



Fourth Quarter 2006

Results Presentation

Disclaimer

This presentation contains 'forward-looking statements' including, but not limited to, statements regarding anticipated future events and financial performance with respect to our operations. Forward looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like 'believe', 'expect', 'anticipate', 'estimated', 'project', 'plan', 'pro forma', and 'intend' or future or conditional verbs such as 'will', 'would', or 'may'. Factors that could cause actual results to differ materially from expected results include, but are not limited to, those set forth in our Issue Prospectus filed with the Polish Securities and Exchange Commission, the competitive environment in which we operate, changes in general economic conditions and changes in the Polish, American and/or global financial and/or capital markets. Forward-looking statements represent management's views as of the date they are made, and we assume no obligation to update any forward-looking statements for actual events occurring after that date. You are cautioned not to place undue reliance on our forward looking statements.

Fourth Quarter 2006 Highlights

We delivered **very good financial and operational results** in Q4 2006 and for the full year

Our **EBITDA*** was PLN 182.7m increased by PLN 25.5m compared to 2005 pro forma results

We increased the number of **RGUs** to 807,000

We reduced **churn** on our video and data services

We managed to significantly increase **RGU/unique customer** ratio to 1.40

We succeeded in reducing the **fixed costs** of our business

* Adjusted: operating profit plus depreciation and amortisation less one-off non-cash items

Fourth Quarter 2006 Highlights Contd.

- **We added 37,700 net RGUs**
 - 17,800 broadband RGUs
 - 6,600 telephony RGUs
 - 13,300 CATV TV RGUs, including nearly 1,000 IPTV RGUs
- **We had 575,500 unique customers**
 - 429,000 single play subscribers
 - 114,000 double play subscribers
 - 32,500 triple play subscribers
- **RGU/subscriber rate was**
 - 1.35 in Q3 2006
 - 1.40 in Q4 2006
- **Blended ARPU per subscriber**
 - PLN 53.06 in Q3 2006
 - PLN 53.73 in Q4 2006
- **Blended ARPU per RGU**
 - PLN 38.44 in Q3 2006
 - PLN 37.80 in Q4 2006

Fourth Quarter 2006 Highlights

RGU growth...

Quarter-on-quarter ('000)	30/09/06	31/12/06	% change
video	487	500	3%
voice	155	162	4%
data	127	145	14%
Total	769	807	5%

Year-on-year ('000)	31/12/05	31/12/06	% change
video	473	500	6%
voice	143	162	13%
data	98	145	49%
Total	714	807	13%



Business Review

Our subscriber base—31 Dec 2006

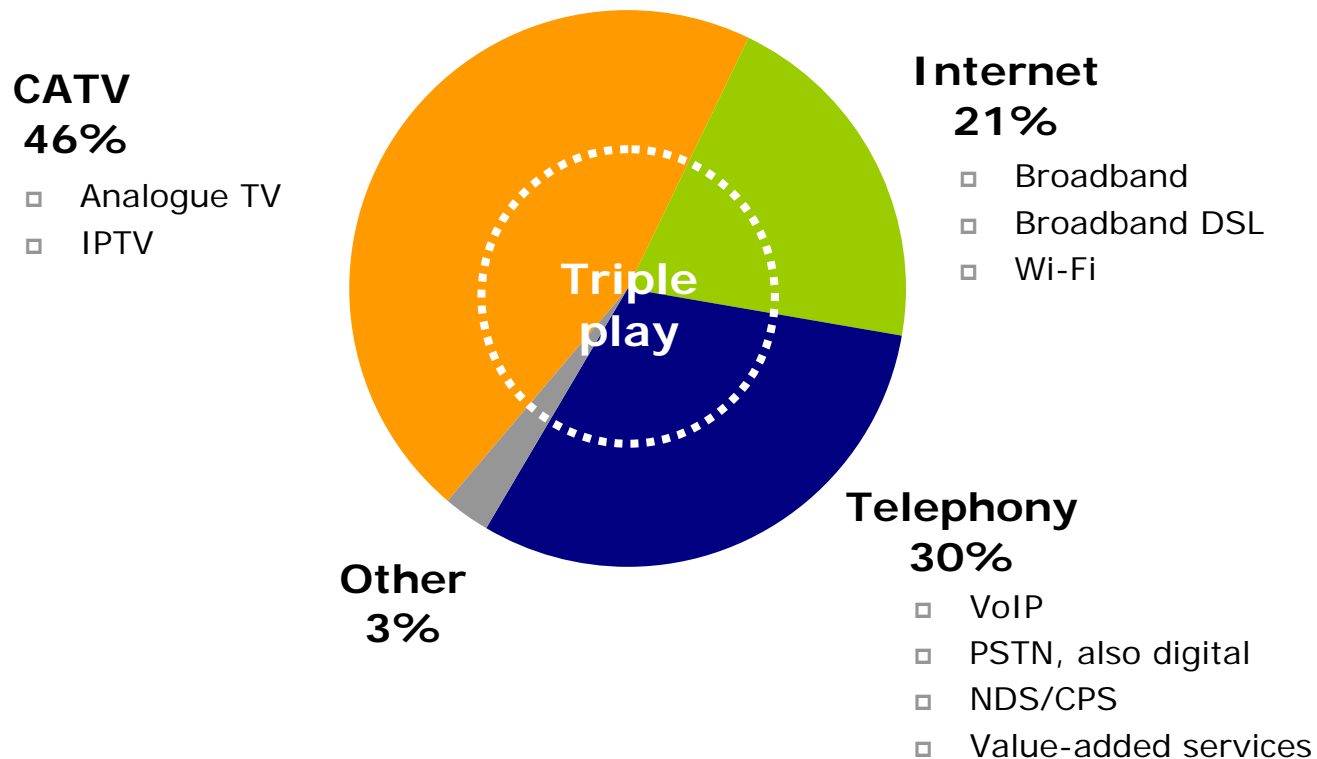
Marketable homes	872,000 total marketable homes			
	691,000 CATV marketable homes		181,000 PSTN marketable homes	
TV RGUs	475,000 CATV RGUs		1,700 IPTV RGUs	
Broadband RGUs	128,000 broadband RGUs		17,000 broadband RGUs	
Telephony RGUs	44,000 telephony RGUs		110,000 telephony RGUs	
Other RGUs	24,000 premium channel RGUs		7,500 indirect voice RGUs*	
Total RGUs	807,000 RGUs*		575,500 unique subscribers	
Total subs				
2-play and 3-play	100,000 2-play subscribers	31,500 3-play subscribers	14,000 2-play subscribers	900 3-play subscribers

