

Supervisory Board of Multimedia Polska SA Report on supervisory activities in 2006

In 2006, the Supervisory Board of Multimedia Polska SA consisted of 5 members.
Each member of the Supervisory Board exercised his duties between the following dates:

Name	Term
Ygal Ozechov	01.01.2006 – 31.12.2006
Tomek Ulatowski	01.01.2006 – 31.12.2006
Machiel Papousek	01.01.2006 – 22.05.2006
Zbigniew Piotrowski	01.01.2006 – 30.05.2006
Anthony Doran	01.01.2006 – 28.07.2006
Vikram Pant	22.05.2006 – 31.12.2006
Konrad Jaskóła	29.06.2006 – 31.12.2006
Gabriel Wujek	28.07.2006 – 31.12.2006

In connection with the amendment of Paragraph 3.4 of the Supervisory Board By-laws, the Supervisory Board appointed Mr. Ygal Ozechov and Mr. Tomek Ulatowski to the position of Co-Chairman of the Supervisory Board on 16 August 2006.

Additionally, on 17 August 2007, the Supervisory Board acting upon its by-laws resolved to appoint from among its members two permanent committees: an audit committee and a remuneration committee. Remuneration committee consists of three members: Ygal Ozechov, Konrad Jaskóła (independent member) and Gabriel Wujek (independent member). The audit committee also consists of three members: Tomek Ulatowski, Konrad Jaskóła (independent member) and Gabriel Wujek (independent member).

No other committees, either permanent or ad hoc, were established by the Supervisory Board in 2006.

I. Activities performed by the Supervisory Board in 2006

In 2006, decisions of the Supervisory Board were made during formal meetings and through resolutions taken in written ballot. Acting within its powers, as provided for in the Statutes of the Company and the Commercial Companies Code, the Supervisory Board considered many issues of material importance for the Company's business. In particular, the Supervisory Board considered the following matters:

- floatation of the Company on the Warsaw Stock Exchange,
- ongoing operations with a special focus on revenue and EBITDA,
- budget vs. actual results,
- consolidation of the companies within Multimedia Polska Group and streamlining the structure of the Group.

Within respect to the above the Supervisory Board resolved in particular to:

- acquire a cable television network in Szczecin and Gdynia,

- increase the amount of the senior credit facility and grant additional security to secure the banks receivables,
- acquire the senior bond from Tri Media Holdings Limited,
- appoint an auditor,
- approve the budget for 2006.

Acting within its powers the Supervisory Board performed a detailed analysis of the Management Board's report for 2005 and standalone and consolidated financial statements of the Company for 2005 in respect of their conformity with the books, documents and facts. Following the review, the Supervisory Board issued a positive opinion on the above mentioned documents and recommended to the General Meeting to approve the Management Board's report for 2005 and the standalone and consolidated financial statements of the Company for 2005 and grant a vote of acceptance to Management Board Members for the discharge of their duties.

II. Opinion on the financial statements for the year ended 31 December 2006

The Supervisory Board performed a detailed analysis of the financial statements for 2006 with respect to their conformity with the books, documents and facts and the Management Board's report for 2006. As a result of the analysis, the Supervisory Board hereby positively opines the above mentioned documents, recognising them as prepared in conformity with the books, documents and facts and also in accordance with the law and showing truthfully the economic and financial situation of the Company. Having performed the analysis, the Supervisory Board issues a positive opinion on the Management Board's motion to allocate the Company's 2006 profit to supplementary capital.

Furthermore, the Supervisory Board analysed the consolidated financial statements of Multimedia Polska Group for 2006 and resolved to issue a positive opinion about the above mentioned statements, recognising them as prepared in conformity with the books, documents and facts and also in accordance with the law.

Both financial statements were approved taking into consideration the auditor's opinion and report on the standalone and consolidated financial statements of the Company for the year ended 31 December 2006.

Having analysed the financial statements, the Supervisory Board recommends to the General Meeting to:

- approve the Management Board's report for 2006 and standalone and consolidated financial statements of the Company for 2006,
- allocate the Company's 2006 profit to supplementary capital, as requested by the Management Board,
- give vote of approval to Management Board members for the discharge of their duties in 2006.

III. General assessment of the Company's standing

Having made the general assessment of the Company's standing, the Supervisory Board is of the opinion that the Company improved its already strong position as a cable television, Internet and telephony provider in 2006, which has been confirmed by the financial results it delivered.

The roll-out of digital television for telephony subscribers (IP TV) in 2006 confirms that Multimedia Polska SA is able to offer modern services using advanced technologies.

By adding new and innovative products, Multimedia Polska SA confirmed that it is one of the leading telecom providers in Poland.

The Supervisory Board is of the opinion that the future of the Company lies, among other things, in territorial expansion, growth of the number of subscribers both in current and new locations, an increase of the number of services delivered to each subscriber and, before all, in the implementation of services based on new technologies, such as digital cable television.

This Supervisory Board Report has been prepared in compliance with Art. 382.3 of the Commercial Companies Code.

Ygal Ozechov *[signed on the Polish original]*

Tomek Ulatowski *[signed on the Polish original]*

Konrad Jaskóła *[signed on the Polish original]*

Gabriel Wujek *[signed on the Polish original]*

David C. Seidman *[signed on the Polish original]*