

Report on supervisory activities in 2009
prepared by the Supervisory Board of Multimedia Polska S.A. 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 2009 is as follows:

Name	Term
Tomek Ulatowski	01.01.2009 – 31.12.2009
Ygal Ozechov	01.01.2009 – 31.12.2009
Konrad Jaskóła	01.01.2009 – 31.12.2009
Gabriel Wujek	01.01.2009 – 31.12.2009
David. C. Seidman	04.02.2009 – 31.12.2009

I. Assessment of Supervisory Board activities

In 2009, 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 of WSE listed Companies.

In 2009 Meetings of the Supervisory Board were held twice. The President of the Management Board participated in those Meetings. 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, in an effort to ensure efficient performance of their functions, adopted in 2009 several resolutions by circulation of documents without holding meetings.

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 2008 during the General Meeting held on 28 April 2009. The General Meeting approved the report.

Activities of the Supervisory Board in 2009 focused on matters of material importance for the business of the Company.

The Supervisory Board approved the motion of the Management Board with respect to allocation of profit for 2008.

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.

Supervisory Board Committees

In 2009, 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. No other committees, either permanent or ad hoc, were established by the Supervisory Board in 2009

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.

The Supervisory Board is regularly updated by both the President of the Management Board and Financial Director on issues concerning the preparation and publication of Company's financial statements. In addition to very strict financial supervision of the Company by the President of the Management Board himself, there was appointed by the President a team of employees to hold ongoing control over each separate unit of the Company and to verify all potential gaps for abuses. Periodic reports are discussed by the President of the Management Board and all the Members of the Committee. This way of performing supervision allows on one hand to fully control the preparations of the financial statements of the Company and on the other hand allows the Supervisory Board to be updated on ongoing issues.

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.

Furthermore, acting under the initiative of the Co – Chairmen of the Supervisory Board with the cooperation of the President of the Management Board, there was in 2009 conducted a first and started second stage of a share option plan, under which eligible employees and a group of young managers who construe Company's employment reserve were granted shares of Multimedia Polska S.A. The aim of the share option plan is to bind the managers with the Company and its goals and to achieve high motivation effect, which will definitely influence the efficiency and engagement in the performance of the duties and the focusing on increasing of the value of the Company's shares.

In the first stage of the plan, a total of 256,000 shares at PLN 3.00 each were allocated to 17 key employees. Nine of the employees who were granted shares used the option of taking out a loan from the Company to purchase the shares. Those persons acquired in aggregate 136,000 shares. The first stage of the plan did not involve the Company's Management Board.

In December 2009 second stage of share option plan was started. Management Board of the Company and extended number of key employees – 32 employees - participated in this part of the plan.

II. Opinion on the financial statements for the year ended 31 December 2009

In 2010, the Supervisory Board performed a detailed analysis of the financial statements for 2009 with respect to their conformity with the books, documents and facts and the Management Board's report for 2009. 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 2009 profit to the special purpose reserve fund dedicated to share buyback.

Furthermore, the Supervisory Board analysed the consolidated financial statements of Multimedia Polska Group for 2009 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.

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 2009.

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

- approve the Management Board's report for 2009 and standalone and consolidated financial statements of the Company for 2009,
- allocate the Company's 2009 profit to the special purpose reserve fund dedicated to share buyback, as requested by the Management Board,
- give vote of approval to the President of the Management Board for the discharge of their duties in 2009.

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 2009, 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 last quarter of 2009 is also an important element in the Company's future business development. Furthermore the deployment of the services resulted in full complementary of Company's offer, which now includes all of the major services as required by the market.

It must be also underlined that in 2009 the Company started exploring business sector and regulated services, especially WLR, which may be new fields for Company's expanding in the future.

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

Tomek Ulatowski

Ygal Ozechov

Konrad Jaskóła

Gabriel Wujek

David C. Seidman