* Includes approximately 700 payphones

Our products today

We have fully diversified revenue streams...

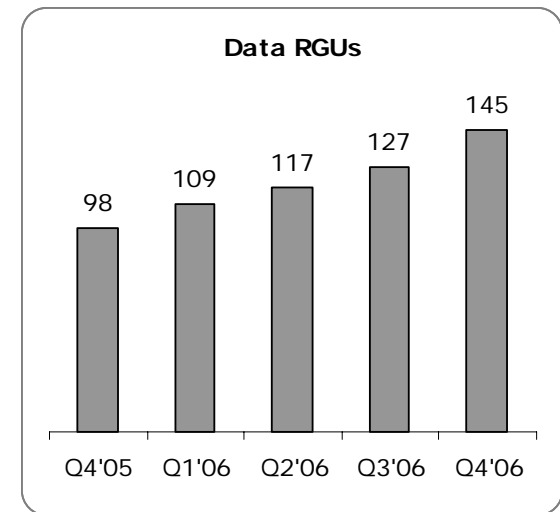
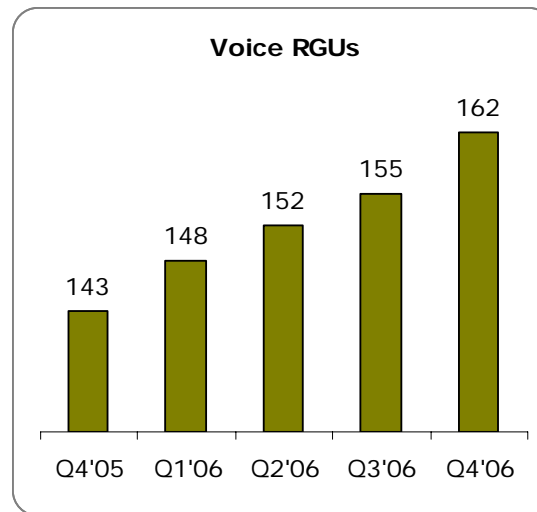
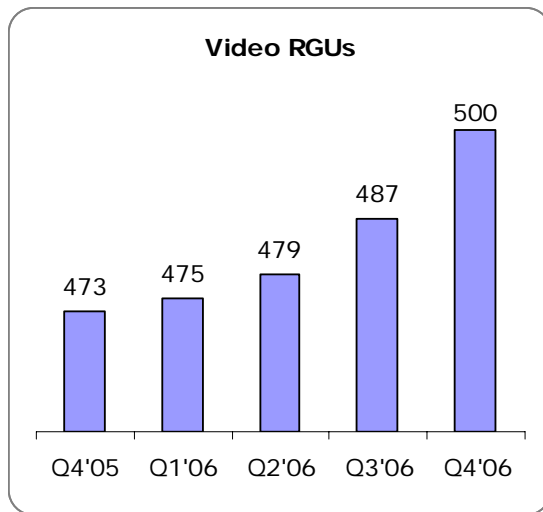
Revenue breakdown



