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**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE CONDENSED SEPARATE INTERIM
FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2016 TO 30 JUNE 2016**

To the Shareholders of MCI Capital S.A.

Introduction

We have reviewed the accompanying 30 June 2016 condensed separate interim financial statements of MCI Capital S.A., with its registered office in Warszawa, ul. Emilii Plater 53 ("the condensed separate interim financial statements"), which comprise:

- the condensed separate interim statement of financial position as at 30 June 2016,
- the condensed separate interim statements of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2016,
- the condensed separate interim statement of changes in equity for the six-month period ended 30 June 2016,
- the condensed separate interim statement of cash flows for the six-month period ended 30 June 2016, and
- notes to the condensed separate interim financial statements.

Management is responsible for the preparation and presentation of these condensed separate interim financial statements in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on these condensed separate interim financial statements, based on our review.



Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as adopted by the National Council of Certified Auditors as the National Standard on Assurance 2410. A review of condensed separate interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with National Standards on Assurance or International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements as at 30 June 2016 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
registration number 3546
ul. Inflancka 4A, 00-189 Warsaw

Signed on the Polish original

.....
Ewa Jóźwik
Key Certified Auditor
Registration No. 11154

Signed on the Polish original

.....
Stacy Ligas
Management Board Member of KPMG
Audyt Sp. z o.o.
General Partner of KPMG Audyt Spółka z
ograniczoną odpowiedzialnością sp. k.

22 August 2016

MCI Capital S.A.

Condensed Interim Financial Statements
for the period from 1 January to 30 June 2016

Translation from the Polish original

For the shareholders of MCI Capital S.A.

In accordance with the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Journal of Laws of 2014, No 133), the Management Board of the entity is obliged to provide preparation of the financial statements in accordance with applicable accounting principles giving a fair and true view of the financial and material situation of MCI Capital S.A. for the reporting period from 1 January to 30 June 2016.

These condensed interim financial statements were approved for publication and signed by the Management Board of the Company.

Name:	Position/Function	Signature
Tomasz Czechowicz	President of the Management Board	
Ewa Ogryczak	Vice-President of the Management Board	
Wojciech Marcińczyk	Vice-President of the Management Board	
Tomasz Masiarz	Board Member	

Keeping the Books of Account
Mazars Polska Sp. z o.o.
00-549 Warsaw, ul. Piękna 18

Warsaw, 22 August 2016

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SELECTED FINANCIAL DATA

	For the period: from 01.01.2016 to 30.06.2016	For the period: from 01.01.2015 to 31.12.2015	For the period: from 01.01.2015 to 30.06.2015	For the period: from 01.01.2016 to 30.06.2016	For the period: from 01.01.2015 to 31.12.2015	For the period: from 01.01.2015 to 30.06.2015
	PLN'000	PLN'000	PLN'000	EUR'000	EUR'000	EUR'000
Investment profits	46 268	133 116	112 687	10 562	31 809	27 258
Profit on operating activities	43 566	129 453	111 683	9 945	30 934	27 015
Profit before taxation	46 309	119 721	106 637	10 572	28 609	25 794
Net profit	48 160	121 463	102 986	10 994	29 025	24 911
Net cash from operating activities	2 458	1 290	5 767	561	308	1 395
Net cash from investment activities	10 441	2 605	(17)	2 384	622	(4)
Net cash from financial activities	(17 145)	41 153	(18 417)	(3 914)	9 834	(4 455)
Net increase/(decrease) of cash and cash equivalents	(4 246)	45 048	(12 667)	(969)	10 765	(3 064)
	Balance as at 30.06.2016	Balance as at 31.12.2015	Balance as at 30.06.2015	Balance as at 30.06.2016	Balance as at 31.12.2015	Balance as at 30.06.2015
	PLN'000	PLN'000	PLN'000	EUR'000	EUR'000	EUR'000
Total assets	1 438 176	1 397 711	1 315 748	324 975	327 986	313 692
Non-current liabilities	188 948	137 388	106 360	42 695	32 239	25 358
Current liabilities	56 276	105 706	73 677	12 716	24 805	17 566
Equity	1 192 952	1 154 617	1 135 711	269 563	270 941	270 768
Share capital	61 780	61 780	62 732	13 960	14 497	14 956
No of shares (in items)	61 779 619	61 779 619	62 732 377	61 779 619	61 779 619	62 732 377
Weighted average no of shares (in items)	61 779 619	62 654 068	62 732 377	61 779 619	62 654 068	62 732 377
Profit (loss) per one weighted average ordinary share (in PLN / EUR)	0,78	1,94	1,64	0,18	0,46	0,40
Book value per one share (in PLN / EUR)	19,31	18,69	18,10	4,36	4,39	4,32

The above selected financial data are in addition to the financial statements prepared in accordance with the EU IFRS and have been converted into EUR according to the following principles:

- individual assets and liabilities as at the balance sheet date - according to the average exchange rate prevailing as at the balance sheet date, announced by the National Bank of Poland; respectively as at 30 June 2016 – 4.4255, as at 31 December 2015 – 4.2615, as at 30 June 2015 – 4.1944;
- individual items in the statement of profit and loss and other comprehensive income and the statement of cash flows for the period from 1 January to 30 June of the given year - at the average rate, calculated as the arithmetic average of exchange rates published by National Bank of Poland on the last day of the month during the period; respectively for the period from 1 January to 30 June 2016 – 4.3805; from 1 January to 31 December 2015 – 4.1848 and from 1 January to 30 June 2015 – 4.1341.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the period from 1 January to 30 June 2016

		For the period: from 01.01.2016 to 30.06.2016	For the period: from 01.04.2016 to 30.06.2016	For the period: from 01.01.2015 to 30.06.2015	For the period: from 01.04.2015 to 30.06.2015
	NOTES	PLN'000	PLN'000	PLN'000	PLN'000
Revaluation of shares	1	47 648	(18 969)	108 196	61 814
Result on investment certificates	1	(1 380)	(2 293)	4 491	1 043
Investment profits		46 268	(21 262)	112 687	62 857
General administrative expenses	2	(2 748)	(1 729)	(3 369)	(1 889)
Other operating income		46	12	2 375	451
Other operating expenses		-	-	(10)	(8)
Profit on operating activities		43 566	(22 979)	111 683	61 411
Finance income	3	7 372	6 329	936	268
Finance expenses	3	(7 505)	(3 491)	(5 560)	(2 700)
Revaluation of derivative financial instruments	1	2 876	2 782	(422)	(329)
Profit before taxation		46 309	(17 359)	106 637	58 650
Income tax	4	1 851	1 119	(3 651)	(3 201)
Net profit		48 160	(16 240)	102 986	55 449
Other net comprehensive income		-	-	-	-
Other comprehensive income		48 160	(16 240)	102 986	55 449
Earnings (loss) per share					
Basic	5	0,78	-0,26	1,64	0,88
Diluted	5	0,75	-0,23	1,56	0,84

The statement on profit or loss and other comprehensive income should be read in conjunction with selected explanatory notes and the notes to the condensed interim financial statements on pages 11 to 38.

STATEMENT OF FINANCIAL POSITION
as at 30 June 2016

	NOTES	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
ASSETS				
Non-current assets				
Tangible fixed assets		335	349	409
Investment certificates	8	141 356	185 446	159 251
Investments in subsidiaries	6	1 185 107	1 095 921	1 085 326
Investments in associates	7	33 662	41 726	49 584
Investments in other entities		7	7	7
Loans granted	9	202	1 302	-
Deferred income tax assets		5 454	3 603	-
Derivatives	1	4 660	1 784	8 425
		1 370 783	1 330 138	1 303 002
Current assets				
Trade and other receivables	1	5 589	1 557	2 147
Receivables from bills of exchange	11	4 807	4 705	7 128
Loans granted	9	917	984	856
Cash and cash equivalents	11	56 080	60 326	2 615
		67 393	67 572	12 746
Total assets		1 438 176	1 397 711	1 315 748
EQUITY AND LIABILITIES				
Equity				
Share capital	14	61 780	61 780	62 732
Reserve capital	14	1 047 672	926 209	929 902
Other reserve capital		43 591	43 644	43 473
Retained earnings		1 671	1 671	1 671
Net profit		48 160	121 463	102 986
Own shares	14	(9 922)	(150)	(5 053)
		1 192 952	1 154 617	1 135 711
Non-current liabilities				
Received loans		124	148	165
Liabilities on bonds	16	188 824	137 240	104 405
Deferred income tax liabilities		-	-	1 790
		188 948	137 388	106 360
Current liabilities				
Trade and other payables	17	3 463	599	655
Liabilities on bonds	16	41 010	93 316	61 233
Received loans		41	41	41
Provisions	18	11 762	11 750	11 748
		56 276	105 706	73 677
Total Equity and Liabilities		1 438 176	1 397 711	1 315 748

The statement of financial position should be read in conjunction with selected explanatory notes and the notes to the condensed interim financial statements on pages 11 to 38.

