

PRESS RELEASE



## TVN REPORTS CONSOLIDATED SECOND QUARTER 2005 RESULTS

**Warsaw – August 11, 2005** – TVN S.A. ([www.tvn.pl](http://www.tvn.pl)) Poland's leading television broadcaster, today announced results for the second quarter of 2005. Figures are presented in Polish Zloty and in accordance with International Financial Reporting Standards (IFRS).

*The highlights:*

- *Prime-time audience share in the key target group up to 32% in the second quarter of 2005*
- *Revenues for the second quarter increased 8% to PLN 218 million*
- *EBITDA increased 29% to PLN 91 million in the second quarter of 2005; expressed as a percentage of revenues EBITDA margin is 42%, up from 35%*
- *Operating profit increased 29% to PLN 81 million in the second quarter of 2005*
- *Net profit up 16% to PLN 71 million*

Piotr Walter, Chief Executive Officer of TVN S.A., said:

“In the second quarter of 2005 we were able to grow our revenues by 8% in spite of the loss of eight days of advertising during the period. At the same time our operating and EBITDA margins improved significantly. We continue to invest in attractive programming and this is building our market share of our key target group, which reached a record 32% in the second quarter of this year.”

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For further information please contact:

Malgorzata Czaplicka

Investor Relations Manager

☎ (+48) 22 856 66 14

Mobile: (+48) 502 555 614

Fax: (+48) 22 856 65 71

mail: [m.czaplicka@tvn.pl](mailto:m.czaplicka@tvn.pl)



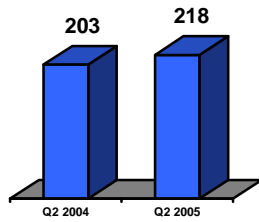
There will be a presentation via conference call today at 16 h00 (CET)/15h00 (UK). The dial in numbers are:

UK dial in                   0207 162 0190  
International dial in   +44 (0) 207 162 0190

The presentation will be available today, together with this press release on TVN's corporate TVN website, which may be found at [www.investor.tvn.pl](http://www.investor.tvn.pl).

TVN is part of the ITI Group, Poland's leading media and entertainment group active in television broadcasting and production, new media and entertainment ([www.itiholdings.com](http://www.itiholdings.com) or [www.iti.pl](http://www.iti.pl)).

## Financial highlights for the second quarter of 2005



PLN millions

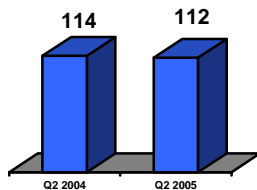
**Revenues:** Total revenues for the second quarter grew 8% when compared to the corresponding period of 2004.

### Revenues

Total net revenue increased by 8% to PLN 218 million for the three months ended June 30, 2005 from PLN 203 million for the three months ended June 30, 2004.

During the three months ended June 30, 2005 advertising revenue increased by 7% to PLN 187 million. This increase was primarily due to an increase of PLN 7 million in the net advertising revenues of the TVN channel, which had a 13% increase in the net average price per GRP sold, offset however by a decrease in the number of GRPs sold due to the eight day mourning period following the death of Pope John Paul II, during which no advertising was broadcast. In addition, channels launched and purchased in 2004 contributed PLN 4 million more in advertising revenues than in the corresponding period in 2004.

During the three months ended June 30, 2005, non-advertising revenues increased by 12% to PLN 31 million when compared to PLN 27 million in the corresponding period of 2004. The increase primarily related to a 32% increase in subscription fees from satellite and cable operators which increased to PLN 11 million in the three months ended June 30, 2005 from PLN 8 million in the corresponding period of 2004.

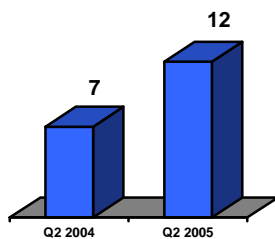


PLN millions

**Programming and broadcasting expenses:** Programming and broadcasting expenses for the second quarter of 2005 decreased by 2% when compared to the corresponding period of 2004.