... and have achieved our target revenue structure

Growth of Customer Base

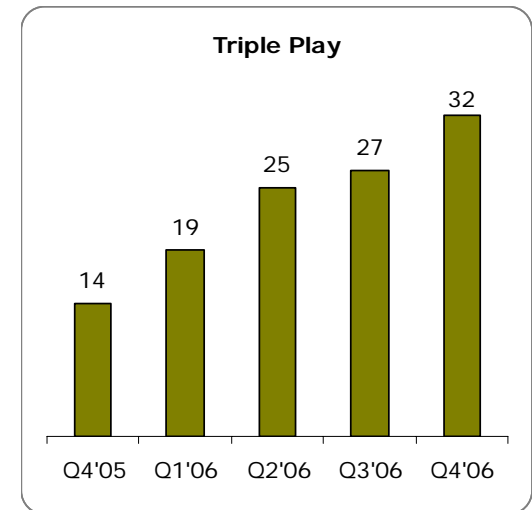
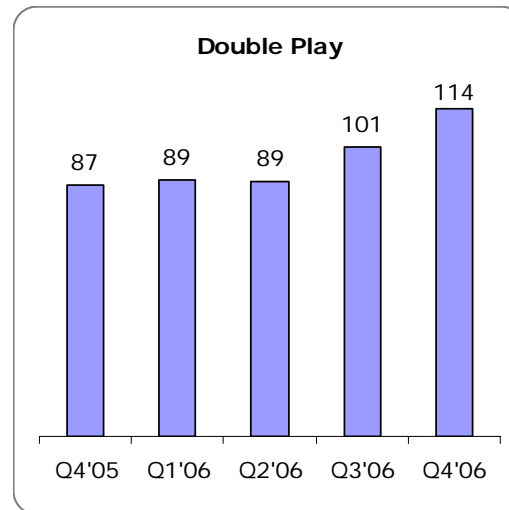
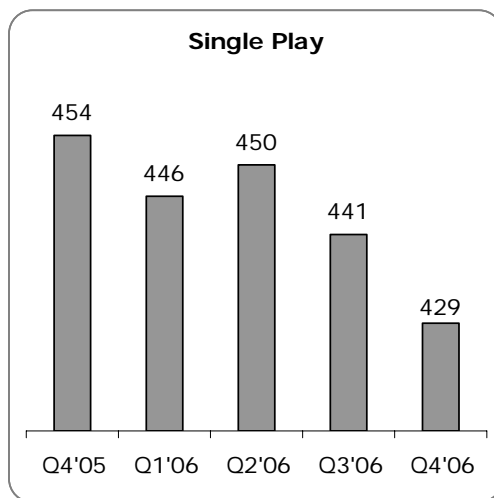
Stable and solid growth of Revenue Generating Units quarter on quarter in all service groups...



All data in thousands

Customer Base Structure

In line with our strategy, we have been moving away from single play and towards double and triple play...



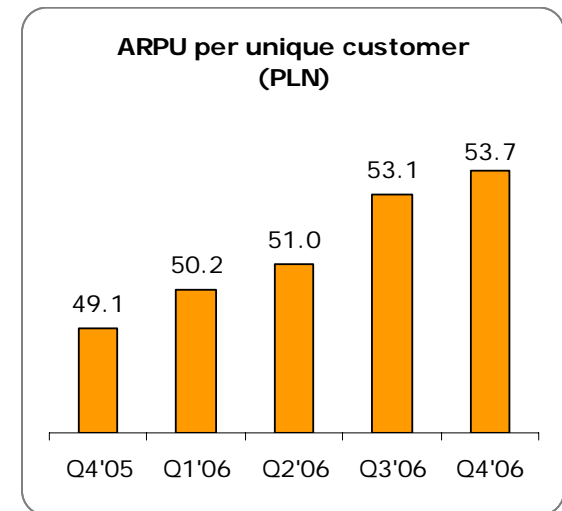
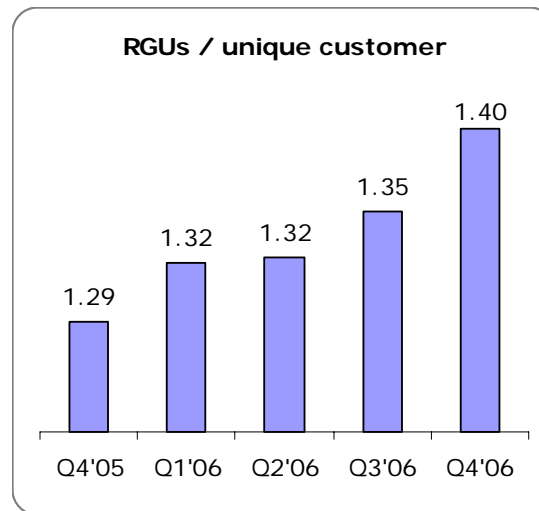
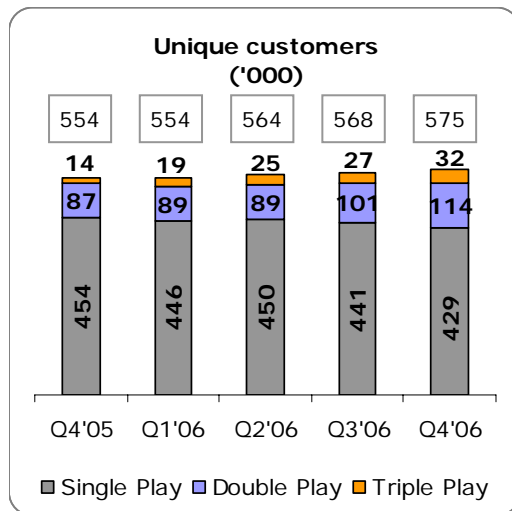
Note: In Q2'06 the number of single play RGUs increased due to acquisitions