STATEMENT OF CHANGES IN EQUITY
for the period from 1 January to 30 June 2016

PLN'000	Share capital	Reserve capital				Other reserve capital		Retained earnings	Net profit	Own shares	Total equity
		Issue of shares as part of conversion of convertible bonds	Issue of shares - implementation of the management options program	Issue of shares above their nominal value	Distribution of profits	Management options program and other share-based payments	Measurement of the equity component of bonds				
As at 01.01.2015	62 732	28 175	2 792	106 440	440 214	37 793	5 395	1 671	352 281	(5 089)	1 032 404
Transfer of profit/loss	-	-	-	-	352 281	-	-	-	(352 281)	-	-
Management option programs from own shares	-	-	-	-	-	285	-	-	-	36	321
Profit/loss for the period	-	-	-	-	-	-	-	-	102 986	-	102 986
As at 30.06.2015	62 732	28 175	2 792	106 440	792 495	38 078	5 395	1 671	102 986	(5 053)	1 135 711
As at 01.01.2015	62 732	28 175	2 792	106 440	440 214	37 793	5 395	1 671	352 281	(5 089)	1 032 404
Transfer of profit/loss	-	-	-	-	352 281	-	-	-	(352 281)	-	-
Management option programs from own shares	-	-	-	-	-	78	-	-	-	-	78
Redemption of own shares	(952)	-	-	-	(3 693)	-	-	-	-	4 645	-
Remuneration in the form of shares	-	-	-	-	-	636	-	-	-	101	737
Settlement of option programs	-	-	-	-	-	(258)	-	-	-	193	(65)
Profit/loss for the period	-	-	-	-	-	-	-	-	121 463	-	121 463
As at 31.12.2015	61 780	28 175	2 792	106 440	788 802	38 249	5 395	1 671	121 463	(150)	1 154 617
As at 01.01.2016	61 780	28 175	2 792	106 440	788 802	38 249	5 395	1 671	121 463	(150)	1 154 617
Transfer of profit/loss	-	-	-	-	121 463	-	-	-	(121 463)	-	-
Purchase of own shares	-	-	-	-	-	-	-	-	-	(9 922)	(9 922)
Remuneration in the form of shares	-	-	-	-	-	25	-	-	-	150	175
Settlement of option programs	-	-	-	-	-	(78)	-	-	-	-	(78)
Profit/loss for the period	-	-	-	-	-	-	-	-	48 160	-	48 160
As at 30.06.2016	61 780	28 175	2 792	106 440	910 265	38 196	5 395	1 671	48 160	(9 922)	1 192 952

The statement of changes in equity should be read in conjunction with selected explanatory notes and the notes to the condensed interim financial statements on pages 11 to 38.

STATEMENT OF CASH FLOWS
for the period from 1 January to 30 June 2016

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000
Cash flows from operating activities		
Net profit for the reporting period	48 160	102 986
Adjustments:		
Depreciation of tangible fixed assets	81	82
Revaluation of shares, certificates and derivatives	(49 144)	(112 687)
Share-based incentive programmes	175	320
Costs of issue of bonds - paid	(897)	(3)
Finance income and expenses	7 254	5 360
Other adjustments	(164)	3
Change in provisions	12	131
Change in loans granted	-	5 961
Change in trade and other receivables	(4 032)	(169)
Change in trade and other payables	2 864	291
Change in liabilities from certificates	-	(160)
Change in deferred tax assets and liabilities	(1 851)	3 652
Net cash from operating activities	2 458	5 767
Cash flows from investment activities		
Proceeds from sale and repayment of bills of exchange	12 110	-
Proceeds from granted loans	1 310	-
Proceeds from the sale of investment certificates	45 005	-
Expenditure on granted loans	(200)	-
Outflows for the purchase of certificates	(2 295)	-
Outflows for the purchase of bills of exchange	(12 000)	-
Outflows for the purchase of shares of subsidiaries	(33 474)	-
Outflows for the purchase of fixed assets	(15)	(17)
Net cash from investment activities	10 441	(17)
Cash flows from financial activities		
Outflows for the purchase of own shares	(9 922)	-
Issue of bonds	54 500	-
Repayment of bills of exchange with interests	-	(13 095)
Repayment of loans with interests	(21)	(23)
Repayment of bonds	(54 800)	-
Interests paid on bonds	(6 902)	(5 299)
Net cash from financial activities	(17 145)	(18 417)
Net increase/(decrease) of cash and cash equivalents	(4 246)	(12 667)
Opening balance of cash and cash equivalents	60 326	15 278
Change in cash due to exchange rate differences	-	4
Closing balance of cash and cash equivalents	56 080	2 615

The statement of cash flows should be read in conjunction with selected explanatory notes and the notes to the condensed interim financial statements on pages 11 to 38.

SELECTED EXPLANATORY INFORMATION

General information

With a decision of the District Court for the city of Wrocław-Fabryczna of 21 July 1999, MCI Capital S.A. (hereinafter referred to as the "Company" or "MCI") was entered into the Commercial Register under RHB No 8752. With a decision of the District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Division of the National Court Register of 28 March 2001, the Company was entered into the National Court Register under No 0000004542. The Company was assigned:

- Statistical Number REGON: 932038308,
- NIP (tax ID): 899-22-96-521,
- The registered office of the Company is located at ul. Emilii Plater 53 in Warsaw,
- The life of the Company is unlimited

On 17 November 2015 the Company changed its name from "MCI Management S.A." to "MCI Capital S.A.". Detailed information is entered into current report RB 45/2015.

MCI carries on direct investment activities of the private equity / venture capital type and invests its assets through 5 investment funds of diversified investment strategy. The funds invest entrusted funds in investment assets in accordance with their investment strategy. From large buyout and growth investment (MCI.EuroVentures 1.0 FIZ and MCI.TechVentures 1.0 FIZ) to investments in start-ups and small technology companies (Helix Ventures FIZ and Internet Ventures FIZ) to debt instruments and property (MCI.CreditVentures 2.0 FIZ). Investments in portfolio companies are made in the horizon of several years, during which management actively supports development of companies and supervises execution of business strategy by them, and then looks for opportunities to sell. The most important assets are shares in companies and other financial instruments, such as: bonds, investment certificates, bills of exchange, loans and deposits.

Basis for the drafting of the Financial Statements

These condensed interim financial statements have been prepared in line with the International Accounting Standard 34 "Interim Financial Reporting" approved by the European Union ("IAS 34") and the Regulation of the Minister of Finance dated 19 February 2009 on current and periodic information published by issuers of securities (Journal of Laws No. 33, item 259) with further amendments.

This report does not contain all the information required by International Standards Financial Reporting approved by the EU ("IFRS") for complete financial statements. However, it contains selected explanatory notes to clarify the events and transactions that are relevant for understanding changes in financial position and results of operations of the Group since the date of its most recent annual financial statements as at and for the year ended 31 December 2015.

Accordingly, these condensed interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group prepared in accordance with IFRS for the financial year ended 31 December 2015.

The following financial data presented on a quarterly basis:

- for the period from 01/04/2016 to 30/06/2016,
 - for the period from 01/04/2015 to 30/05/2015,
- was not the subject of a separate review or audit by an independent auditor.

Information concerning the preparation of the consolidated financial statements

In accordance with the criteria of paragraph 27 of IFRS 10, an entity meets the definition of an investment entity if it:

- obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measures and evaluates the performance of substantially all of its investments on a fair value basis, thus it can be classified as an investment entity.

The main goal of MCI in purchasing the investment certificates for funds was to earn benefits by investing in financial assets and earning profit from an increase in the value of net assets of the funds. The company invests funds in order to obtain returns from the increase in the value of investments (investment certificates). The sole activity of the Company is to invest funds to five closed-end investment funds and thus obtain a return on the invested capital. The company, as a public company, has many investors for whom the most important issue is the return on the invested capital over the long term. The Management Board analyses and evaluates the performance of the Company's activities through the prism of the increase in the fair value of assets being held, which are portfolio investments of closed-end investment funds, through which the Company conducts its investments. The fair value is the best reflection of the value of assets held by the Company.

The Company meets the criteria for classification as an investment entity as defined in paragraph 27 of IFRS 10 *Consolidated Financial Statements* ("IFRS 10"). The Company does not prepare consolidated financial statements because it does not have subsidiaries which provide services related to investment activities of the Company.

These financial statements of MCI Capital S.A. are the only financial statements prepared by MCI Capital S.A.

Date of approval of the financial statements for the current financial year

The financial statements were approved by the Management Board of the Company on 22 August 2016.

Going concern assumption

These condensed interim financial statements have been prepared on the assumptions that the company shall continue its operations in the foreseeable future comprising a period not shorter than 12 months after the reporting date, i.e. 30 June 2016. As at the signing date of these financial statements the MCI's directors do not state the existence of any facts and circumstances which would indicate threats to the company's continuation as going concern within 12 months after the reporting date as a result of intentional or forced neglect or material limitation of the company's hitherto activities.

Functional currency and presentation currency

The items included in the financial statements relating to the Company are measured and presented using the primary currency of the economic environment in which the Company operates ("the functional currency"), which is the Polish zloty. The data in the financial statements are presented in thousands of Polish zloty, unless stated otherwise.