### Programming and broadcasting expenses

Programming and broadcasting expenses decreased by 2% to PLN 112 million for the three months ended June 30, 2005. Programming and broadcasting expenses for the three months ended June 30, 2004 included a termination fee of PLN 8 million in respect of the termination of the agreement with JHH Exploitatie Maatschappij B.V. and FFMP Financial Holding B.V. Excluding this termination fee, programming and broadcasting expenses increased by 6%. This was partly due to the launch of a new channel, TVN Style on August 1, 2004, which incurred programming costs of PLN 1 million during the three months ended June 30, 2005, and partly due to an increase in local production expenses and staff expenses which resulted from an increase in the number of time slots we invested in during access prime time. These increases were partially offset by a decrease in broadcasting expenses.

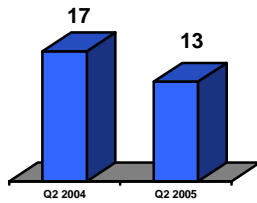


PLN millions

**Selling expenses:** Selling expenses for the second quarter of 2005 increased by 62% when compared to the corresponding period of 2004.

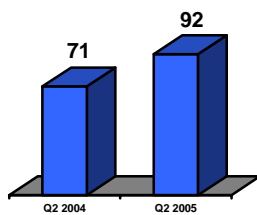
### Selling expenses

Selling expenses increased by 62% to PLN 12 million for the three months ended June 30, 2005. This increase was primarily related to an increase in marketing and research expenses of PLN 4 million in the three months ended June 30, 2005, mainly due to a more intense promotion of the TVN channel spring schedule.



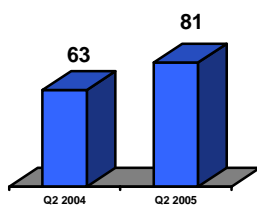
PLN millions

**General and administration expenses:** General and administration expenses for the second quarter of 2005 decreased by 21% over the corresponding period of 2004.



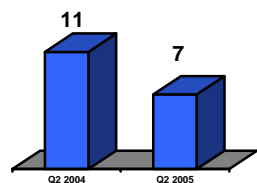
PLN millions

**EBITDA:** Second quarter 2005 EBITDA increased by 29% to PLN 92 million. EBITDA margin increased to 42%.



PLN millions

**Operating Profit:** Second quarter 2005 operating profit increased by 29% to PLN 81 million. Operating margin increased to 37%.



PLN millions

## General and administration expenses

General and administration expenses decreased 21% to PLN 13 million for the three months ended June 30, 2005 compared with PLN 17 million for the three months ended June 30, 2004 mainly as a result of a decrease in consulting and legal costs in the three months ended June 30, 2005, partially offset by an increase in staff expenses.

## EBITDA

EBITDA for the three months ended June 30, 2005 grew by 29%, to PLN 92 million from PLN 71 million in the corresponding period of 2004.

EBITDA margin for the second quarter of 2005 was 42% compared to 35% in the corresponding period of 2004.

## Operating Profit

Operating profit increased 29% to PLN 81 million for the three months ended June 30, 2005. This increase was primarily due to the increase in revenue, which was partially offset by a relatively smaller increase in operating expenses.

Operating margin for the second quarter of 2005 was 37% compared to 31% in the corresponding period of 2004.

## Financial Expenses, net

Foreign exchange losses, interest expense, revaluation of derivatives and other financial expenses net, resulted in a net finance income of PLN 7 million for the three months ended June 30, 2005 compared to a net finance income of PLN 11 million for the three months ended June 30, 2004.

During the three months ended June 30, 2005 net foreign exchange losses amounted to PLN 1 million, compared to net foreign exchange gains of PLN 23 million in the corresponding period of 2004. Foreign exchange gains recorded in 2004 were attributable to a significant strengthening of the zloty to euro and USD exchange rates in the three months ended June 30, 2004, while in the corresponding period of 2005 the zloty strengthened against the euro but weakened against the USD.

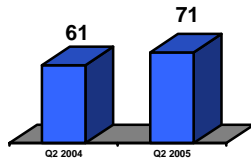
Net interest expense for the three months ended June 30, 2005 amounted to PLN 7 million compared to PLN 10 million for the corresponding period of 2004. This is mainly due to a strengthened zloty to euro exchange rate as at June 30, 2005 as compared to the zloty to euro exchange rate as

June 30, 2004.

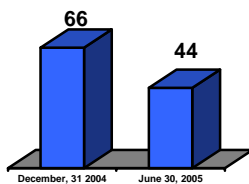
A gain of PLN 24 million on the revaluation of embedded options was partially offset by a guarantee fee of PLN 2 million paid to ITI Group in respect of guarantees issued on our behalf to programming suppliers, and loss on the fair value hedges of PLN 1 million and loss on cash flow hedges of PLN 5 million.