... and we fully expect this trend to continue going forward

All data in thousands

Subscribers and ARPU

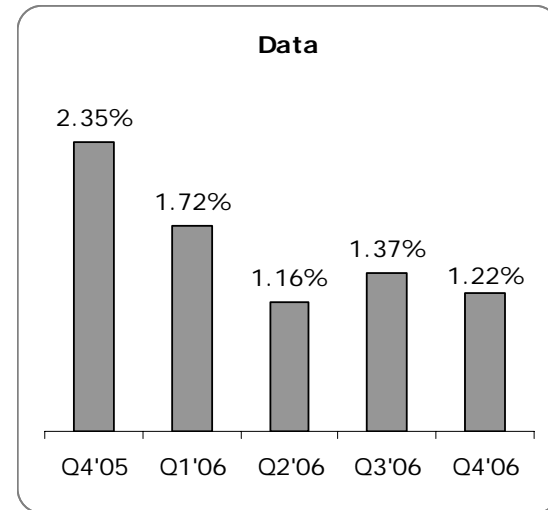
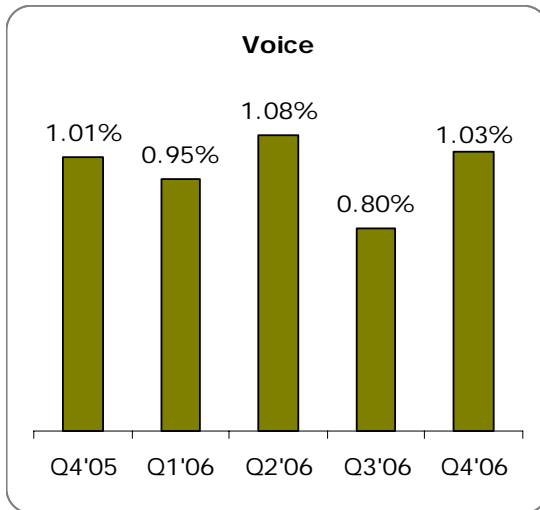
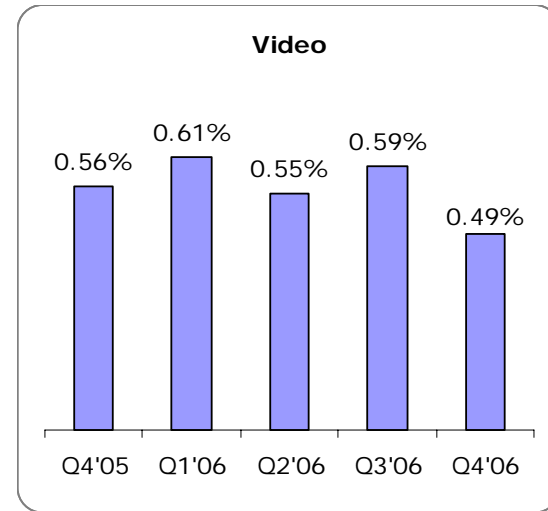
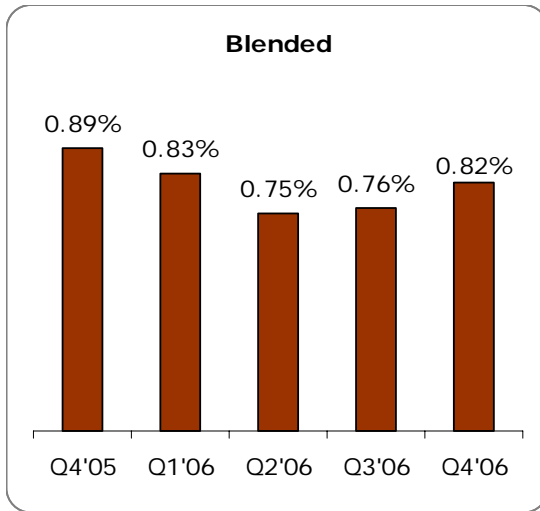
Despite price decreases, we continue to grow our ARPU per unique customer thanks to the bundling of services...