Judgements and estimates

The preparation of the financial statements requires the Management Board of the Company to make judgements, estimates and assumptions that affect the adopted accounting policies and presented amounts reported in the financial statements. Actual values may differ from those estimates.

All judgements, assumptions and estimates which have been made for the purposes of these financial statements are presented in the required disclosures relating to individual items of these financial statements, in the supplementary notes to the financial statements, which form an integral part thereof. Estimates and judgements are subject to ongoing verification. They are based on historical experience, including expectations of future events that are reasonable in a given situation and new information.

Below are the key assumptions concerning the future and other basic reasons for uncertainty of estimates as at the balance sheet date.

Fair Value of Financial Instruments

The model and assumptions adopted for the fair value measurement. Significant risks relate to the fair value of shares in subsidiaries, which are strongly influenced by accepted models of measurement. Main assumptions and judgements are presented in **Note 6 "Investments in subsidiaries"**.

Share-based payments

Determination of the value of individual programmes of share-based payments is based on estimates of the Company adopted for the fair value measurement of equity instruments granted, including: the actual strike price of shares of MCI Capital S.A. on the grant date, the estimate of historical volatility, risk-free interest rate, the expected dividend yield, the period in which the holder may exercise rights under the programme and accepted model of measurement. More information is included in **Note 19 "Employee Benefits"**.

Accounting Policy

The accounting principles used in these financial statements are the same as those applied by the Company for the financial statements as at the date and for the year ended on 31 December 2015.

Investment entity

The Company does not consolidate subsidiaries, because it has the status of an individual investment entity as it fulfils the criteria of IFRS 10 par. 27.

The Company meets the criteria for classification as an investment entity as defined in paragraph 27 of IFRS 10, namely:

- obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measures and evaluates the performance of substantially all of its investments on a fair value basis, thus it can be classified as an investment entity.

In accordance with IFRS 10.31, an investment entity does not extend consolidation over its subsidiaries other than the subsidiaries which carry on investment activities. Therefore, investments in subsidiaries which carry on investment activities are fully consolidated. Investments in subsidiaries which do not carry on investment activities are measured at fair value through profit or loss and recognised in the financial result for the period.

The fair value of investments in subsidiaries (which do not carry on investment activities) is calculated on the basis of adjusted net asset value of each of the subsidiaries at the balance sheet date. The adjusted net asset value is determined on the basis of measurement of net asset value of the funds which issue investment certificates in which the subsidiaries invest. The value of investment certificates of these funds, in turn, is based on the fair value measurement of investments in portfolio companies, adjusted for liabilities of the funds.

NOTES TO THE FINANCIAL STATEMENTS
for the period from 1 January to 30 June 2016

1. Investment profits

The item of gains and losses arising from changes in the fair value includes revaluation of financial assets:

- shares and interests in subsidiaries, associates and other entities,
- investment certificates of closed-end investment funds ("FIZ") which belong to MCI,
- derivative instruments.

Revaluation of shares

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Measurement of subsidiaries				
MCI Fund Management Sp. z o.o.	56 490	(8 476)	93 573	47 631
MCI Ventures Sp. z o.o.	-	-	(3)	(3)
MCI Fund Management Sp. z o.o. II	(1 706)	(765)	(845)	(994)
MCI.PrivateVentures S.K.A.				
MCI Fund Management Sp. z o.o. IV	929	476	740	449
MCI.PrivateVentures S.K.A.				
	55 713	(8 765)	93 465	47 083
Measurement of affiliates				
Private Equity Managers S.A.	(8 065)	(10 204)	14 731	14 731
	(8 065)	(10 204)	14 731	14 731
Measurement of other entities				
Digital Avenue S.A.	-	-	-	-
	-	-	-	-
Total revaluation of shares	47 648	(18 969)	108 196	61 814

Information on the measurement of these items is presented in **Note 6, "Investments in subsidiaries"** and in **Note 7, "Investments in associates"**.

Result on investment certificates

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Investment certificates of Helix Ventures Partners FIZ	170	341	(223)	253
Investment certificates of Internet Ventures FIZ	(3 231)	(2 869)	690	121
Investment certificates of MCI.CreditVentures FIZ 2.0	3 043	1 597	4 024	669
Revaluation of investment certificates	(18)	(931)	4 491	1 043

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Investment certificates of Internet Ventures FIZ	(1 372)	(1 372)	-	-
Investment certificates MCI.CreditVentures FIZ 2.0	10	10	-	-
Realized result on redemption of investment certificates	(1 362)	(1 362)	-	-
Result on investment certificates	(1 380)	(2 293)	4 491	1 043

The realized result on redemption of investment certificates is determined by multiplying the number of redeemed certificates by the difference between the redemption price and the price from the last valuation recognized in the Company's books.

Unrealized result is determined as the difference between the valuation of the certificates held for the balance sheet date and the valuation of the certificates on the previous balance sheet date valuation (revaluation of investment certificates) taking into consideration changes in the ownership of certificates (redemption, acquisition of new certificates).

Information on the measurement of the above items is presented in **Note 8 "Investment certificates"**.

Revaluation of derivative financial instruments

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Embedded derivative on investment certificates Internet Ventures FIZ	2 715	2 715	(646)	(76)
Embedded derivative on investment certificates Helix Ventures Partners FIZ	161	67	224	(253)
	2 876	2 782	(422)	(329)

Carrying value of derivative financial instruments

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Embedded derivative on investment certificates Internet Ventures FIZ	3 046	-	5 671
Embedded derivative on investment certificates Helix Ventures Partners FIZ	1 614	1 784	2 754
	4 660	1 784	8 425

As at 30 June 2016 the embedded financial instrument, namely the mechanism of privileged distribution of funds invested in investments made by Ventures FIZ and Helix Ventures Partners FIZ, was measured. The company has a priority of return from invested funds in the event of the exit from the investment.

2. General and administrative expenses

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Depreciation of fixed assets and amortization of intangible assets	(81)	(41)	(82)	(43)
Consumption of materials & energy	(25)	(15)	(35)	(15)
Outsourced services	(1 513)	(1 083)	(1 353)	(632)
Taxes and fees	(14)	(5)	(13)	(8)
Wages and salaries	(1 006)	(524)	(1 739)	(1 091)
Employee benefits	(32)	(21)	(46)	(47)
Social insurance	(21)	(9)	(23)	(15)
Other costs	(56)	(31)	(78)	(38)
	(2 748)	(1 729)	(3 369)	(1 889)

3. Financial revenue and expenses

Financial revenues

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Interests on short-term bank deposits	106	11	45	18
Revenues from dividends received	5 054	5 054	-	-
Fee and commission income - fiduciary transactions, guarantees*	1 962	1 123	298	150
Interest income on purchased bills of exchange	212	124	128	64
Interest income on loans	38	17	110	36
Foreign currency exchange gains or losses	-	-	355	-
	7 372	6 329	936	268

*MCI Capital S.A. provides services related to investments which consist in financial support to the entity in which an investment in the form of suretyship and guarantee was made to maximise returns from investing in investments, this activity does not constitute a separate significant activity or a separate major source of revenue for the investment entity.

Financial expenses

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Interests costs on:				
Issued bills of exchange	-	-	(21)	-
Bank loans	(1)	-	(6)	(3)
Loans receives	(2)	-	-	-
Issued bonds	(7 140)	(3 326)	(5 533)	(2 697)
Other	(362)	(165)	-	-
	(7 505)	(3 491)	(5 560)	(2 700)

4. Income tax

Income tax recognized in the statement of profit and loss and other comprehensive income

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Income tax - current part	-	-	-	-
Income tax - deferred part	1 851	1 119	(3 651)	(3 201)
	1 851	1 119	(3 651)	(3 201)

Reconciliation of income tax

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Profit before taxation	46 309	(17 359)	106 637	58 650
Income tax recognized in the financial result	(1 851)	(1 119)	3 651	3 201
Effective tax rate	(4,0%)	6,4%	3,4%	5,5%
Non-taxable income (-)	(81 791)	(12 106)	(114 725)	(64 026)
Income tax not recognised in the income statement (+)	10	-	267	265
Non-taxable costs recognised in the income statement (+)	40 495	39 038	8 855	4 573
Tax costs not recognised in the income statement (-)	(7 913)	(2 119)	(5 555)	(3 914)
	(49 199)	24 813	(111 158)	(63 102)
Taxable amount	(2 890)	7 454	(4 521)	(4 452)
Current income tax	-	-	-	-

Tax losses

Incurring in year	Incurring at 000'PLN	Utilised at 000'PLN	To be utilised at 000'PLN	To be utilised until year
2012	4 715	-	4 715	2017
2013	9 590	-	9 590	2018
2014	3 528	-	3 528	2019
2015	9 128	-	9 128	2020
2016	2 890	-	2 890	2021
	29 851	-	29 851	

Deferred Income Tax

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Deferred income tax assets:			
Due for settlement after 12 months	5 672	5 123	6 334
Due for settlement within 12 months	3 075	2 534	1 742
	8 747	7 657	8 076
Deferred income tax liabilities:			
Due for settlement after 12 months	-	-	9 866
Due for settlement within 12 months	3 293	4 054	-
	3 293	4 054	9 866

