

MCI CG results for H1 2014



Warsaw, 28 August 2014

Results for H1 2014

Key milestones

FINANCIAL RESULTS

- Consolidated net profit of **PLN 214.1 million** in H1 2014
- Net assets worth **PLN 979.7 million** (book value)
- Net assets per share: **PLN 15.7**; may potentially exceed the forecast for 2014 = PLN 16.5 (**95%** of the annual forecast executed in H1)
- BZ WBK's share in MCI increased to 5.12%

INVESTMENTS

- MCI.EuroVentures – investments in Netia S.A. and Grupa Wirtualna Polska S.A. and increased share in Indeks
- MCI.TechVentures – increased share in Frisco S.A., another round of financing of Windeln.de, Geewa and Travelata
- Internet Ventures – Feedo, mGenerator, Hojo and Focus Telecom

FUNDRAISING

- Value of issue of MCI.TechVentures certificates: **PLN 22.4 million**
- Value of bonds issue: **PLN 50 million**
- Individual investment potential: up to **PLN 400 million** in 2014

PEManagers IPO

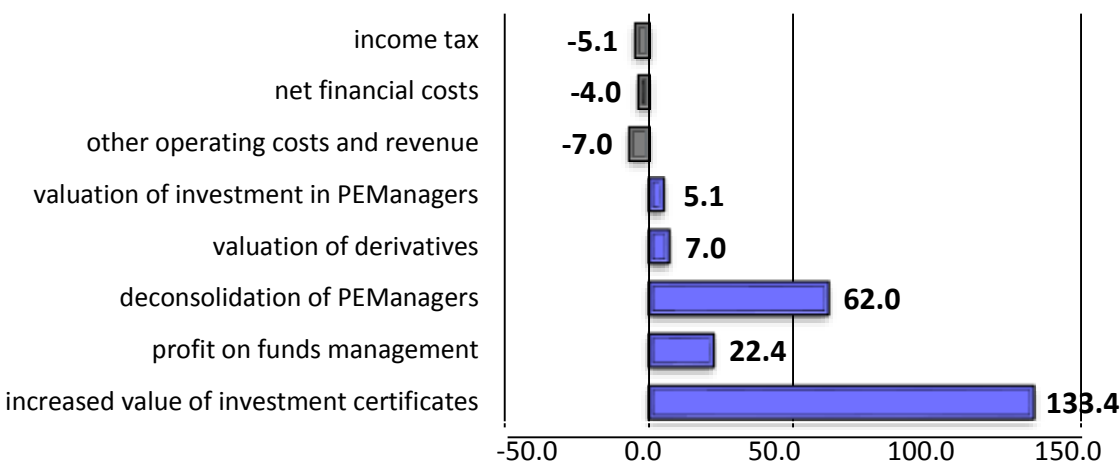
- **64.23%** of PEmanagers shares sold in the first and second part of the pre-IPO, as a result of which MCI lost control of PEmanagers Group - total profit from deconsolidation amounted to PLN **62 million**
- Prospectus filed with the Polish Financial Supervision Authority on 27 June 2014
- PEmanagers IPO planned for 2014 Q4

MCI CG results for H1 2014

	H1 2014
consolidated net result	PLN 214.1 million
consolidated balance sheet total	PLN 1,168.3 million
net assets	PLN 979.7 million
annual average net IRR since establishment (from 1 January 1999 to 30 June 2014)	23.84%

	H1 2014	H1 2013	Year-on-year change
MCI rate	PLN 9.50	PLN 7.50	26.7%
capitalization	PLN 593 million	PLN 467 million	27%
AUM	PLN 1,508 million	PLN 957 million	57.6%
P/BV	0.61	0.71	-14.1%
debt/capitals*	11%	13%	-15.4%

COMPONENTS OF MCI'S RESULT (in millions of PLN)



* Debt – external (bonds and credit)

Factors influencing the 2014 H1 results:

- profit on PEManagers pre-IPO: PLN 62 million
- increase in the value of investment certificates of TV (Invia, Windeln and Frisco) and EV (ABC Data, Netia and PEManagers): PLN 133.4 million
- PEManagers profit on asset management until 30 June 2014: PLN 22.4 million

Consolidated financial data

Consolidated profit and loss statement	from 01.01.2014 to 30.06.2014	from 01.01.2013 to 30.06.2013
Sales revenue	25,377	8,778
Cost of goods sold	-2,935	-1,724
Gross sales profit	22,442	7,054
Revaluation of shares	136,860	102,086
Revaluation of investment certificates	1,587	-4,702
Others	-	6
Investment profit	138,447	97,390
General management and administration costs	-6,831	-8,192
Result on loss of control over a subsidiary entity	61,992	-
Other operating revenue	446	1,003
Other operating costs	-477	-1,898
Operating profit	216,019	95,357
Financial costs	-9,121	-7,008
Financial revenue	5,137	2,379
Derivatives valuation	7,196	-
Profit before tax	219,231	90,728
Income tax	-5,094	441
Net profit from continuing operations:	214,137	91,169
Profit per share	3.43	1.46
Diluted earnings per share	3.43	1.46

