Supervisory Board.

In the event that the persons authorized to determine the number of members of the Management Board and to nominate candidates for such members do not exercise one or both of the above rights, the number of members of the Management Board elected by the General Shareholders Meeting shall be determined by such Shareholders Meeting, while each shareholder during such Shareholders Meeting shall be able to nominate candidates for such members.

6.2. Dismissal

According to § 31 of the Statutes individual or all members of the Management Board may be dismissed (removed), due to important reasons, prior to the end of their term of office on the basis of the resolution adopted by the General Meeting of Shareholders adopted by a simple majority of votes, provided that until the expiry of the preferred status of series A shares 80% of voting rights attached to all outstanding series A shares are cast in favor of such resolution. A resolution on dismissal (removal) of Management Board members should state the reasons for which such dismissal is made.

Members of the Management Board elected by co-option may be dismissed in the manner referred to above or by the resolution of the Management Board but the persons concerned cannot vote in this case.

In the event that some members of the Management Board are dismissed or their mandate expires during the term of office for other reasons, supplementary elections shall be held only at such time as when the number of members of the Management Board performing their functions is less than three or when the composition of the Management Board does not comply with the requirement of the majority of members of the Management Board being Polish citizens residing in Poland.

If the number of members of the Management Board is even less than that required in the previous Section, the Management Board shall be obligated to immediately convene an extraordinary General Meeting of Shareholders in order to hold supplementary elections. Supplementary elections may take place also during the ordinary General Meeting of the Shareholders if, in accordance with provisions of law, such meeting must be convened within a short period of time, while convening an extraordinary General Meeting of Shareholders would not be appropriate in such case.

In the event of supplementary elections, provisions regarding the election of members of the Management Board for their full term shall apply.

According to § 33 of the Statutes members of the Management Board may elect the chairman or persons performing other functions among themselves.

6.3. The rights of the Management Board

According to § 27 of the Statutes the Management Board manages the Company's affairs and represents the Company in dealings with third parties. The responsibilities of the Management Board include all matters related to conducting the Company's affairs, provided they were not delegated otherwise.

Only, the General Meeting of Shareholders has the right to decide about share issue or share buyback.

7. HOLDERS OF ALL SECURITIES WHICH GRANT SPECIAL CONTROL RIGHTS IN RELATION TO THE ISSUER

series A shares

Agora Holding Sp. z o.o. is the only holder of registered preferred series A shares. The series A shares carry preferences regarding the number of votes per one share and right to propose candidates for the Management and Supervisory Board members, nominate and dismiss the members of the Management and Supervisory Board, and grant the consent to dispose the series A shares or convert them into bearer shares. Each series A share entitles its holder to 5 votes at the General Meeting of Shareholders.

The shareholder holding series A shares has the exclusive right to present candidacies for the Management Board. They also belong to the limited number of entities with the exclusive right to present candidacies for the Supervisory Board as well as are able to define the exact number of the Management Board Members.

Further preferences carried by series A shares include the right to dismiss the member of the Management or Supervisory Board prior to the end of his/her term of office. The dismissal can be made on the basis of the resolution adopted by the General Meeting of the Shareholders adopted by a simple majority of votes, provided that until the expiry of the preferred status of series A shares 80% of voting rights attached to all outstanding series A shares are cast in favour of such resolution.

The Company's Statutes contains provision that none of the shareholders may exercise more than 20% of the overall number of votes at the General Meeting of the Shareholders, provided that for the purposes of establishing obligations of purchasers of material blocks of shares as provided in the Law on Public Trading of Securities such restriction of the voting rights does not exist. The restriction of the voting rights referred to above does not apply to the shareholders holding series A shares.

Each share, whether preferred or not, entitles its holder to one vote in connection with passing a resolution regarding the withdrawal of the Company's shares from public trading.

8. LIMITATIONS REGARDING THE TRANSFER OF OWNERSHIP RIGHTS TO THE ISSUER'S SECURITIES

According to the Statutes of Agora SA the sale or conversion of preferred series A shares into bearer shares requires the written consent of shareholders holding at least 50% of the preferred series A shares registered in the share register on the date of filing the written request for such consent.

9. REGULATIONS CONCERNING RESTRICTION OF THE VOTING RIGHTS

According to Company's Statutes stipulations, none of the shareholders may exercise more than 20% of the overall number of votes at the General Meeting of the Shareholders. For the purposes of establishing obligations of purchasers of material blocks of shares as provided in the Law on Public Trading of Securities such restriction of the voting rights does not exist. The restriction of the voting rights referred to the sentence above shall not apply to:

- a) shareholders holding the preferred series A shares;
- b) the deposit bank which, on the basis of agreement with the Company, issued depository receipts based on the Company Shares, in the event that such entity exercises the voting rights attached to shares which were the basis for the issuance of depository receipts; and
- c) a shareholder who, while having no more than 20% of the overall number of votes at the General Meeting of the Shareholders, announced a tender for subscription for the sale or exchange of all the shares of the Company and in result of such tender purchased shares which, including the previously held Company shares, authorize it to exercise at least 75% of the overall number of votes at the General Meeting of the Shareholders. For the purposes of calculating a shareholder's share in the overall number of votes at the General Meeting of the Shareholders referred to above it is assumed that the restriction of the voting rights provided in § 17 section 1 of the Company's Statutes does not exist.

Percentage of votes at the General Meeting of Shareholders of foreign entities and entities controlled by them may not exceed 49%. The limit shall not refer to entities with their registered seats or residence in a member state of the European Economic Area.

Each share, whether preference or not, entitles its holders to one vote when passing a resolution regarding the withdrawal of the Company's shares from public trading.

10. RULES OF INTRODUCING CHANGES INTO COMPANY'S STATUTES

The Company's Statutes does not contain stipulations different from the Commercial Companies Code stipulations regarding introducing changes into Company's Statutes.

Warsaw, April 12, 2011

Piotr Niemczycki – President of the Management Board *Signed on the Polish original*

Zbigniew Bak – Deputy President of the Management Board *Signed on the Polish original*

Tomasz Jozefacki – Member of the Management Board *Signed on the Polish original*

Grzegorz Kossakowski – Member of the Management Board *Signed on the Polish original*