Deferred income tax assets

	Tax losses which can be deducted 000' PLN	Interest and premium on bonds 000' PLN	Other assets* 000' PLN	Total 000' PLN
As at 30 June 2015	4 579	50	3 447	8 076
Effect on profit or loss	(237)	-	(182)	(419)
Effect on equity	-	-	-	-
As at 31 December 2015	4 342	50	3 265	7 657
Effect on profit or loss	1 330	-	(240)	1 090
Effect on equity	-	-	-	-
As at 30 June 2016	5 672	50	3 025	8 747

*the item includes mainly the provision for legal costs related to litigations

Deferred tax liabilities

	Revaluation of the value of portfolio companies 000' PLN	Interests 000' PLN	Other liabilities* 000' PLN	Total 000' PLN
As at 30 June 2015	7 024	31	2 811	9 866
Effect on profit or loss	(7 023)	115	1 096	(5 812)
Effect on equity	-	-	-	-
As at 31 December 2015	1	146	3 907	4 054
Effect on profit or loss	-	126	(887)	(761)
Effect on equity	-	-	-	-
As at 30 June 2016	1	272	3 020	3 293

*the item relates mainly to revaluation of investment certificates

Deferred income tax net assets

As at 30 June 2016 **5 454**

On 15 February 2016 MCI Capital S.A. and MCI Fund Management Spółka z o.o. entered into an agreement establishing the Tax Group ("PGK"). The Parties agreed that MCI Capital S.A. would be the dominant entity in the PGK. The financial year of the PGK will be the period from 1 July to 30 June. The first tax year will be the period from 1 July 2016 to 30 June 2017. The agreement was concluded for a period of three consecutive tax years, i.e. from 1 July 2016 to 30 June 2019. Companies which are members of the PGK bear joint and several liability for corporate income tax payable for the duration of the agreement.

5. Earnings per share

Earnings per share

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Earnings attributable to shareholders of the Company	48 160	(16 240)	102 986	55 449
Weighted average no of ordinary shares (in 000s)	61 780	62 732	62 732	62 732
Basic earnings per share (in PLN per one share)	0,78	(0,26)	1,64	0,88

Diluted earnings per share

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Earnings attributable to shareholders of the Company	48 160	(16 240)	102 986	55 449
Earnings applied when determining diluted earnings per share	49 517	(15 492)	104 034	56 185
Cost of interest on bonds (PLN 000s)	1 540	788	1 159	773
Net cost of interest on bonds (PLN 000s)	1 357	748	1 048	736
Weighted average no of ordinary shares (in 000s)	61 780	62 732	62 732	62 732
Adjustments related to:				
remuneration program based on issuance of shares (000s)	17	8	17	8
bonds convertible into shares (000s)	4 167	4 167	4 167	4 167
Weighted average number of ordinary shares for purposes of diluted earnings per share (000s)	65 964	66 899	66 899	66 899
Diluted earnings per share (in PLN per one share)	0,75	(0,23)	1,56	0,84

6. Investments in subsidiaries

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
MCI Fund Management Sp. z o. o.	250 560	160 595	147 451
MCI Fund Management Sp. z o. o. II MCI.PrivateVentures S.K.A.	739 874	741 581	744 791
MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures S.K.A.	194 673	193 745	193 082
MCI Ventures Sp. z o. o.	-	-	2
	1 185 107	1 095 921	1 085 326

Characteristics of subsidiaries:

– **MCI Fund Management Sp. z o. o**

A company with a registered office in Poland which holds certificates of (direct subsidiary of):

- MCI.TechVentures 1.0 Sub-fund separated within MCI.PrivateVentures FIZ,
- MCI.EuroVentures 1.0 Sub-fund separated within MCI.PrivateVentures FIZ.

Shareholder in MCI Fund Management Sp. z o. o. Spółka Jawna and general partner in:

- MCI Fund Management Sp. z o. o. II MCI.PrivateVentures S.K.A.,
- MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures S.K.A.

– **MCI Fund Management Sp. z o. o. II MCI.PrivateVentures S.K.A.**

A company with its registered office in Poland holding shares in MCI Fund Management Sp. z o. o. Spółka Jawna (direct subsidiary).

– **MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures S.K.A.**

A company with its registered office in Poland holding shares in MCI Fund Management Sp. z o. o. Spółka Jawna (direct subsidiary).

– **MCI Ventures Sp. z o. o.**

On 23 September 2015 MCI Capital S.A. sold shares in MCI Ventures Sp. z o.o. to MCI.PrivateVentures FIZ acting for Sub-fund MCI.TechVentures 1.0 (indirect subsidiary).

All the above mentioned subsidiaries do not provide services related to investment activities of the Company.

Measurement of shares in subsidiaries

Shares in the above companies are disclosed in fair value based on the adjusted net asset value of a company as at the balance sheet date. Adjusted net asset value is reflected in fair value of investments in subsidiaries - primarily investment certificates of closed-end investment funds.

The difference between the valuation of subsidiaries and the value of investment certificates is affected by:

- unpaid amount of taken up issued A1 series investment certificates in MCI.TechVentures 1.0 FIZ sub-fund for PLN 96m,
- balance of granted and received borrowings, bills of exchange of PLN 102m.

The fair value of investment certificates in subsidiaries is settled on the basis of published measurements of investment funds. The measurements of the above funds are carried out on a quarterly basis. The measurements are approved of by the Management Board of the Company.

The investment fair value in subsidiaries showing the effect of increase and decrease of investment certificates value by 10 percentage points:

Subsidiary	10%	-10%
MCI Fund Management Sp. z o. o.	388 851	112 269
MCI Fund Management Sp. z o. o. II MCI.PrivateVentures S.K.A.*	739 874	739 874
MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures S.K.A.*	194 673	194 673
	1 323 398	1 046 816

*Increase or decrease of investment certificates value does not affect the value of these subsidiaries, since as at 30 June 2016 these companies do not hold investment certificates, but only receivables from the sales of such certificates to MCI Fund Management Sp. z o.o.

7. Investments in associates

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Private Equity Managers S.A.	33 662	41 726	49 584
	33 662	41 726	49 584

Measurement of shares in the associate

	Balance as at 30.06.2016	Balance as at 31.12.2015	Balance as at 30.06.2015
Number of shares of Private Equity Managers S.A. owned by MCI Capital S.A. (in 000s)	350 641	350 641	341 961
Share price (PLN/share)	96,00	119,00	145,00
Investment value	33 662	41 726	49 584

As at 30 June 2016 the company holds directly 10.51% of shares of Private Equity Managers S.A. (hereinafter: "PEM"). PEM is treated as an affiliate since the Company owns a package of shares and has personal relations.

Since 9 April 2015 shares of the Company have been listed on the Warsaw Stock Exchange. Shares of Private Equity Managers S.A. were priced at PLN 96.00 per share, i.e. closing price of PEM shares at the session of the Warsaw Stock Exchange on 30 June 2016, and the change of their measurement was posted to the financial result. As at 31 December 2015 shares of PEM were measured at PLN 119.00 per share. As at 30 June 2015 shares of PEM were measured at PLN 145.00 per share.

8. Investment certificates

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Investment certificates of Helix Ventures Partners FIZ	11 143	10 973	9 887
Investment certificates of Internet Ventures FIZ	18 783	34 184	14 412
Investment certificates of MCI.CreditVentures FIZ 2.0	111 430	140 289	134 952
	141 356	185 446	159 251

Measurement of certificates investment

The measurement of investment certificates is carried out on a quarterly basis based on the fair value measurement of portfolio companies owned by these funds and other deposits of such funds. Revaluation of certificates to their fair value from quarterly measurements is recognised in MCI's profit or loss at the end of each quarter.

The investment fair value showing the effect of increase and decrease of investment certificates value by 10 percentage points:

	10%	-10%
Investment certificates of Helix Ventures Partners FIZ	12 257	10 029
Investment certificates of Internet Ventures FIZ	20 661	16 905
Investment certificates of MCI.CreditVentures 2.0 FIZ	122 573	100 287
	155 492	127 220

9. Loans granted

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Loans granted to related entities	593	1 683	67
Loans granted to other entities	526	603	789
	1 119	2 286	856
Including:			
Non-current part:	202	1 302	-
Current part:	917	984	856
	1 119	2 286	856

The carrying value of loans is the best approximation of their fair value.

Loans granted to related entities

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
MCI VentureProjects Sp. z o.o.	308	300	-
MCI Ventures Sp. z o.o.	13	12	-
MCI Fund Management Sp. z o.o.	272	1 371	67
	593	1 683	67

10. Trade and other receivables

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Trade receivables	42	42	71
Receivables from related entities	5 247	1 080	166
Tax / budget fees	60	12	19
Accruals	82	78	192
Other receivables	158	345	1 699
	5 589	1 557	2 147

Due to the short-term nature of these receivables the carrying value is the best approximation of fair value.

