

Report on supervisory activities in 2007
prepared by the Supervisory Board of Multimedia Polska SA together with general assessment
of the Company's standing and Supervisory Board activities

The term of office of each member of the Supervisory Board in 2007 is as follows:

Name	Term
Tomek Ulatowski	01.01.2007 – 31.12.2007
Ygal Ozechov	01.01.2007 – 31.12.2007
Vikram Pant	01.01.2007 – 04.01.2007
Konrad Jaskóła	01.01.2007 – 31.12.2007
Gabriel Wujek	01.01.2007 – 31.12.2007
David. C. Seidman	05.02.2007 – 31.12.2007

I. Assessment of Supervisory Board activities

In 2007, the Supervisory Board of Multimedia Polska S.A. proceeded in accordance with the provisions of the Commercial Companies Code, publicly available By-laws of the Supervisory Board of Multimedia Polska S.A., approved by the Supervisory Board on 31 July 2006, and the Best Practices in Public Companies 2005.

Meetings of the Supervisory Board were held regularly, with the participation of Management Board members. The Management Board provided the Supervisory Board with exhaustive information about material issues relating to the business of the Company. The Supervisory Board adopted resolutions in matters set forth in the meeting agenda distributed to members of the Supervisory Board in notices of the meetings. The Supervisory Board at times, acting on motion of the Management Board, adopted resolutions by circulation of documents without holding meetings, in an effort to ensure efficient performance of their functions.

The Supervisory Board submitted a concise evaluation of the Company's standing as part of the Supervisory Board report on the Company's standing in 2006 during the General Meeting held on 27 June 2007. The General Meeting approved the report.

Activities of the Supervisory Board in 2007 focused on matters of material importance for the business of the Company.

In order to enable Multimedia Polska S.A. to deliver the goals of its public offering, the Supervisory Board passed resolutions regarding its consent to acquire shares in telecommunications companies (Automatic Serwis Sp. z o.o., PHU Sotel Sp z o.o., Intertel Sp. z o.o., Zicom Sp. z o.o. and others).

The Supervisory Board approved the motion of the Management Board with respect to distribution of profit for 2006.

The Supervisory Board performed its duty with respect to supervising the business of the Company by reviewing interim financial statements of the Company and Multimedia Polska Group, as well as Management reports on the activities of the Company and the Group.

The Supervisory Board performed its duty with respect to appointing the Management Board and determining the terms and conditions of employment by reappointing the existing Management Board for a joint two year term of office.

Supervisory Board Committees

There were two committees within the Supervisory Board, the Audit Committee and the Remuneration Committee, each consisting of three Supervisory Board members, including at least two independent Supervisory Board members.

Audit Committee

Duties of the Audit Committee are set out in the By-laws of the Supervisory Board.

The Audit Committee consists of three members, including at least two independent members and at least one member possessing relevant qualifications and experience in accounting and finance. The Audit Committee's tasks include advising the Board regarding proper application of budget and financial accounting rules and the internal audit of the Company and the Group, as well as cooperation with independent auditors of the Company auditing its financial statements. The Committee's specific tasks include: (i) reviewing the Company's accounting policies, (ii) reviewing the Company's interim and annual financial statements (standalone and consolidated), (iii) reviewing internal audit procedures, (iv) analysing internal audit reports, including related-party transactions, (v) reviewing internal audit programs, cooperation with internal auditors and periodic evaluation of their performance, (vi) cooperation with independent auditors auditing the Company's financial statements and presenting to the Supervisory Board recommendations regarding the choice of independent auditor, (vii) discussing the nature and scope of audit work with the interdependent auditor before each audit of annual financial statements, (viii) providing information to the Supervisory Board regarding the Committee's work with any proposals to take any necessary actions, and (ix) performing other tasks connected with accounting and finance, agreed between the Audit Committee and the Supervisory Board.

The Audit Committee is composed of Tomek Ulatowski, Konrad Jaskóła and Gabriel Wujek.