RGU per unique customer increased materially from 1.29 to 1.40 during 2006

Churn

– under control thanks to service bundling



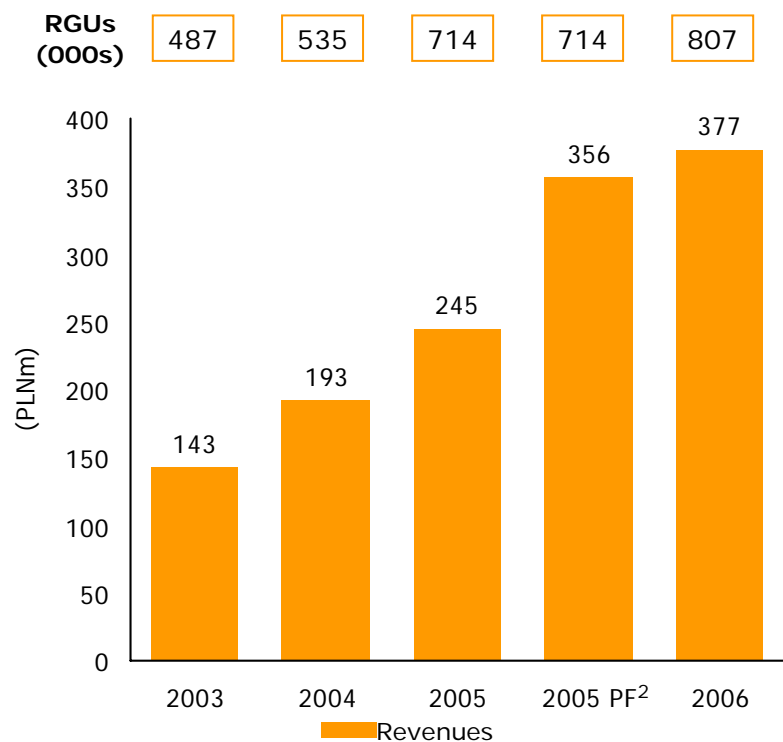


Financial Review

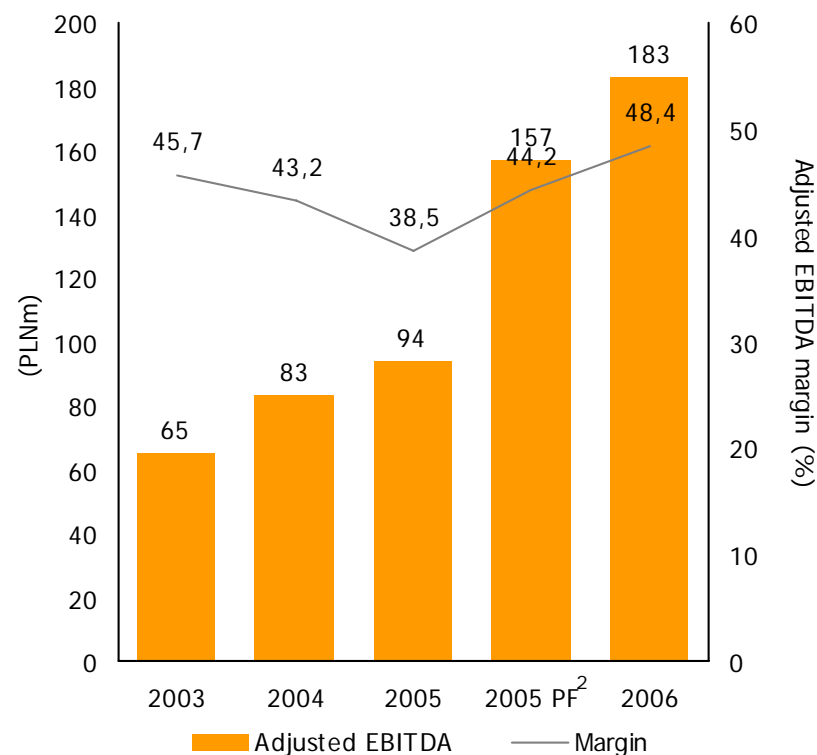
Track record of growth

Multimedia has posted significant revenue and EBITDA growth over the last four years...

Revenues¹, RGUs



Adjusted EBITDA and margin



Source: Audited IFRS statements for 2003, 2004, 2005 and 2005 pro forma; unaudited IFRS statements for Q4 2006

Note: (1) Includes other and wholesale revenues
(2) TeleNet consolidation started on 29 November 2005

Revenue Structure Quarterly

Despite price pressure in Internet and voice services...

Revenues (PLN '000)	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q4/Q3 % change
basic CATV	41,730	41,364	42,103	42,769	2%
premium CATV	1,340	1,397	1,411	1,400	-1%
IPTV		6	59	67	14%
internet	17,315	17,916	19,241	19,748	3%
telephony	31,062	30,755	29,501	29,224	-1%
other revenues	808	3,021	2,456	2,605	6%
Total Revenues	92,254	94,457	94,771	95,812	1%

...our revenues quarter-on-quarter increased steadily

Revenue Structure Year-on-Year

CATV revenues and Internet revenues increased due to net additions of RGUs...