Receivables from related entities

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
MCI.Private Ventures FIZ	-	593	-
MCI Venture Projects Sp. z o.o. VI S.K.A.	-	406	-
Private Equity Managers S.A.	5 078	64	165
MCI Capital TFI S.A.	48	7	-
PEM Asset Management Sp. z o.o.	8	5	-
MCI Asset Management Sp. z o.o. Sp.j.	6	5	-
Other	107	-	1
	5 247	1 080	166

11. Receivables related to bills of exchange

Bills of exchange are a liquidity management instrument in MCI Capital S.A.

As at 30 June 2016, the Company had receivables resulting from bills of exchange from the following entities:

	Nominal PLN'000	Interest PLN'000	Interest rate % per anum	Total PLN'000
MCI Fund Management Sp. z o. o. Sp. j.	4 600	207	4,60%	4 807
	4 600	207	-	4 807

As at 31 December 2015, the Company had receivables resulting from bills of exchange from the following entities:

	Nominal PLN 000s	Interest PLN 000s	Interest rate % a year	Total PLN 000s
MCI Fund Management Sp. z o.o. Sp.J.	4 600	105	4,60%	4 705

As at 30 June 2015, the Company had receivables resulting from bills of exchange from the following entities:

	Nominal PLN'000	Interest PLN'000	Interest rate % per anum	Total PLN'000
MCI Fund Management Sp. z o. o. Sp. j.	7 000	128	3,70%	7 128
	7 000	128	-	7 128

12. Cash

As at the balance sheet date the balance of cash and cash equivalents of PLN 56,080 thousand (as at 31 December 2015: PLN 60,326 thousand, as at 30 June 2015 PLN 2,615 thousand) comprised primarily cash in bank and bank deposits measured at nominal value.

13. Abbreviated financial information on the MCI investment funds

The subject of MCI investments are closed-end investment funds.

As at 30 June 2016, the Company held:

- 71.07% of investment certificates of MCI.CreditVentures FIZ 2.0,
- 47.19% of investment certificates of Internet Ventures FIZ, and
- 50.00% of investment certificates of Helix Ventures Partners FIZ.

In addition, an MCI direct subsidiary, i.e. MCI Fund Management Sp. z o.o. (“MCI FM”) (MCI has 100% of shares in MCI FM) invests in investment certificates of closed-end investment funds.

As at 30 June 2016, the Company held:

- 90.56% of investment certificates of MCI.EuroVentures 1.0 Subfund separated within MCI.PrivateVentures FIZ, and
- 56.24% of certificates investment of MCI.TechVentures 1.0 Subfund separated within MCI.PrivateVentures FIZ.

Investment certificates are measured at fair value. Measurement is based on measurement at fair value of elements of the Fund investments and other assets and liabilities. Any change in the measurement of the aforementioned assets and liabilities is reflected in the net asset value (“NAV”) of each of the Funds, which translates directly to the revaluation of investment certificates.

MCI Capital S.A.
Condensed Interim Financial Statements
for the period from 1 January to 30 June 2016



Below is condensed financial information as at 30 June 2016 concerning investment funds in which MCI and MCI FM have investment certificates (based on reporting measurements of the funds, i.e. funds' financial statements):

Item	Credit Ventures FIZ		Internet Ventures FIZ		Helix Ventures Partners FIZ		Sub-fund MCI.EuroVentures 1.0		Sub-fund MCI.TechVentures 1.0		Total	Total
	30.06.2016	MCI share	30.06.2016	MCI share	30.06.2016	MCI share	30.06.2016	MCI share	30.06.2016	MCI share	30.06.2016	MCI share / FM share
	100,00%	71,07%	100,00%	47,19%	100,00%	50,00%	100,00%	90,56%	100,00%	56,24%	100,00%	
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
NAV structure:	156 799	111 430	39 100	18 453	22 286	11 143	885 424	801 863	1 033 096	581 052	2 136 705	1 523 940
- Public companies	7 970	5 664	-	-	-	-	625 144	566 146	34 302	19 293	667 416	591 103
- Non-public companies	139 678	99 263	37 470	17 683	7 952	3 976	311 258	281 883	831 817	467 845	1 328 175	870 651
- Cash, including deposits	10 951	7 782	1 315	621	12 540	6 270	18 486	16 741	146 970	82 661	190 262	114 076
- Other assets	935	664	1 015	479	1 880	940	4 342	3 932	105 243	59 193	113 415	65 208
- Liabilities	2 735	1 944	700	330	86	43	73 806	66 841	85 236	47 940	162 563	117 098
Net investment income	2 287	1 625	(630)	(297)	(17)	(9)	(12 925)	(11 705)	(20 077)	(11 292)	(31 362)	(21 678)
Realized and unrealized profit/ loss	1 935	1 375	(3 940)	(1 859)	357	179	48 636	44 046	53 967	30 353	100 955	74 093
Result from operations for the period	4 222	3 000	(4 570)	(2 157)	340	170	35 711	32 341	33 890	19 061	69 593	52 415

14. Equity

Share capital

	Balance as at	Balance as at	Balance as at
	30.06.2016	31.12.2015	30.06.2015
Share capital issued and paid (PLN 000s)	61 780	61 780	62 732
Number of shares	61 779 619	61 779 619	62 732 377
Nominal value per share (PLN)	1,00	1,00	1,00
Nominal value of all shares (PLN 000s)	61 780	61 780	62 732

Reserve capital

	Balance as at	Balance as at	Balance as at
	30.06.2016	31.12.2015	30.06.2015
	PLN'000	PLN'000	PLN'000
Balance at the beginning of period	926 209	577 621	577 621
Decrease due to redemption of shares	-	(3 693)	-
Transfer of previous year profit to the reserve capital	121 463	352 281	352 281
Balance at the end of period	1 047 672	926 209	929 902

Own shares

As at 31 December 2014 MCI Capital S.A. had 1,043,856 own shares with the value of PLN 5,089,000. Own shares came from repurchase made in 2010-2011. The average repurchase price was PLN 4,875 per share. In 2015 the Company issued own shares to settle the option programme of 2014 (39,544 shares), as part of payment of additional remuneration for 2015 (20,766 shares). Part of shares, namely 952,758, was redeemed pursuant to Resolutions of the Extraordinary Meeting of Shareholders of 17 November 2015. Own shares which remained in the balance as at 31 December 2015 (30,788 worth PLN 150,000) will be appropriated to settle remuneration for 2015 for President of the Company, Mr Tomasz Czechowicz, in accordance with Resolution 4 of the Supervisory Board of the Company of 24 September 2015.

In the first half of 2016 the Company realized Repurchase of Own Shares Program in order to further redemption of shares pursuant to Resolution No. 5 of the MCI Capital SA Extraordinary General Shareholders Meeting dated 17 November 2015 on authorizing the Company to acquire own shares and use of reserve capital. Under the Program the Company was authorized to purchase up to 3,136,618 their own shares, with a nominal value PLN 1,00 each, representing a total of no more than 5% of the Company's share capital. The authorization to acquire own shares was granted for the period until 31 December 2016. As part of the Program, the Company acquired 915,489 of their own shares at the average purchase price of PLN 10.82 per share.

The specification of the Company's own shares movement below:

	Balance as at	Balance as at	Balance as at
	30.06.2016	31.12.2015	30.06.2015
	PLN'000	PLN'000	PLN'000
Balance at the beginning of period	(150)	(5 089)	(5 089)
Issue of shares as settlement of remuneration in 2015	150	101	37
Issue of shares as settlement of options remuneration in 2014	-	193	-
Redemption of own shares	-	4 646	-
Purchase of own shares	(9 922)	-	-
Balance at the end of period	(9 922)	(150)	(5 053)

15. Shareholders' structure

Major shareholders of the Company as at 30 June 2016

	Participation in the share capital		Participation in the total number of votes at the General Meeting	
	Number of shares	Participation in the share capital	Number of votes at the General Meeting	Share in the overall number of votes at the General Meeting
Tomasz Czechowicz	1 460 276	2,36%	1 460 276	2,36%
MCI Management Sp. z o.o.*	31 653 738	51,24%	31 653 738	51,24%
Quercus Towarzystwo Funduszy Inwestycyjnych S.A.	3 194 206	5,17%	3 194 206	5,17%
BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A.	2 730 000	4,42%	2 730 000	4,42%
Pozostali	22 741 399	36,81%	22 741 399	36,81%
	61 779 619	100,00%	61 779 619	100,00%

*Company controlled by Tomasz Czechowicz (previously Alternative Investment Partners Sp. z o.o.)

Major shareholders of the Company as at 31 December 2015

	Participation in the share capital		Participation in the total number of votes at the General Meeting	
	Number of shares	Participation in the share capital	Number of votes at the General Meeting	Share in the overall number of votes at the General Meeting
Tomasz Czechowicz	1 429 486	2,31%	1 429 486	2,31%
MCI Management Sp. z o.o.*	31 455 196	50,92%	31 455 196	50,92%
Quercus Towarzystwo Funduszy Inwestycyjnych S.A.	3 632 016	5,88%	3 632 016	5,88%
BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A.	2 730 000	4,42%	2 730 000	4,42%
Pozostali	22 532 921	36,47%	22 532 921	36,47%
	61 779 619	100,00%	61 779 619	100,00%

*Company controlled by Tomasz Czechowicz (previously Alternative Investment Partners Sp. z o.o.)