### Net Profit

The Group's net profit increased 16% to PLN 71 million for the three months ended June 30, 2005 compared to the three months ended June 30, 2004, due to the factors described above.



PLN millions



PLN millions

**Cash and cash equivalents.** Cash and cash equivalents amounted to PLN 44 million as of June 30, 2005.

### Liquidity

Net debt as of June 30, 2005 was PLN 905 million and comprised the Senior Notes<sup>1</sup> issued in late 2003 less cash (excluding restricted cash). Net debt to EBITDA amounted to 3.6x at June 30, 2005. Net debt, after taking into account the ITI Media bond was PLN 283 million and net debt to EBITDA amounted to 1.1x as of June 30, 2005.

Cash and cash equivalents amounted to PLN 44 million as of June 30, 2005.

### Analysis by channel

Annex 5 to this press release analyses revenue, EBITDA and EBITDA margin by channel.

The TVN channel increased its EBITDA margin to 47% in the three months ended June 30, 2005 from 39% in the three months ended June 30, 2004. This increase is primarily due to a 13% increase in the net average price per GRP sold, offset by a decrease in the number of GRPs sold during that period due to the eight day mourning period following the death of Pope John Paul II.

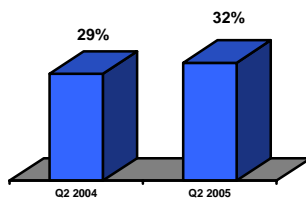
The TVN 7 channel was EBITDA negative in the three months ended June 30, 2005. The decrease in EBITDA is partly due to a reclassification between the channels of PLN 2 million of special sales expenses incurred in the first quarter of 2005 but booked into TVN 7 expenses only in May 2005, and partly due to a decrease in revenues.

The EBITDA margin of the TVN 24 channel increased to slightly above 13% in the second quarter of 2005.

TVN Turbo is EBITDA positive after 18 months of operations.

## Operational Highlights

<sup>1</sup> Nominal amount of the Senior Notes



**Audience share.** TVN Group channels' prime time key target audience share increased to a record 32%.

## Audience share

In the second quarter of 2005 TVN Group achieved an all day nationwide audience share of 19% and a prime time key target audience share of 32%.

The TVN channel achieved a 27% audience share in prime time in the key target audience in the three months ended June 30, 2005, compared to 24% in the three months ended June 30, 2004.

The TVN 7 channel decreased its audience share in prime time in our key target group audience to 3% in the three months ended June 30, 2005 from 4% in the corresponding period of 2004. The decrease is due to the change in reported cable penetration following the change of the AGB telemetric panel.

The TVN 24 channel had 3.5 million subscribers as at June 30, 2005, which represents over 96% of paying subscribers in Poland.

The TVN Turbo channel had 3.2 million subscribers as at June 30, 2005, which represents more than 91% of paying subscribers in Poland.

The ITVN channel, which is presently distributed in the USA and in Germany, had 39 thousand subscribers as at June 30, 2005, and the TVN Style channel had 3 million subscribers, which represents 84% of paying subscribers in Poland.

## Programming

As the case was in the previous quarter, locally produced programs performed very well on the TVN channel:

*Taniec z gwiazdami*, a local version of a BBC format (originally titled *Strictly Come Dancing*), and the only new show introduced in the spring schedule, achieved significant success, with an audience share of 28.4% (10.8% rating) for the final episode.

The daily docu-crime series *W-11 Wydział Śledczy* continued to achieve very high ratings on a daily basis in access prime-time with an average market share of over 31% in May.

The daily soap *Na Wspólnej* achieved a 24.1% share (10.4% rating) and the second series of police drama *Kryminalni* also performed well, averaging a 20% share in a Saturday night slot.

Shows continued from previous seasons, such as *Mamy Cię!* (*Surprise, Surprise!*), *Ciao Darwin* and *Dzieciaki z klasą* (*Brainiest Kid*) again delivered solid ratings in prime-time slots.

## Recent Developments

### **Corporate governance**

At the supervisory board meeting on June 17, 2005 Jan Zieliński, Bruno Valsangiacomo and Pawel Gricuk were elected to the audit committee and Wojciech Kostrzewa, Arnold Bahlmann and Pawel Gricuk were elected as members of the related party transactions and remuneration committee. Jan Zieliński is the chairman of the audit committee and Wojciech Kostrzewa is chairman of the related party transactions and remuneration committee.