- Profit on the management of funds' assets of PLN 22.4 million, i.e. an increase by PLN 15 million
- Increase in the value of investment certificates by PLN 34.8 million
- Increase in net profit by PLN 123 million
- Deconsolidation profit of PLN 62 million

Consolidated financial data

Consolidated financial statement	from 01.01.2014 to 30.06.2014	from 01.01.2013 to 30.06.2013
Fixed assets	1,026,386	759,547
Tangible assets	509	328
Intangible assets	1	11
Goodwill	-	80,174
Investments in subsidiary entities	946,421	638,101
Investments in affiliated entities	11,538	-
Other investments in entities	7	185
Loans granted to other entities	-	446
Deferred income tax assets	3,440	9,399
Trade and other receivables	40,000	500
Derivatives valuation	7,197	-
Other financial assets	17,273	30,403
Current assets	141,922	186,408
Trade and other receivables	7,052	100,540
Loans granted to associated entities	6,074	5,932
Loans granted to other entities	2,570	1,129
Bonds	1,622	-
Other financial assets	115,623	11,610
Cash and cash equivalents	8,981	67,197
Assets to be liquidated	-	562
Total assets	1,168,308	946,517

- Increase in assets by PLN 222 million mainly caused by increased valuation of CI

Consolidated financial data

Consolidated financial statement	from 01.01.2014 to 30.06.2014	from 01.01.2013 to 30.06.2013
Equity		
Share capital	62,447	62,347
Reserve capital	576,962	458,600
Other reserve capitals	42,336	44,584
Other total revenue	-	-690
Own shares	-5,333	-8,959
Retained result	89,158	21,410
Net profit in financial period	214,137	186,184
Capitals attributable to owners of the controlling entity	979,707	763,476
Non-controlling shares	-	-
Total equity	979,707	763,476
Non-current liabilities	132,605	85,026
Bank loans and credits	206	226
Bonds	132,399	84,800
Short-term liabilities	55,996	98,015
Trade and other liabilities	418	1,037
Bank loans and credits	1,885	41
Bonds	1,731	35,495
Short-term provisions	11,689	12,272
Bill-of-exchange liabilities	40,273	49,170
Total liabilities	1,168,308	946,517

- Increase in equity by PLN 216 million

Key MCI.TechVentures portfolio companies

MCI's share in the fund = 82.45%



ITEM	FAIR VALUE / VALUATION in millions of PLN (30 June 2014)	VALUATION METHOD
Invia	121.9	Comparative
KupiVIP	58.9	Comparative*
Windeln.de	56.5	Transaction price*
Morele.net	38.2	Comparative
Frisco	29.5	Comparative*
Answer.com	22.0	Purchase cost*
Geewa	16.7	DCF / Comparative
NaviExpert	13.0	DCF*

- Rate of return for the last 6 months: 12%
- Rate of return for the last 12 months: 17.4%
- Rate of return for the last 3 years: 45%

(counted for A-D series investment certificates)

*The valuation takes account of liquidation preference



Invia – revenue in Q2 2014 amounted to EUR 31.9 million vs. EUR 25.8 million in Q2 2013;
Travelata – revenue in Q2 2014 amounted to USD 4.7 million vs. USD 0.5 million in Q2 2013; planned revenue value in 2014 set to increase by ca. 270%; strengthening of the market position by announcing a call for the shares of TravelPlanet S.A.; the successfully completed call will make it possible to achieve operational and cost synergy effects in Invia Group faster.



Windeln.de – record sales revenues in June 2014 amounting to more than EUR 100 million; more than 220,000 active customers; 70% repeat orders; completion of another round of financing worth EUR 15 million – Deutsche Bank joined the current base of international financial investors (DN Capital, Acton Capital Partners, MCI Management and 360 Capital Partners).



Answear.com – according to its long-term strategy the company is executing its regional expansion plan in the CEE region by entering the Czech and Slovak markets – the Polish, Czech and Slovak markets account for the greatest e-commerce demand potential in the CEE region (Poland with ca. 40 million residents and the Czech Republic and Slovakia with ca. 15 million inhabitants), with an annual growth dynamics of the e-commerce market reaching 20%.



Geewa – completion of another round of financing worth USD 4.2 million, with Springtide Ventures (a KKCG Group investment fund) as the main investor; MCI.TechVentures also participated in the round – the obtained funds will be allocated to the development of the offer of mobile and online games.