Major shareholders of the Company as at 30 June 2015

	Participation in the share capital		Participation in the total number of votes at the General Meeting	
	Number of shares	Participation in the share capital	Number of votes at the General Meeting	Share in the overall number of votes at the General Meeting
Tomasz Czechowicz	1 425 092	2,27%	1 425 092	2,27%
MCI Management Sp. z o.o.*	31 132 954	49,63%	31 132 954	49,63%
Quercus Towarzystwo Funduszy Inwestycyjnych S.A.	4 529 218	7,22%	4 529 218	7,22%
BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A.	3 156 487	5,03%	3 156 487	5,03%
Pozostali	22 488 626	35,85%	22 488 626	35,85%
	62 732 377	100,00%	62 732 377	100,00%

*Company controlled by Tomasz Czechowicz (previously Alternative Investment Partners Sp. z o.o.)

16. Liabilities related to bonds

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
The value of the liability at the date of issue at face value	231 500	231 800	165 800
The value of costs related to the issue	(4 261)	(4 385)	(2 520)
Carrying value of liability as at issue date	227 239	227 415	163 280
Equity component (without deferred tax)*	(578)	(578)	(578)
Liability component as at issue date	226 661	226 837	162 702
Interest accrued - costs YTD	18 813	23 788	18 114
Interest paid	(15 640)	(20 069)	(15 178)
Carrying value of liability as at balance sheet date	229 834	230 556	165 638
Non-current part:	188 824	137 240	104 405
Current part:	41 010	93 316	61 233
	229 834	230 556	165 638

*applies to series G1 bonds

Bonds issued by MCI Capital S.A.

The following tables show the status of liabilities from the issue of bonds, the date of redemption and the balance of interest paid on 30 June 2016.

Series of bonds	Date of allocation	Date of redemption	Number of bonds	Value of bonds	Interest paid
				000' PLN	000' PLN
H3 series	2013-12-19	2016-12-19	30 000	30 000	5 021
G1 series*	2014-03-21	2018-03-21	50 000	50 000	6 073
I1 series	2014-10-17	2017-10-17	31 000	31 000	2 670
J1 series	2015-12-11	2018-12-11	66 000	66 000	1 876
K series	2016-06-24	2019-06-24	54 500	54 500	-
				231 500	15 640

*The series of convertible bonds of MCI Capital S.A. The conversion price is PLN 12. MCI Management Sp. z o.o. holds 19,000 bonds of this series.

17. Trade and other payables

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Trade payables	839	443	259
Payables to related entities	16	94	62
Tax liabilities	-	5	47
Social security and other burdens liabilities	35	23	40
Other liabilities*	2 573	34	247
	3 463	599	655

* Includes PLN 2,300 thousand relating to deferred income.

18. Provisions

	Balance as at 30.06.2016 PLN'000	Balance as at 31.12.2015 PLN'000	Balance as at 30.06.2015 PLN'000
Provisions for the costs of litigations*	11 466	11 466	11 466
Provisions for bonuses and holidays	212	96	196
Other provisions	84	188	86
	11 762	11 750	11 748

*The provision was set up in connection with the cost of the litigation concerning damages for the bankruptcy of JTT. For details, see **Note 24 "Contingent assets and liabilities"**.

19. Employee Benefits

As regards employee benefits, the statement of comprehensive income includes the following amounts:

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Short-term employee benefits	781	393	780	535
Social security	21	9	23	16
Remuneration paid in shares and option programmes	225	131	959	570
Other employee benefits	32	21	46	32
	1 059	554	1 808	1 153

Remuneration of key personnel

	For the period: from 01.01.2016 to 30.06.2016 PLN'000	For the period: from 01.04.2016 to 30.06.2016 PLN'000	For the period: from 01.01.2015 to 30.06.2015 PLN'000	For the period: from 01.04.2015 to 30.06.2015 PLN'000
Management Board				
Short-term employee benefits	315	142	415	145
Settlement of incentive programs	35	35	-	(102)
Remuneration paid in shares	175	81	862	862
Lump-sum for the use of cars	22	13	12	6
	547	271	1 289	911
Supervisory Board				
Short-term employee benefits	28	19	112	72
Measurement of incentive programs	-	-	-	(99)
	28	19	112	(27)

Employment/ function

	Balance as at 30.06.2016 Number of employees	Balance as at 31.12.2015 Number of employees	Balance as at 30.06.2015 Number of employees
Management Board	4	4	3
Supervisory Board	6	6	6
Operational staff	7	7	6
	17	17	15

Advances paid to Board Members

The Company did not paid advances to Members of the Management Board.

Borrowings granted to Board Members

The Company did not grant borrowings to Members of the Management Board.

20. Financial assets and liabilities measured at fair value

The Company discloses at fair value the following components of financial assets and liabilities:

Financial assets designated as measured at fair value through profit/loss at initial recognition:

Investments in shares in subsidiaries, associated entities and other entities which do not run investment operations, as well as investment certificates of investment funds and derivatives are recognised at fair value at initial recognition with changes in fair value disclosed in profit/loss.

The method of shares measurement depends on the type of available source information used in the measurement. For entities the shares of which are not quoted on the active market, the fair value is determined on the basis of measurement techniques commonly applied by market participants. The presumptions of measurement techniques are not based on information coming from the active market, but indicate best the fair value of these entities.

The Company classifies the principles of fair value measurement using the hierarchy below which reflects the importance of source data applied during measurements:

- **Level I** - financial assets/ liabilities measured directly based on prices quoted on the active market.
- **Level II** - financial assets/ liabilities measured with measurement techniques based on information coming from the active market or market observations.
- **Level III** - financial assets/ liabilities measured with techniques commonly applied by market participants. The presumptions of measurement techniques are not based on information coming from the active market.

The table below presents a classification to the relevant measurement level:

	Balance as at 30.06.2016		Balance as at 31.12.2015		Balance as at 30.06.2015	
	Level	Measurement method	Level	Measurement method	Level	Measurement method
Investments in subsidiaries						
MCI Fund Management Sp. z o. o.	3	Adjusted net assets	3	Adjusted net assets	3	Adjusted net assets
MCI Fund Management Sp. z o. o. II MCI.PrivateVentures S.K.A.	3	Adjusted net assets	3	Adjusted net assets	3	Adjusted net assets
MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures S.K.A.	3	Adjusted net assets	3	Adjusted net assets	3	Adjusted net assets
Investments in associates						
Private Equity Managers S.A.*	1	Price quoted on the active market (WSE)	1	Price quoted on the active market (WSE)	3	Observable price of the most representative transaction (pre-IPO)
Investment certificates						
Investment certificates Helix Ventures Partners FIZ	3	Net Asset Value (NAV)	3	Net Asset Value (NAV)	3	Net Asset Value (NAV)
Investment certificates Internet Ventures FIZ	3	Net Asset Value (NAV)	3	Net Asset Value (NAV)	3	Net Asset Value (NAV)
Investment certificates MCI.CreditVentures 2.0 FIZ	3	Net Asset Value (NAV)	3	Net Asset Value (NAV)	3	Net Asset Value (NAV)
Instrumenty pochodne						
Embedded derivative on investment certificates Internet Ventures FIZ	3	In accordance with the contractual provisions (valuation of option that gives MCI guarantee of the return of funds invested)	3	In accordance with the contractual provisions (valuation of option that gives MCI guarantee of the return of funds invested)	3	In accordance with the contractual provisions (valuation of option that gives MCI guarantee of the return of funds invested)
Embedded derivative on investment certificates Helix Ventures Partners FIZ	3	In accordance with the contractual provisions (valuation of option that gives MCI guarantee of the return of funds invested)	3	In accordance with the contractual provisions (valuation of option that gives MCI guarantee of the return of funds invested)	3	In accordance with the contractual provisions (valuation of option that gives MCI guarantee of the return of funds invested)

In the Company's opinion, measurement of investment certificates at the net asset value ("NAV") and measurement of investments in subsidiaries at the value of adjusted net assets is the best reflection of the fair value of these investments.

The Company makes transfers between levels of the fair value hierarchy when the change of conditions results in fulfilment of non-fulfilment of the criteria for classification to a particular level. The Company makes transfers between levels of the fair value hierarchy in the interim period in which the event giving rise to the change of conditions occurred. The Company applies a consistent approach to transfers to and from different levels of the fair value hierarchy.

*On 9 April 2015 PEM shares made their debut on the primary market of the Warsaw Stock Exchange and since then have been measured based on the closing prices listed on that market. Therefore, in the second quarter of 2015 there was a change in the level of the fair value hierarchy from level 3 to level 1.