On June 6, 2005 Henryka Bochniarz resigned from the supervisory board.

At the supervisory board meeting on August 8, 2005 Pawel Gricuk was appointed vice chairman of the supervisory board. Pawel Gricuk is an independent board member.

### **Share buyback**

On June 10, 2005, TVN S.A. published a buyback offering memorandum for the repurchase of its shares.

The buyback subscription period commenced on June 20, 2005 and ended July 29, 2005. The purchase price for the Buyback Offer was set at PLN 65.30. The maximum total number of shares offered for purchase was set at 1,830,418.

During the subscription period 25,270,645 shares were offered by our minority shareholders for purchase. TVN S.A. will purchase 842,220 shares in the transaction which is expected to be settled on August 12, 2005, for total cash consideration of PLN 55 million. TVN S.A. has agreed to purchase 988,198 shares from ITI Group shareholders at the same price paid to general shareholders and to compensate ITI Group by offsetting the proceeds due of PLN 64.5 million against the ITI Media Bond.

### **Cinematography law**

During the second quarter of 2005 a Cinematography Law was enacted which created an Institute of Film Art. Television broadcasters, among others, will be required to fund the creation and operation of the Institute by contributing 1.5% of their advertising, teleshopping and sponsorship revenues. This legislation takes effect commencing January 1, 2006 and will reduce our net profits. For example, if this legislation had taken effect commencing January 1, 2004 then our net profit for 2004 would have been reduced by PLN 9 million.

### **Overdraft facility with BPH**

On June 30, 2005 TVN S.A. concluded an overdraft facility agreement with Bank BPH S.A. in an amount of USD 17 million or its equivalent in other currencies. Loans under the facility are granted on a variable interest basis which is linked to the WIBOR, LIBOR or EURIBOR rate to be set for each interest period. The facility also provides for overdraft protection, letters of credit and bank guarantees.

### **TVN recognized as the strongest media brand**

In the second edition of the brand survey conducted in June 2005 by *Rzeczpospolita*, a leading Polish daily, and Ernst & Young, the TVN brand was judged to be the strongest brand in the media, telecommunication and services sector, and the fourth strongest brand overall in Poland.

### **Other awards**

*Suprise! Suprise!* was awarded with the Grand Prix and Błękitny Melonik Charliego on the IV Festival of Good Humor. *Strictly Come Dancing* was the winner of the musical entertainment category on this same Festival.

### **Outlook for remainder of 2005**

The third quarter of 2005 is expected to be weak. EBITDA will show no growth over the corresponding period of 2004. However the fourth quarter is expected to be a strong quarter, both in terms of revenue and EBITDA growth.

Full year 2005 revenue growth is expected to be between 11% and 15%, and EBITDA margin is expected to be between 30% and 33%.

### **Presentation of data**

Numbers have been presented in this press release in PLN millions (unless otherwise stated). Percentages have been calculated on PLN thousands. All the percentages in this press release should be identical with those presented in other reports published by the Group.

### **Forward Looking Statements**

*This Press Release includes forward-looking statements relating to TVN Group's future performance, anticipated developments in the television broadcasting and production industry and the secondary offering of TVN's shares. Further forward-looking statements in particular include, but are not limited to, TVN Group's estimates regarding TVN Group's overall operational and specific entity operational development and TVN Group's ability to successfully launch and introduce new television channels. TVN Group may make forward-looking statements in future filings with governmental and regulatory authorities, and in written material, press releases and oral statements issued by us or on TVN Group's behalf. Forward-looking statements include statements regarding TVN Group's intent, belief or current expectations or those of TVN Group's officers (including statements preceded by, following or that include forward-looking terminology such as "may", "will", "should", "believes", "expects", "anticipates", "estimates", "continues", or similar expressions or comparable terminology) with respect to various matters.*

*It is important to note that TVN Group's actual results in the future could differ materially from those anticipated in these forward-looking statements depending on various important factors. Some of these factors include: the effects of, and changes in, government policy and regulatory requirements; the ability to receive governmental approvals necessary in order to complete the transactions; the effects of, and changes in, regulation and government policy; the effects of changes in the general economic environment; the effects of changes in advertising spending growth; the effects of changes in entertainment spending growth; the timely development and acceptance of TVN Group's new channels; the effects of technological changes in broadcasting; developments in the capital markets; may affect TVN Group's performance of the obligations described in this release; and TVN Group's success at managing the risks that arise from these factors.*