MCI.EuroVentures portfolio companies

MCI's share in the fund = 100%



ITEM	VALUATION in millions of PLN (30 June 2014)	VALUATION METHOD
ABC Data*	350.0	Market price of shares
Indeks	75.3	Market price of shares
Netia	129.0	Market price of shares
Grupa WP	59.9	Purchase price
PEManagers	56.7	Transaction price (pre-IPO)

* Valuation before dividend payment

- Rate of return for the last 6 months: 18%
- Rate of return for the last 12 months: 29.3%
- Rate of return for the last 3 years: 67%

Selected MCI.EuroVentures FIZ portfolio companies



ABC Data:

- H1 2014 EBIDTA of PLN 37.6 million (19% growth when compared to the corresponding period in 2013); 42% of the annual plan executed
- H1 2014 revenue value of PLN 2.56 billion (17% growth when compared to the corresponding period in 2013); 44% of the annual plan executed
- Forecast for 2014 maintained: revenue of PLN 5.76 billion and EBIDTA of PLN 92.1 million



Indeks:

- A very good result in H1 2014 thanks to increased internal demand and a contract with Apple
- Increased operational activity due to a newly opened logistics centre
- Q1 2014 – taking advantage of the temporary weakness of the rate at the Turkish stock exchange, MCI purchased another ca. 1% of the company's shares for the average price of ca. 3.5 TRY (current rate: 4.6 TRY)



Netia:

- Financial forecasts for 2014 maintained
- Planned restructuring of the company
- New strategy of the company announced in October 2014
- Failed call of Vectra S.A. group, confirming the attractiveness of the investment of MCI.EuroVentures in the company's shares



Private Equity Managers:

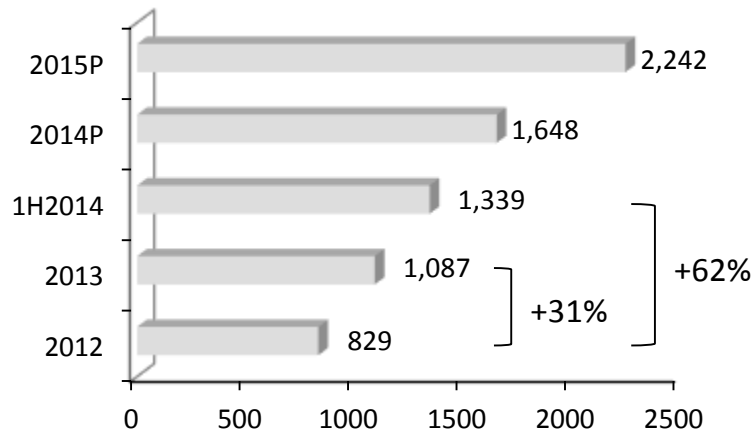
- IPO planned for Q4 2014, financial results in accordance with the budget

Private Equity Managers SA



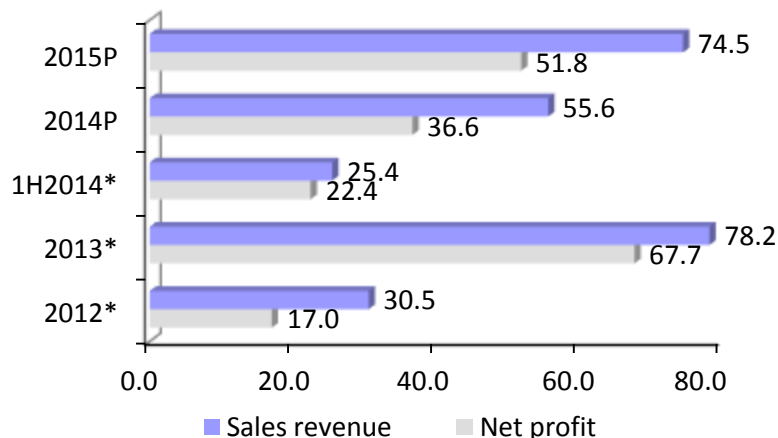
NET ASSETS UNDER MANAGEMENT (AUM)

data in millions of PLN



FINANCIAL DATA

data in millions of PLN



- **Business model compliant with global private equity standards** – Private Equity Managers SA acts as a manager of various classes of alternative assets through **its own investment fund company**
- The revenue comes from asset management fees, charged as fixed **management fees**, a percentage of the value of the assets under management and the **carried interest** paid if a particular rate of return for investors, stated in the fund's statutes is achieved
- The management team consists of **top-level specialists** who combine knowledge and vast experience in a unique way