Measurement of financial instruments measured at fair value in the statement of financial position

Type of the financial instrument	Method of measurement of the financial instrument	Balance as at	Balance as at	Balance as at
		30.06.2016	31.12.2015	30.06.2015
		PLN'000	PLN'000	PLN'000
Non-current assets				
Investment certificates	Measured at fair value through profit/loss	141 356	185 446	159 251
Investments in subsidiaries	Measured at fair value through profit/loss	1 185 107	1 095 921	1 085 326
Investments in associates	Measured at fair value through profit/loss	33 662	41 726	49 584
Investments in other entities	Measured at fair value through profit/loss	7	7	7
Derivatives	Measured at fair value through profit/loss	4 660	1 784	8 425
Loans granted	Measured at fair value through profit/loss	202	1 302	-

Measurement of financial instruments which are not measured at fair value in the statement of financial position

Received loans	Method of measurement of the financial instrument	Balance as at	Balance as at	Balance as at
		30.06.2016	31.12.2015	30.06.2015
		PLN'000	PLN'000	PLN'000
Current assets				
Trade and other receivables	Measured at nominal value	5 589	1 557	2 147
Receivables from bills of exchange	Measured at amortised cost	4 807	4 705	7 128
Loans granted	Measured at amortised cost	917	984	856
Cash and cash equivalents	Measured at nominal value	56 080	60 326	2 615
Non-current liabilities				
Received loans	Measured at amortised cost	124	148	165
Liabilities on bonds	Measured at amortised cost	188 824	137 240	104 405
Current liabilities				
Trade and other payables	Measured at nominal value	3 463	599	655
Liabilities on bonds	Measured at amortised cost	41 010	93 316	61 233
Received loans	Measured at amortised cost	41	41	41

The Company recognizes that for these financial instruments not measured at fair value in the statement of financial position, the fair value of these financial instruments is similar to their book value.

21. Related entities

Information on transactions with related entities as at 30 June 2016 and for the period from 1 January to 30 June 2016

	Ultimate controlling entity	Subsidiaries	Associates	Other related entities	Total
Investments:					
Investments in subsidiaries	-	1 185 107	-	-	1 185 107
Investments in associates	-	-	33 662	-	33 662
Investment certificates	-	-	-	141 356	141 356
Derivatives	-	-	-	4 660	4 660
Receivables:					
Trade and other receivables	-	-	25	169	194
Receivables from bills of exchange	-	4 807	-	-	4 807
Receivables from dividends	-	-	5 053	-	5 053
Loans granted	-	272	-	321	593
Liabilities:					
Trade and other payables	-	-	1	7	8
Liabilities on bonds	19 043	-	-	-	19 043
Revenues and expenses:					
Revaluation of shares	-	55 713	(8 065)	-	47 648
Revaluation of investment certificates	-	-	-	(1 380)	(1 380)
Revaluation of derivative financial instruments	-	-	-	2 876	2 876
Finance income	-	224	5 053	1 970	7 247
Finance expenses	(606)	(364)	-	-	(970)

Information on transactions with related entities as at 31 December 2015 and for the year then ended

	Ultimate controlling entity	Subsidiaries	Associates	Other related entities	Total
Investments:					
Investments in subsidiaries	-	1 095 921	-	-	1 095 921
Investments in associates	-	-	41 726	-	41 726
Investment certificates	-	-	-	185 446	185 446
Derivatives	-	-	-	1 784	1 784
Receivables:					
Trade and other receivables	-	408	64	610	1 082
Receivables from bills of exchange	-	4 705	-	-	4 705
Loans granted	-	1 683	-	-	1 683
Liabilities:					
Trade and other payables	-	-	20	74	94
Revenues and expenses:					
Revaluation of shares	-	104 066	6 374	-	110 440
Revaluation of investment certificates	-	-	-	22 676	22 676
Revaluation of derivative financial instruments	-	-	-	(7 062)	(7 062)
Revenues from dividends received	-	-	4 117	-	4 117
Finance income	-	750	-	3 146	3 896
Finance expenses	-	-	-	(20)	(20)

Information on transactions with related entities as at 30 June 2015 and for the period from 1 January to 30 June 2015

	Ultimate controlling entity	Subsidiaries	Associates	Other related entities	Total
Investments:					
Investments in subsidiaries	-	1 085 326	-	-	1 085 326
Investments in associates	-	-	49 584	-	49 584
Investment certificates	-	-	-	159 251	159 251
Derivatives	-	-	-	8 425	8 425
Receivables:					
Trade and other receivables	1	-	-	165	166
Receivables from bills of exchange	-	7 128	-	-	7 128
Loans granted	-	67	-	-	67
Liabilities:					
Trade and other payables	61	-	-	1	62
Revenues and expenses:					
Revaluation of shares	-	93 465	14 731	-	108 196
Revaluation of investment certificates	-	-	-	4 491	4 491
Revaluation of derivative financial instruments	-	-	-	(422)	(422)
Finance income	-	209	-	-	209
Finance expenses	-	-	-	(21)	(21)

The ultimate controlling entity is MCI Management Sp. z o.o.

22. Dividend

The Management Board did not adopt a resolution to pay a dividend for 2015. At present, because of the bond covenants (in connection with the issue of series I1 bonds) it is not possible to pay out the dividend until 17 March 2017. For this reason, currently the Company will enforce the buy back dividend policy.

23. Share-based incentive program

The incentive program for members of the Management Board and Key Executives for 2015

With resolution of the Supervisory Board of 24 September 2015 and resolution of the Management Board of 26 October 2015 MCI Capital S.A. adopted Option Programme for Members of the Management Board and Key Executive ("eligible persons") for 2015. The Option Programme is available to persons authorized by law to receive additional remuneration in the form of the right to purchase subscription warrants from the Company to purchase shares of the Company in the number and subject to the conditions specified in the resolution of the Supervisory Board / Management Board. The Program was described in details in the financial statements for 2015.

According to the recommendation of the Management Board, the Supervisory Board decided on the settlement of the Program in cash – instead of capital increase and issuance of warrants convertible into the Company's shares of the Company.

In connection with the incentive program addressed to entitled persons, PLN 78 thousand was recognized in 2015, including PLN 71 thousand for Members of the Management Board and PLN 7 thousand for Key Executives. In the first half of 2016 PLN 50 thousand was recognized, including PLN 35 thousand for Members of the Management Board and PLN 15 thousand for Key Executives (total value of the program amounted to PLN 128 thousand).

Remuneration Program for the President of the Management Board

On 28 June 2016 General Shareholders Meeting of the Company decided on the issuance of warrants dedicated for Mr. Tomasz Czechowicz as a realisation of remuneration program adopted by the Supervisory Board Resolution No. 1 of 25 May 2016 ("Remuneration Program").

Under the Remuneration Program the Company will issue no more than 100,446 warrants, C series, registered with the rights to acquire issued by the Company under the conditional increase of the share capital of not more than 100,446 shares, series A1 (bearer shares). Offer to purchase warrants will be addressed only to Mr. Tomasz Czechowicz, while the issuance of warrants will be made in accordance with the Remuneration Program. Each warrant shall entitle its holder to subscribe one share. The issue price of the shares acquired by exercising the rights of the warrants will be PLN 1.00 for each share. The entitled person will be able to acquire shares till 31 December 2020, whereas the condition of exercising the rights of the warrants is to be the Member of the Board of the Company for an uninterrupted period during the time of acquiring the right from the warrants. The first period of entitlement means the period from 1 January 2016 to 31 December 2016. During this period the entitled person acquires rights to 33,482 warrants. The second period of entitlement means the period from 1 January 2017 to 31 December 2017. During this period the entitled person acquires rights to acquire 33,482 warrants. The third period of entitlement means the period from 1 January 2018 to 31 December 2018. During this period the entitled person acquires rights to 33,482 warrants (up to 100,446 warrants in total). In respect of the incentive program in the first half of 2016 the cost of PLN 182 thousand was recognized.

24. Contingent assets and liabilities

JTT damages

On 2 October 2006 attorneys of MCI Capital S.A. filed an action with the Circuit Court in Wrocław against the State Treasury for PLN 38.5m for the losses incurred and benefits lost by MCI Capital S.A. as the shareholder of JTT Computer S.A., resulting from illegal actions of the tax authorities. Following the binding judgement of the Appellate Court of 31 March 2011, MCI received a compensation of PLN 46.6m (including interest). The Treasury appealed against the judgment of the Court of Appeal and filed a cassation appeal to the Supreme Court. On 26 April 2012 the Supreme Court dismissed the judgment favourable to MCI and referred to case to be reviewed again by the Appellate Court. On 17 January 2013 the Appellate Court upheld the appealed judgment and re-awarded the JTT compensation to MCI.

The State Treasury filed a cassation appeal to the Supreme Court against the second judgment of the Appellate Court in Wrocław of 17 January 2013. Following the cassation appeal, on 26 March 2014 the Supreme Court repealed the judgment of the Appellate Court of 17 January 2013 and referred the case to be reviewed again by the Appellate Court in Wrocław.

In July 2014 the first hearing before the Court of Appeal took place, which allowed evidence of supplementary hearing of witnesses. In March 2015 another hearing before the Court of Appeal took place during which subsequent witnesses were heard.

At the moment of preparing these financial statements, the proceedings are pending and the case is being reviewed by the Court of Appeal. The court obtained evidence from personal evidence, then asked the team of experts to prepare a supplementary written opinion from a hearing of the expert and specify the dates for that opinion. The experts expressed their readiness to draw up a supplementary opinion.