Revenues (PLN '000)	2005 PF	2006	% change
basic CATV	160,697	167,965	5%
premium CATV	4,728	5,547	17%
IPTV		131	-
internet	59,164	74,219	25%
telephony	124,420	120,542	-3%
other revenues	7,028	8,890	26%
Total Revenues	356,036	377,295	6%

...while traditional telephony revenues are shrinking
the new VoIP telephony is gaining popularity

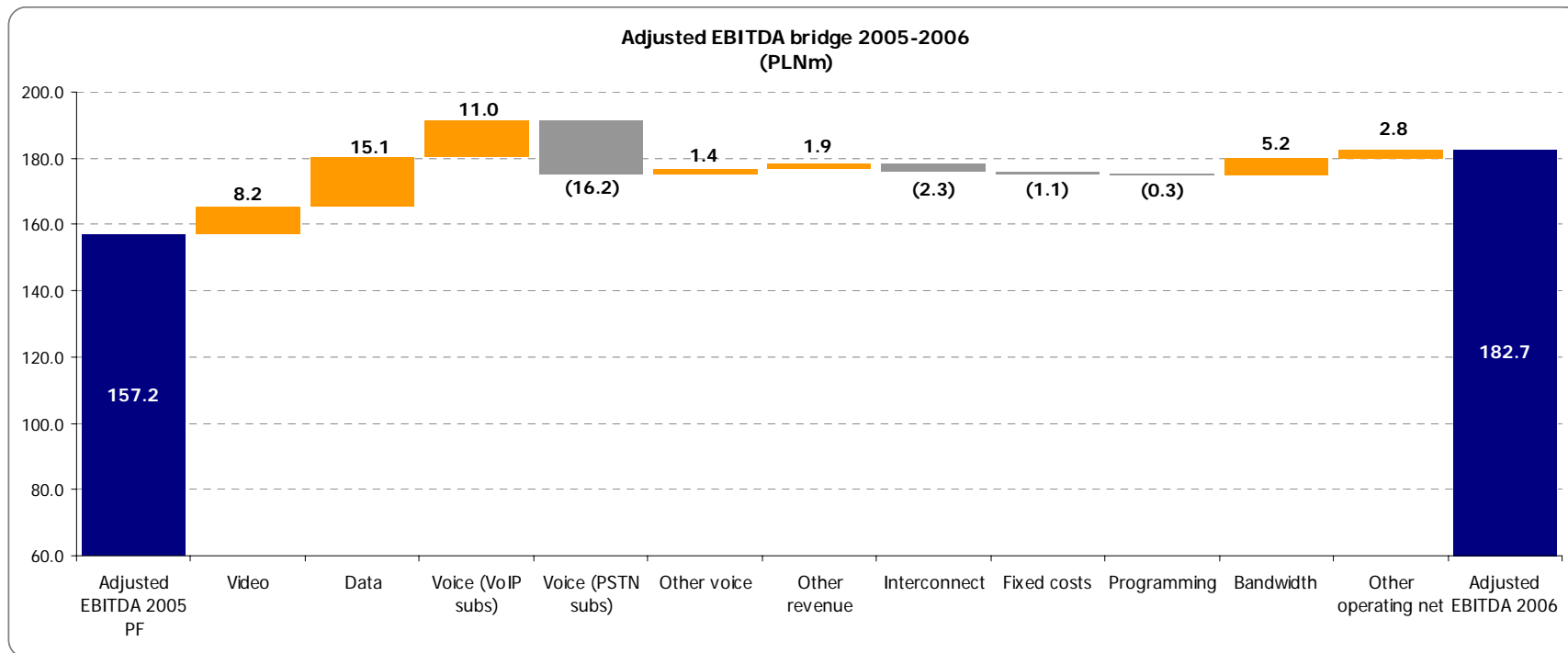
Operating Expenses

Despite operating a larger customer base...

Expenses (PLN '000)	Q3 2006	Q4 2006	2005 PF	2006
programming and copyrights	8 729	8 282	36 010	36 313
bandwidth	2 703	2 436	16 349	11 197
interconnect	5 581	5 249	18 880	21 195
network costs	7 129	8 927	25 931	30 546
payroll and benefits	11 635	8 137	41 577	40 558
sales and marketing	4 546	4 922	13 827	17 202
taxes and charges	2 310	3 982	10 346	10 837
professional services	168	553	5 509	3 944
energy and materials	2 766	3 615	9 640	10 680
other expenses	2 809	3 139	18 685	12 855
Total Expenses	48 378	49 242	196 753	195 326

... we have managed to keep operating expenses down

EBITDA Bridge*



Source: Unaudited Q4 2006 IFRS financial statements

* Adjusted: operating profit plus depreciation and amortisation less one-off non-cash items

Income Statement

Income Statement (PLN '000)	Q3 2006	Q4 2006	% change
Revenues	94,771	95,812	1%
Expenses (excl. D&A)	48,378	49,242	2%
Adjusted EBITDA	46,094	47,409	3%
<i>margin</i>	<i>48.6%</i>	<i>49.5%</i>	-
Operating profit	33,674	26,377	-22%
Net interest	(7,563)	(1,586)	-79%
Pretax profit	26,112	24,791	-5%
Tax	6,100	1,775	-71%
Net income	20,012	23,015	15%