*All forward-looking statements in this press release are based on information available to us on the date hereof. TVN Group does not undertake to update any forward-looking statements that may be made by us or on TVN Group's behalf, in this press release or otherwise.*

**Annex 1 Consolidated Income Statement – Extract from condensed financial statements  
(in thousands of PLN)**

	<b>Six months ended June 30, 2005</b>	<b>Six months ended June 30, 2004</b>	<b>Three months ended June 30, 2005</b>	<b>Three months ended June 30, 2004</b>
Revenue, net	411,995	361,506	218,041	202,844
Programming and broadcasting expenses	(226,540)	(206,530)	(111,753)	(113,924)
Selling expenses	(22,350)	(17,386)	(11,541)	(7,147)
General and administration expenses	(26,071)	(29,537)	(13,306)	(16,734)
Other operating expenses, net	(131)	(2,294)	(157)	(2,224)
<b>Operating profit</b>	<b>136,903</b>	<b>105,759</b>	<b>81,284</b>	<b>62,815</b>
Finance (costs)/income, net	(4,419)	(4,845)	7,455	11,322
<b>Profit before income tax</b>	<b>132,484</b>	<b>100,914</b>	<b>88,379</b>	<b>74,137</b>
Income tax charge	(26,762)	(20,288)	(18,070)	(13,346)
<b>Profit for the period</b>	<b>105,722</b>	<b>80,626</b>	<b>70,669</b>	<b>60,791</b>
<b>Basic and diluted earnings per share (not in thousands)</b>	<b>1.61</b>	<b>1.23</b>	<b>1.07</b>	<b>0.92</b>

<b>EBITDA</b>	<b>157,626</b>	<b>121,675</b>	<b>91,740</b>	<b>70,959</b>
<b>EBITDA margin</b>	<b>38.3%</b>	<b>33.7%</b>	<b>42.1%</b>	<b>35.0%</b>

\*\* EBITDA is defined as net profit/(loss), as determined in accordance with IFRS, before depreciation and amortization (other than for programming rights), impairment charges on property, plant and equipment and intangible assets, financial expenses, net (including interest income and expense and foreign exchange gains and losses) and income taxes.

**Annex 2 Consolidated Balance Sheet – Extract from condensed financial statements  
(in thousands of PLN)**

	As at June 30, 2005	As at December 31, 2004
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	133,672	128,273
Intangible assets	20,604	22,372
Goodwill	144,127	144,127
Non-current programming inventory	63,924	70,117
Available-for-sale investments	12,762	14,339
Bond receivable from related party	622,407	597,791
Restricted cash	-	5,339
Deferred tax asset	12,976	13,652
Other non current assets	422	444
	<b>1,010,894</b>	<b>996,454</b>
<b>Current assets</b>		
Current programming inventory	160,951	141,551
Restricted cash	68,548	2,645
Trade receivables	119,328	104,422
Related party receivables	3,439	12,658
Derivative financial assets	72,527	45,098
Prepayments and other assets	15,746	17,113
Corporate income tax receivable	3,274	3,642
Cash and cash equivalents	44,000	65,731
	<b>487,813</b>	<b>392,860</b>
<b>TOTAL ASSETS</b>	<b>1,498,707</b>	<b>1,389,314</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders equity</b>		
Share capital	65,800	65,800
Fair value reserve	1,462	2,739
Hedging reserve	(4,732)	(7,448)
8% obligatory reserve	13,708	-
Accumulated profit	333,836	243,164
	<b>410,074</b>	<b>304,255</b>
Non-current liabilities		
<b>9.5% Senior Notes due 2013</b>	883,318	890,201
Deferred tax liability	37,867	23,850
Other non-current liabilities	16	26
	<b>921,201</b>	<b>914,077</b>
<b>Current liabilities</b>		
Trade payables	73,724	75,460
Related party payables	1,928	441
Accrued interest on 9.5% Senior Notes due 2013	3,758	3,794
Derivative financial liabilities	6,373	9,194
Corporate income tax payable	3,683	-
Other liabilities and accruals	77,966	82,093
	<b>167,432</b>	<b>170,982</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,498,707</b>	<b>1,389,314</b>