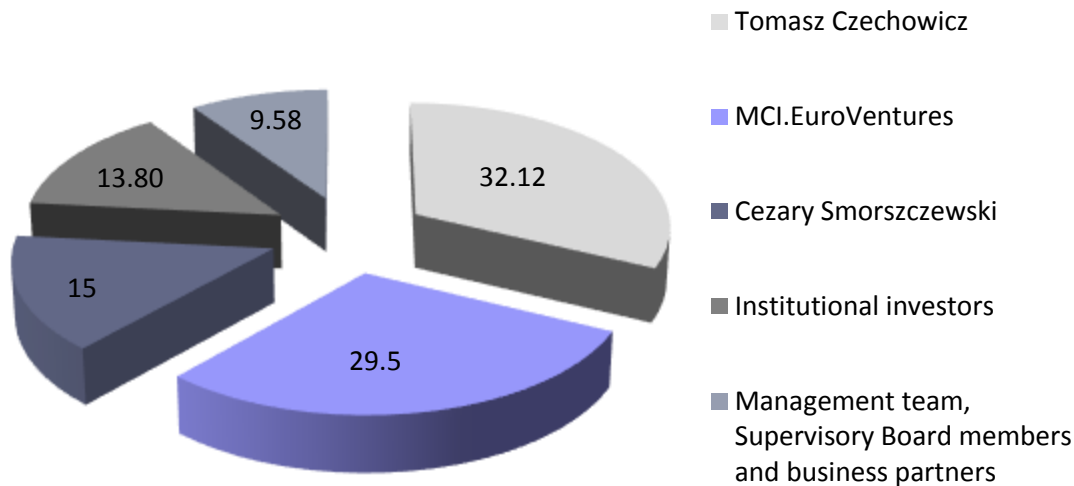
PEManagers Group specialises in:

- managing evergreen funds
- co-managing commitment funds
- acquiring capital for new investment projects
- establishing new funds and acquiring investors
- managing liquidity on its own behalf and on behalf of MCI Management SA (MCI.CreditVentures)

* Source: the company; data as of 31 December 2012 and 31 December 2013 audited by a chartered auditor

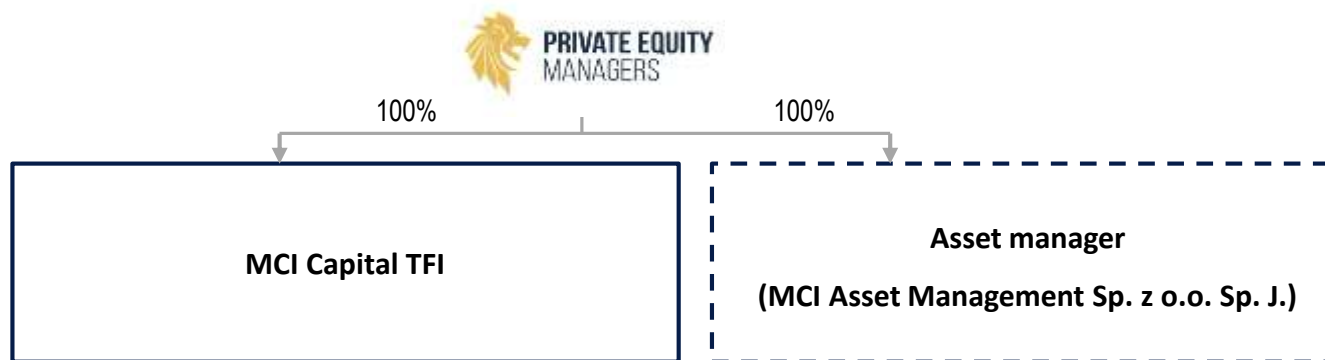
Private Equity Managers SA

SHAREHOLDERS AFTER THE PRE-IPO



Source: the company, data as of 27 June 2014

- From March to June 2014, PEManagers completed two stages of **pre-IPO** directed to the company's management team, institutional investors and business partners
- As part of the offer, the whole management team and members of the Supervisory Board purchased the shares
- The pre-IPO affirmed the growth potential of PEManagers (the shares were purchased by the people who know the company best)



Source: the company, a simplified organisational chart of Private Equity Managers

MCI plans and strategy for H2 2014

- **The investment value forecast for 2014 is maintained at the level of at least PLN 305 million – ca. 50% of the plans were executed in Q2; there is potential to exceed the annual forecast**
- **The 2014 forecast for net assets per share of PLN 16.50 is maintained**
- **Private Equity Managers SA IPO planned for Q4 2014**
- **Beginning of the issue of MCI.EuroVentures investment certificates**
- **Launch of new private banking distribution channels**
- **The assumed value of exits of PLN 100 million in 2014 is maintained (at least 10% AUM); ca. 50% of the plans was executed in Q2; a chance to exceed the assumptions for the year**
 - ✓ A total of PLN 39 million received from ABC Data, Indeks and Netia as dividend
 - ✓ Five exit projects underway, significantly exceeding PLN 100 million

Disclaimer

- This presentation does not constitute an offer within the meaning of the law.
- This presentation has been prepared using the best knowledge of MCI Management SA and as of the publication date it contains up-to-date data.

MCI Management SA

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