Income Statement YTD

Income Statement (PLN '000)	12 mos 2005 PF	12 mos 2006	% change
Revenues	356,036	377,295	6%
Expenses (excl. D&A)	196,753	195,326	-1%
Adjusted EBITDA	157,190	182,702	16%
<i>margin</i>	<i>44.2%</i>	<i>48.4%</i>	-
Operating profit	69,826	100,035	43%
Net interest	(4,594)	(19,107)	316%
Pretax profit	65,232	80,928	24%
Tax	1,066	12,291	1054%
Net income	64,166	68,637	7%

Balance Sheet

Balance Sheet (PLN '000)	31-12-05	31-12-06	% change
Assets			
non-current	632 009	678 788	7%
current	34 791	60 127	73%
cash & equivalents	12 429	346 808	2690%
Total assets	679 229	1 085 723	60%
Equity	203 581	492 250	142%
Liabilities			
non-current	403 125	513 677	27%
current	72 524	79 795	10%
Total equity & liabilities	679 229	1 085 723	60%
Bank debt gross		504 979	
Deposit with Security Agent		100 000	
Bank debt after debt payment 10 Jan '07		404 979	

Free Cash Flow

Despite significant capital expenditure incurred in 2006 we were able to generate positive free cash flow...

Free Cash Flow (PLN '000)	2006
Adjusted EBITDA	182,702
Changes in working capital	7,252
Investment expenditure	(143,264)
Tax paid	(12,291)
Free Cash Flow	34,399

Capital Expenditures

We spent approximately PLN 143m on capital expenditure in 2006...

□ Growth CAPEX – 70%

- network upgrades for broadband Internet and VoIP telephony
- network devices for our telephony and broadband Internet services and IPTV
- subscriber activations

■ Acquisitions

- 12 cable television and internet operators were acquired
- 13,400 new HPs, 11,500 cable television subscribers, 2,700 Internet subscribers, and 240 telephony subscribers were added to our subscriber base in total

■ New homes passed

- 14,500 new HPs constructed in 2006
- no new HPs for PSTN

□ Other CAPEX – 30%

- upgrades in information technology, new systems
- upgrades for number portability
- expansion of our backbone's coverage and capacity



Outlook

Recent Events

Acquisition of **Automatic Serwis**
for PLN 56m* adding
40,000 homes passed
31,000 CATV RGUs
7,300 Internet RGUs

Networks located in **10 cities** in
the proximity of Multimedia
networks

Networks do not require extra
CAPEX to be **Internet-ready**

Acquired networks will be fully
integrated into our network in
12 months

Future Developments

Further **growth of customer
base**

Continued increase in the uptake
of **double and triple play**
services

Launch of **digital TV**
– mid 2007

Complete **digital upgrades**
throughout our networks

On the lookout for potential
acquisitions

* Automatic Serwis had PLN 4m cash at hand and in bank as at the date of acquisition

Our products in the future

Nearest future

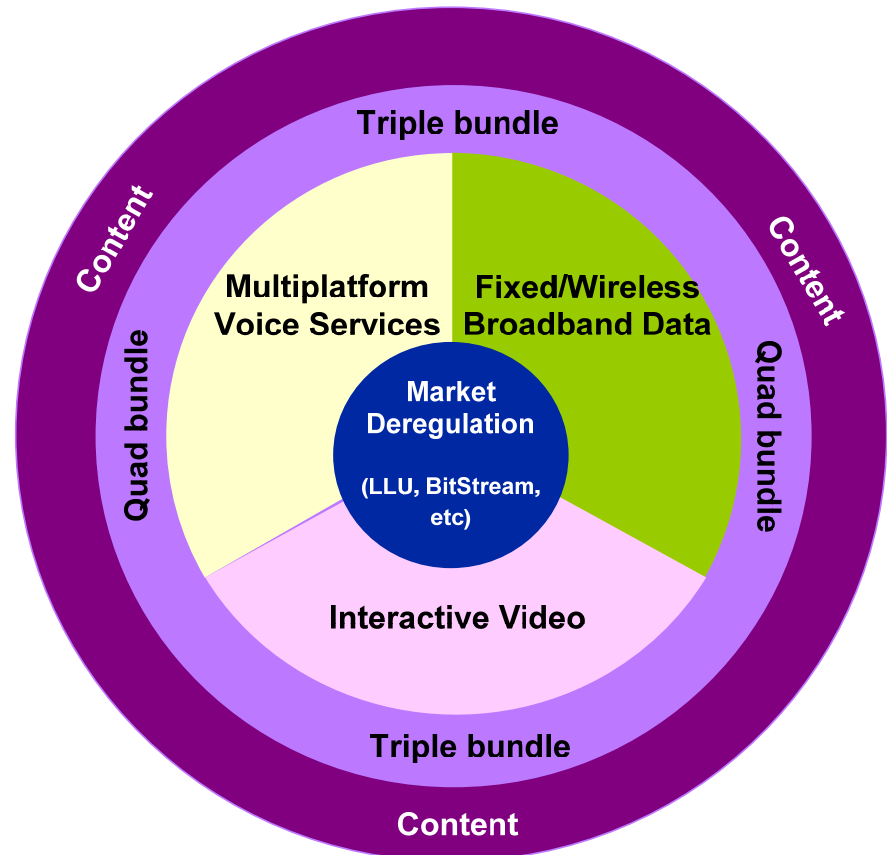
In the nearest future we intend to launch:

- Video-on-Demand,
- High Definition TV,
- Time-Shift TV

and more to make our video service fully interactive

Mid-term future

- We are considering becoming an MVNO operator, which would allow us to offer a bundle of four services
- We are closely following the development of the Wi-Max opportunities



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Publication of 2006 full year results: 10 May 2007

Publication of Q1 2007 results: 15 May 2007



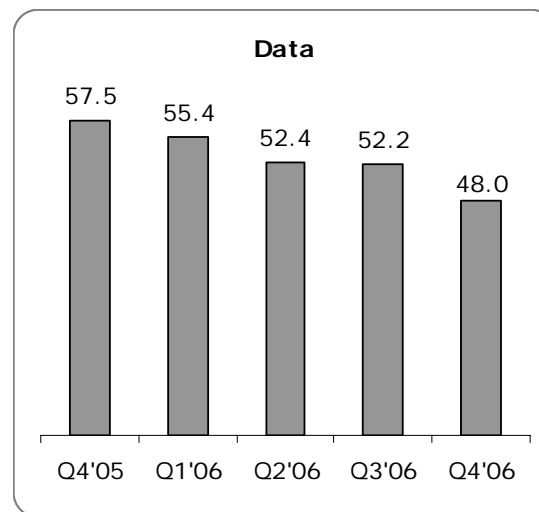
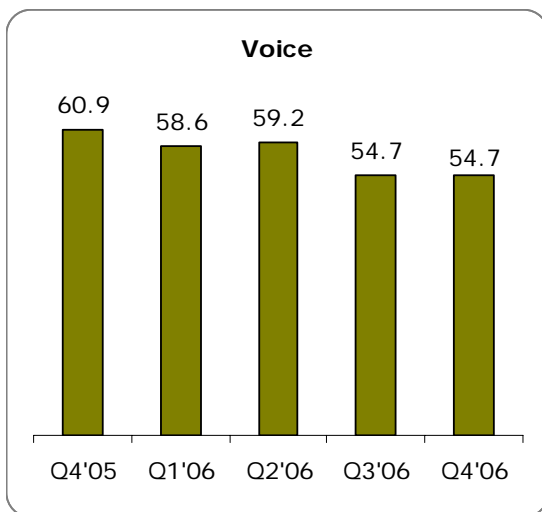
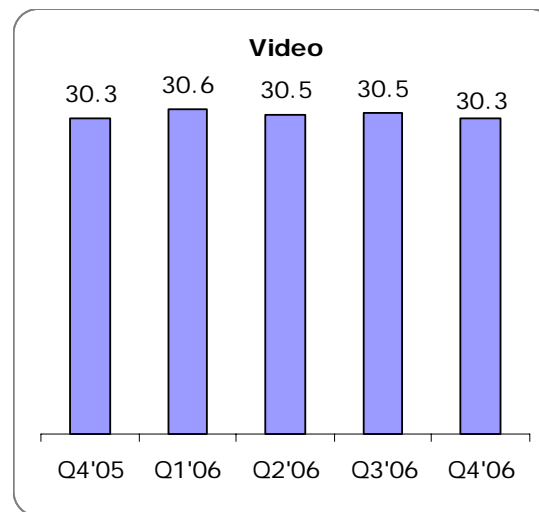
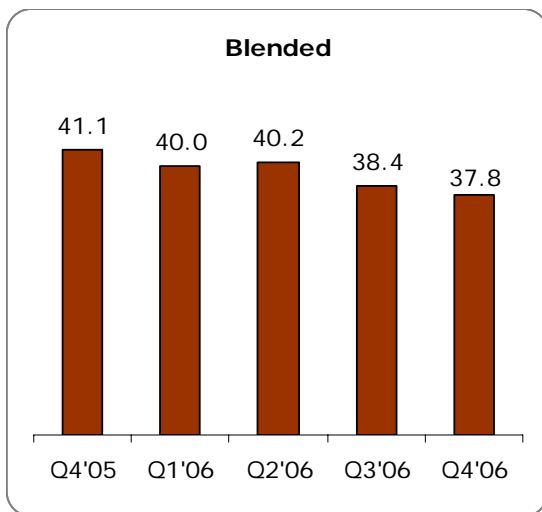
Appendix

EBITDA Reconciliation

(PLN '000)	Q4 2006	12 mos 2006
EBITDA	45,545	189,773
Disposal of fixed assets	(14)	538
Impairment, valuation and liquidation of fixed assets	1,888	4,412
Compensation received (one-off item)	(10)	(12,020)
Adjusted EBITDA	47,409	182,702

Source: Unaudited Q4 2006 IFRS financial statements

ARPU per RGU



All data in PLN