**Annex 3 Consolidated Statement of Changes in Shareholders' Equity- Extract from condensed financial statements (in thousands of PLN)**

	Number of shares (*) (not in thousands)	Share capital	Fair value reserve	Hedging reserve	8% obligatory reserve (**)	Accumulated profit (***)	Shareholders' equity
<b>Balance at January 1, 2004</b>	<b>658,000</b>	<b>65,800</b>	-	-	-	<b>46,860</b>	<b>112,660</b>
Revaluation of available for sale investment	-	-	3,369	-	-	-	3,369
Deferred tax on revaluation to fair value	-	-	(630)	-	-	-	(630)
CTA correction	-	-	-	-	-	(250)	(250)
<b>Net income / (expense) recognized directly in equity</b>	-	-	<b>2,739</b>	-	-	<b>(250)</b>	<b>2,489</b>
Net profit	-	-	-	-	-	80,626	80,626
<b>Total recognized income for the period</b>	-	-	<b>2,739</b>	-	-	<b>80,376</b>	<b>83,115</b>
<b>Balance at June 30, 2004</b>	<b>658,000</b>	<b>65,800</b>	<b>2,739</b>	-	-	<b>127,236</b>	<b>195,775</b>
<b>Balance at January 1, 2005</b>	<b>65,800,000</b>	<b>65,800</b>	<b>2,739</b>	<b>(7,448)</b>	-	<b>243,164</b>	<b>304,255</b>
Revaluation of available for sale investment	-	-	(1,577)	-	-	-	(1,577)
Deferred tax on revaluation to fair value	-	-	300	-	-	-	300
Fair value gains on cash flow hedges	-	-	-	3,351	-	-	3,351
Deferred tax on fair value gains on cash flow hedges	-	-	-	(635)	-	-	(635)
<b>Net income/(expense) recognized directly in equity</b>	-	-	<b>(1,277)</b>	<b>2,716</b>	-	-	<b>1,439</b>
Net profit	-	-	-	-	-	105,722	105,722
<b>Total recognized income for the period</b>	-	-	<b>(1,277)</b>	<b>2,716</b>	-	<b>105,722</b>	<b>107,161</b>
Share buyback transaction cost (see Note 14)	-	-	-	-	-	(1,342)	(1,342)
Appropriation of 2004 profit - transfer to 8% obligatory reserve	-	-	-	-	13,708	(13,708)	-
<b>Balance at June 30, 2005</b>	<b>65,800,000</b>	<b>65,800</b>	<b>1,462</b>	<b>(4,732)</b>	<b>13,708</b>	<b>333,836</b>	<b>410,074</b>

\* On July 2, 2004, the Company's shareholders decided to transform TVN Sp. z o.o. with share capital of PLN 65,800 thousand (658,000 shares each of PLN 100 par value) into a joint stock company with share capital of PLN 65,800 thousand (65,800 thousand shares each of PLN 1 par value). On July 30, 2004 the registration of the transformation of the Company was completed. In exchange for one share in TVN Sp. z o.o. each shareholder received 100 (in words: one hundred) shares in TVN S.A.

\*\* An obligatory reserve established as required by the Commercial Code, which requires joint-stock companies to transfer at least 8% of their annual net profit to non distributable reserve until this reserve reaches one third of its share capital.

\*\*\* As of June 30, 2005 225,227 of accumulated profits are allocated to a reserve which will be utilized for the share buyback.

**Annex 4 Consolidated Cash Flow Statement – Extract from condensed financial statements  
(in thousands of PLN)**

	Six months ended June 30, 2005	Six months ended June 30, 2004
<b>Operating activities</b>		
Cash generated from operations	124,051	135,111
Tax paid	(7,694)	(17,338)
<b>Net cash generated from operating activities</b>	<b>116,357</b>	<b>117,773</b>
<b>Investing activities</b>		
Acquisition of subsidiary, net of cash acquired	-	(164,431)
Payments to acquire property, plant and equipment	(25,899)	(34,994)
Payments to acquire options	-	(7,774)
Decrease / (increase) in restricted cash	(60,564)	174,196
Payments to acquire intangible assets	(1,811)	(11,566)
Interest received	3,021	3,601
<b>Net cash used in investing activities</b>	<b>(85,253)</b>	<b>(40,968)</b>
<b>Financing activities</b>		
Senior Notes issuance costs paid	(3,055)	-
Interest paid	-	(12,749)
<b>Net cash used in financing activities</b>	<b>(49,769)</b>	<b>(54,934)</b>
	<b>(52,824)</b>	<b>(67,683)</b>
<b>Effects of exchange rates changes</b>	<b>(21,720)</b>	<b>9,122</b>
<b>Increase in cash and cash equivalents</b>		
<b>Movement in cash and cash equivalents</b>	<b>65,731</b>	<b>103,964</b>
At the start of the period	(11)	(860)
At the end of the period	44,000	112,226
	<b>(21,720)</b>	<b>9,122</b>

