

VGD - AVOS AUDIT s.r.o.

Translation of the Independent Auditor`s Report in Slovak language

INDEPENDENT AUDITOR`S REPORT

**for the period from 1.4.2014 to 30.6.2014
concerning verification of the average print run and paid
circulation of periodicals published by**

P E R E X , a. s.

INDEPENDENT AUDITOR'S REPORT

We were appointed to verify Average Print Run and Paid Circulation of Pravda daily and Average Print Run and Paid Circulation of Pravda Magazín supplement for the period from April 1st 2014 to June 30th 2014 in accordance with the Print Run and Paid Circulation Calculation Methodology approved by the Board of Directors of P E R E X , a. s. on July 24th 2012, as submitted to us.

Auditor's Responsibility

Our responsibility is to express an opinion on the data submitted to us based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the submitted data are free of material misstatements

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the submitted data. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement in the submitted data, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and objective presentation of the data on numbers of printed and sold copies in order to design audit procedures that are appropriate in the circumstances.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Having reviewed the mutual links between the accounting records and the Average Print Run and Paid Circulation of Pravda daily and Average Print Run and Paid Circulation of Pravda Magazín supplement, as included in this Report, we have found no material misstatements and confirm that the average numbers of sold copies of the periodicals mentioned below in the reported months of 2014 are as follows:

Periodical	April 2014	May 2014	June 2014
Pravda daily	48 153	48 152	48 527
Pravda Magazín supplement	48 588	46 149	47 079

Piešťany, 22th August 2014

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Responsible Auditor
Ing. Erik Marek
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AVERAGE PRINT RUN AND PAID CIRCULATION OF DAILY PRAVDA IN 2014

	January	February	March	April	May	Jun	July	August	September	October	November	December
Print run				65 474	66 742	66 778						
Retail Sales				27 624	26 856	26 652						
Retail Sales B**		12 pcs per month, an average of 0,5 pcs/edition		1	1	0						
Retail Sales C				4	5	4						
Subscriptions A		100 pcs per month, an average of 4,16 pcs/edition		15 578	15 160	14 993						
Subscriptions B				-	-	-						
Subscriptions C				-	-	-						
Other Sales				4 946	6 131	6 877						
Paid Circulation *				48 153	48 152	48 527						
Returns				17 321	18 590	18 250						

Explanations:

Print Run:	Number of copies printed and invoiced by the print provider. The supplier invoice is duly recorded in the PEREX's accounting and paid to the supplier's account.
Retail Sales A:	Sales through the distribution network of the independent distributor Mediaprint-Kapa Pressegrasso, a.s., under a contract with PEREX.
Retail Sales B:	Sales through in-house store or the in-house distribution network. Presently, PEREX does not operate its own distribution network. PEREX sells Pravda copies in its own store which is accesible on the premises of the company's registered office.
Retail Sales C:	Sales through a distribution network owned by a publisher domiciled in the Slovak Republic.
	The sales take place outside the distribution network of the independent distributor Mediaprint-Kapa Pressegrasso, a.s.
	These sales may include sales through news-vendors.
Subscriptions A:	Subscriptions distributed by Slovenská pošta, a.s. under a contract with PEREX.
Subscriptions B:	Subscriptions distributed by a distribution network owned by a publisher domiciled in the Slovak Republic.
Subscriptions C:	Subscriptions delivered by Mediaprint-Kapa Pressegrasso, a.s., or other independent distribution network of an alternative postal service operator.
Other Sales:	Included in other sales are copies sold directly to the buyer under a purchase order or contract. Ordered copies are invoiced to the buyer. The invoice is duly recorded in the PEREX's accounting. The price of copies ordered and invoiced is at least 50% of the basic cover price. See the calculation methodology.
Paid Circulation:	It is the sum of all sales.
Returns:	Included in returned copies are copies destined for sale (whether directly, through distributors, news-agents or otherwise) that were not sold.
* Comment:	The calculation of average values of respective sale types leads to rounding and hence to a possible difference of +1pcs or -1pcs to the average paid circulation, which is calculated as a proportion of the sum of all the sales and the number of issues in a given month.
** Comment:	In 2014 Sales in PEREX's own store range from 12 to 15 pieces, resulting in a monthly average of 0,48 - 0,6 pcs/issue.

AVERAGE PRINT RUN AND PAID CIRCULATION OF PRAVDA MAGAZINE IN 2014

Print run

Retail Sales

Retail Sales B**

Retail Sales C

Subscriptions A

Subscriptions B

Subscriptions C

Other Sales

Paid Circulation *

Returns

Month of edition											
January	February	March	April	May	Jun	July	August	September	October	November	December
			67 513	66 488	67 102						
			29 386	26 971	27 287						
			1	1	1						
			4	5	5						
			18 662	18 472	18 263						
			-	-	-						
			-	-	-						
			535	701	1 523						
			48 588	46 149	47 079						
			18 925	20 340	20 024						

Explanations:

Print Run:	Number of copies printed and invoiced by the print provider. The supplier invoice is duly recorded in the PEREX's accounting and paid to the supplier's account.
Retail Sales A:	Sales through the distribution network of the independent distributor Mediaprint-Kapa Pressegrasso, a.s., under a contract with PEREX.
Retail Sales B:	Sales through in-house store or the in-house distribution network. Presently, PEREX does not operate its own distribution network. PEREX sells Pravda copies in its own store which is accesible on the premises of the company's registered office.
Retail Sales C:	Sales through a distribution network owned by a publisher domiciled in the Slovak Republic.
Subscriptions A:	Subscriptions distributed by Slovenská pošta, a.s. under a contract with PEREX.
Subscriptions B:	Subscriptions distributed by a distribution network owned by a publisher domiciled in the Slovak Republic.
Subscriptions C:	Subscriptions delivered by Mediaprint-Kapa Pressegrasso, a.s., or other independent distribution network of an alternative postal service operator.
Other Sales:	Included in other sales are copies sold directly to the buyer under a purchase order or contract. Ordered copies are invoiced to the buyer. The invoice is duly recorded in the PEREX's accounting. The price of copies ordered and invoiced is at least 50% of the basic cover price. See the calculation methodology.
Paid Circulation:	It is the sum of all sales.
Returns:	Included in returned copies are copies destined for sale (whether directly, through distributors, news-agents or otherwise) that were not sold.
* Comment:	The calculation of average values of respective sale types leads to rounding and hence to a possible difference of +1 pcs or -1 pcs to the average paid circulation, which is calculated as a proportion of the sum of all the sales and the number of issues in a given month.
** Comment:	In 2014 Sales in PEREX's own store range from 3 to 5 pieces, resulting in a monthly average of 0,75 - 1 pcs/issue.