Remuneration Committee

Duties of the Remuneration Committee are set out in the By-laws of the Supervisory Board.

The Remuneration Committee consists of three members, including at least two members who meet the independence criteria set out in the Company's statutes. The Remuneration Committee's main task is to advise the Board regarding the development of the remuneration systems for the Management Board and the Company's directors, which would allow the Company to attract and retain the highest calibre professionals and incentivise them to work towards increasing the efficiency of the Company's operations.

The Remuneration Committee is composed of Ygal Ozechov, Konrad Jaskóła and Gabriel Wujek.

No other committees, either permanent or ad hoc, were established by the Supervisory Board in 2007.

II. Opinion on the financial statements for the year ended 31 December 2007

In 2008, the Supervisory Board performed a detailed analysis of the financial statements for 2007 with respect to their conformity with the books, documents and facts and the Management Board's report for 2007. As a result of the analysis, the Supervisory Board resolved to issue a positive opinion on the above-mentioned documents, recognizing them as prepared in conformity with the books, documents and facts and also in accordance with the law. The Supervisory Board recognizes the above documents as 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 2007 profit to supplementary capital.

Furthermore, the Supervisory Board analysed the consolidated financial statements of Multimedia Polska Group for 2007 and resolved to issue a positive opinion on the above-mentioned document, recognizing it as prepared in conformity with the books, documents and facts and also in accordance with the law.

Attachment to Current Report no. 42/2008 dated 18 June 2008

Both financial statements were approved taking into consideration the auditor's report and opinion on the standalone and consolidated financial statements of the Company for the year ended on 31 December 2007.

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

- approve the Management Board's report for 2007 and standalone and consolidated financial statements of the Company for 2007,
- allocate the Company's 2007 profit to supplementary capital, as requested by the Management Board,
- give vote of approval to the Management Board for the discharge of their duties in 2007.

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 2007, as confirmed by the financial results.

By adding new and innovative products, Multimedia Polska S.A. 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 through the construction of telecom networks in new locations, as well as consolidation of cable and telecom operators, growing the number of subscribers both in current and new locations, increasing the number of services delivered to one subscriber and introducing services based on new technologies, such as interactive digital cable television with value-added services: high definition television (HDTV) and video on demand (VOD). The Supervisory Board believes that the deployment of mobile phone services as a mobile virtual network operator (MVNO) in the near future is also an important element in the Company's future business development.

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

Written Ballot of the Supervisory Board of Multimedia Polska S.A.

The Supervisory Board of the Multimedia Polska S.A. acting under § 23 item 2 (g) and § 25 item 4 of the Company Statutes hereby takes a resolution in a written ballot which reads as follows:

§ 1

The Supervisory Board of the Multimedia Polska S.A. accepts the Management Board's motion to allocate the Company's 2007 net profit of PLN 35,202,628.92 (thirty five million two hundred and two thousand six hundred and twenty eight zloty ninety two groszy) to:

- 1) pay dividends in the amount calculated within the following limit: between PLN 33,826,642.30 (thirty three million eight hundred twenty six thousand six hundred forty two zloty thirty groszy) and PLN 35,202,628.92 (thirty five million two hundred and two thousand six hundred and twenty eight zloty ninety two groszy) depending ultimately on the number of shares to be determined on the record day, provided that the dividend payable per one share shall amount to PLN 0.22 (twenty two groszy),
- 2) allocate to reserve capital the amount calculated within the following limit: between PLN 0 (zero zloty) and PLN 1,353,986.62 (one million three hundred fifty three thousand nine hundred eighty six zloty sixty two groszy) depending on the aggregate amount allocated to the dividend payment.

At the same time, the Supervisory Board repeals Resolution no 4/05/2007 dated 15 May 2008 and in that respect restates the Supervisory Board's report on supervisory activities in 2007 together with the assessment of the Supervisory Board's work adopted on 15 May 2008.

§ 2

The resolution takes effect upon being signed by all members of the Supervisory Board and voted for by the majority of the members required by the Statutes of the Company.