**Annex 5 Results by channel (in thousands of PLN)**

	Three months ended June 30,					
	2004			2005		
	Revenue	EBITDA	EBITDA margin	Revenue	EBITDA	EBITDA margin
TVN	174,677	68,666	39.3%	182,448	85,134	46.7%
TVN 7	13,538	2,736	20.2%	11,769	(537)	n/a
TVN 24 (including TVN Meteo)	16,232	2,097	12.9%	28,206	3,718	13.2%
TVN Turbo	912	(1,509)	n/a	2,905	148	5.1%
ITVN	113	(3,200)	n/a	2,074	(236)	n/a
TVN Style	-	-	-	1,829	(151)	n/a
Consolidation and proforma adjustments	(2,628)	2,169	n/a	(11,190)	3,664	n/a
<b>Total</b>	<b>202,844</b>	<b>70,959</b>	<b>35.0%</b>	<b>218,041</b>	<b>91,740</b>	<b>42.1%</b>

TVN Group defines EBITDA as net profit/(loss), as determined in accordance with IFRS, before depreciation and amortization (other than for programming rights), impairment charges on property, plant and equipment and intangible assets, financial expenses, net (including interest income and expense and foreign exchange gains and losses) and income taxes. The reconciling item between EBITDA and reported operating profit is depreciation and amortization expense and impairment charges on property, plant and equipment and intangible assets. TVN Group believes EBITDA serves as a useful supplementary financial indicator in measuring the liquidity of media companies. EBITDA is not an IFRS measure and should not be considered as an alternative to IFRS measures of net profit/(loss), as an indicator of operating performance, as a measure of cash flow from operations under IFRS, or as an indicator of liquidity. You should note that EBITDA is not a uniform or standardized measure and the calculation of EBITDA, accordingly, may vary significantly from company to company, and by itself the presentation and calculation of EBITDA may not be comparable to that of other companies.

## Annex 6      Operational Statistics

### Nationwide audience share in the second quarter of 2005 and 2004

%	All day		Prime Time	
	2005	2004	2005	2004
TVN Group, including	18.8%	18.5%	20.9%	19.9%
TVN	15.2%	15.1%	18.0%	17.3%
TVN 7	1.6%	2.2%	1.7%	2.1%
TVN 24	1.4%	0.9%	0.8%	0.4%
TVN Meteo	0.1%	0.1%	0.0%	0.0%
TVN Turbo	0.4%	0.2%	0.3%	0.1%
TVN Style	0.1%	-	0.1%	-
TVP1	23.8%	24.5%	23.5%	24.9%
TVP2	21.6%	19.8%	22.6%	20.1%
Polsat	17.4%	16.6%	18.6%	18.8%
TV 4	2.2%	2.7%	2.1%	2.5%
Other	16.2%	17.9%	12.3%	13.8%

Source: AGB Polska

### Key target group audience share in the second quarter of 2005 and 2004

%	All day		Prime Time	
	2005	2004	2005	2004
TVN Group, including	28.0%	25.9%	31.7%	29.1%
TVN	22.2%	20.2%	26.7%	24.4%
TVN 7	2.6%	3.6%	2.7%	3.5%
TVN 24	2.0%	1.4%	1.4%	0.7%
TVN Meteo	0.1%	0.1%	0.1%	0.1%
TVN Turbo	0.8%	0.6%	0.6%	0.4%
TVN Style	0.3%	-	0.2%	-
TVP1	16.3%	16.4%	16.8%	17.1%
TVP2	14.7%	14.3%	15.0%	13.8%
Polsat	15.3%	15.2%	16.6%	17.9%
TV 4	3.3%	3.5%	3.0%	3.4%
Other	22.4%	24.7%	16.9%	18.7%

Source: AGB Polska