On 4 March 2016 the experts informed the Court that an opinion will require the involvement of a team of experts similar to the one that was involved in the development of the first opinion, i.e. at the stage of the court of first instance, while issuance of the opinion will need the court proceedings to be conducted one more time. They estimate that the opinion should be issued within 5 months. The court has not yet taken any decision in this regard.

It should be noted that the final judgment of the common court was issued in this case and the judgment was made.

Corporate income tax – JTT compensation

On 20 June 2011 MCI applied to the Minister of Finance for an interpretation regarding the income tax on the compensation obtained from the State Treasury for the impairment of the JTT shares which belonged to MCI. The Company believes that the compensation obtained from the State Treasury is not taxable income. In the individual interpretation of 14 September 2011, the tax authority found the Company's position invalid, so the Company appealed to the Voivodeship Administrative Court against the interpretation. In its judgment of 12 November 2012, the Voivodeship Administrative Court dismissed the appeal and stated, among others, that compensation granted under provisions of the civil law benefited from the exemption from taxation by the end of 1998, when the provision was deleted. In January 2013 the Company filed a cassation appeal against the judgment of the Voivodship Administrative Court to the Supreme Administrative Court.

After the hearing on 9 April 2015 the Supreme Administrative Court issued a judgment which dismissed the cassation appeal. The ruling is final. After receiving written justification for the judgment of the Supreme Administrative Court, a decision was made to bring an appeal complaint to the Constitutional Court on the unconstitutional nature of taxation of compensation obtained from the State Treasury. The constitutional appeal was lodged on 3 November 2015. On 26 April 2016 The Constitutional Court refused the further course of the constitutional complaint. Thus, all possibilities have been exhausted, under national regulations and procedural opportunities to challenge Treasury activities - at the date of this financial statements, there are works in progress on the referral of the case to the European Court of Human Rights.

Counterclaim – claims for compensation Anna Hejka / MCI

On 2 April 2011 Anna Hejka demanded that the Company pays PLN 30m to her as the claim for compensation related to the services provided by Anna Hejka in connection with the Issuer's investment in ABC Data S.A. Anna Hejka bases her claims against the Company on the contractual obligations not fulfilled by the Issuer and the tort (unlawful) actions, which according to her letter, resulted in forfeiture of her success fee.

On 31 August 2011 the Company brought an action for payment of PLN 250,524.00 with statutory interest on the amounts and dates stated in the statement of claim by Anna Hejka. The amount claimed in the statement of claim consists of:

- PLN 107,348.83 of the advance payment towards remuneration and expenses, never returned to the Company and never settled,
- PLN 143,127.60 of a contractual penalty payable to the Company under the agreement of 2006 for the shares passed to her as an advance payment and not returned.

On 31 August 2011 the Company filed an action for obligating Anna Hejka to submit a statement of will and a motion to secure the non-pecuniary claim before commencing the proceedings. The statement of will required from Anna Hejka was to include her commitment to transfer 46,470 of series "H" shares of the Issuer to Alternative Investment Partners Sp. z o.o. The subject of securing the claim was to be the decision of the court prohibiting Anna Hejka to transfer or encumber 46,470 of series "H" shares entered into her securities account.

On 10 February 2012 Anna Hejka filed a counterclaim to the Circuit Court in Płock for adjudicating PLN 15,803,295 in her favour from MCI Capital S.A. as compensation claims concerning the bonus, performance of the function of the Member of the Management Board, incentive programmes and other issues related to the contract between the parties; in the further course of the proceedings, the amount of the counterclaim against the Company was limited to PLN 12,163,470.

On 9 July 2015 the Circuit Court in Płock issued a judgment in which the Court:

- dismissed the proceedings under the main action for the amount of PLN 143,127.60 including statutory interest,
- adjudicated that Anna Hejka pays PLN 107,348.83 including statutory interest to the Company,
- dismissed the action in the remaining scope,
- adjudicated that the Company pays to Anna Hejka PLN 3,617 of the court fees resulting from the main action,
- adjudicated that Anna Hejka pays to the Company PLN 9,427.25 of the court fees resulting from the main action,
- dismissed the proceedings from the counterclaim over the amount of PLN 12,163.470,
- dismissed the counterclaim in the remaining scope,
- adjudicated that Anna Hejka pays to the Company PLN 21,617 of the court fees resulting from the counterclaim.

Anna Hejka appealed against the judgment in the part which dismissed the counterclaim at PLN 1,007,400. The Company appealed against judgment in the part which dismissed the main action with regard to interest (PLN 2,537) and the ruling on the litigation costs resulting from the main action.

Consequently, the judgment is valid for points 1, 2 and 6, and with regard to point 7 it is valid for dismissal of the counterclaim in the amount of PLN 11,156,070 (the difference between PLN 12,163,470 and PLN 1,007,400). The case is at the stage of appeals proceedings. The appeal date was set on 18 March 2016.

On 1 April 2016 the court announced the verdict, which allowed the appeal of the Company against the judgment of the District Court in Plock of 9 July 2015 and dismissed the appeal of Anna Hejka in the judgment of the District Court in Plock. Judgment of the Court of Appeal in Lodz is final and concludes the proceedings (Annie Hejka can appeal for the cassation of the judgment). This means that all claims of Anna Hejka claimed from the Company's counterclaim amounting initially to PLN 15,803,295 (then limited to the amount of PLN 12,163,470 and at the stage with the appeal proceedings of PLN 1,007,400) have been validly dismissed.

25. Suretyship and guaranties

Guarantee of the loan granted by Alior Bank S.A. for the benefit of MCI.CreditVentures 2.0

On 15 May 2014 MCI Capital S.A. guaranteed a loan granted by Alior Bank S.A. for the benefit of MCI CreditVentures 2.0, by signing the "Declaration on submission to enforcement based on the bank writ of enforcement" as a guarantee of a loan of PLN 15,300,000 granted for the benefit of MCI CreditVentures 2.0. The bank may proceed to enforcement up to PLN 30,600,000 based on the writ of enforcement within 24 months following either the date of the loan agreement termination or the maturity date of total liabilities.

On the basis of a certificate issued by Alior Bank SA on 9 August 9 2016, following the complete repayment of loan, the guarantee has expired.

Guarantee of the loan granted by Raiffeisen Bank Polska S.A. for the benefit of MCI Venture Projects Sp. z o.o. VI SKA

On 2 April 2015 MCI Capital S.A. guaranteed a loan of PLN 30,000,000 granted by Raiffeisen Bank Polska S.A. for the benefit of MCI Venture Projects Sp. z o.o. SKA by signing "Guarantee repayment of all liabilities". Under the Guarantee, the Company is obligated to repay to the bank each amount of up to PLN 45,000,000. The guarantee is valid until 1 October 2018.

Guarantee of the loan granted by Alior Bank S.A. for the benefit of MCI.CreditVentures 2.0

On 23 June 2015 MCI Capital S.A. guaranteed a revolving loan of PLN 5,000,000 granted by Alior Bank S.A. to MCI CreditVentures 2.0. The guarantee covers liabilities of MCI CreditVentures 2.0 related to the loan agreement of 19 June 2015 if MCI CreditVentures 2.0 failed to repay such liabilities when due.

Guarantee of the loan granted by Alior Bank S.A. for the benefit of MCI.PrivateVentures FIZ

On 31 July 2015r. MCI Capital S.A. guaranteed a loan granted under the revolving loan agreement in the loan account of 11 September 2014 amended with Annex 1 of 1 October 2014 and Annex 2 of 29 July 2015 for PLN 41,000,000 to MCI MCI PrivateVentures Closed-End Investment Fund with the separated EuroVentures 1.0 sub-fund. On 7 March 2016 the Company signed the declaration on establishing a writ of execution pursuant to Art. 777 § 1 (5) of the Civil Code up to PLN 82,000,000. The bank may request that the declaration be made enforceable by 19 September 2020.

Guarantee of the loan granted by Alior Bank S.A. for the benefit of MCI PrivateVentures FIZ

On 31 July 2015 MCI Capital S.A. guaranteed a loan granted by Alior to MCI PrivateVentures Closed-End Investment Fund with the separated EuroVentures 1.0 sub-fund for liabilities resulting from the loan of EUR 10,000,000 granted under the revolving loan agreement in the loan account. On 31 July 2015 the Company signed the declaration on establishing a writ of execution pursuant to Art. 777 § 1 (5) of the Civil Code up to EUR 20,000,000. The bank may request that the declaration be made enforceable by 28 July 2021.

Guarantee of the loan granted by Alior Bank S.A. for the benefit of MCI PrivateVentures FIZ

On 31 July 2015 MCI Capital S.A. guaranteed a loan granted by Alior to MCI PrivateVentures Closed-End Investment Fund with the separated TechVentures 1.0 sub-fund for liabilities resulting from the loan of EUR 10,000,000 granted under the revolving loan agreement in the loan account. On 31 July 2015 the Company signed the declaration on establishing a writ of execution pursuant to Art. 777 § 1 (5) of the Civil Code up to EUR 20,000,000. The bank may request that the declaration be made enforceable by 28 July 2021.

Financial guarantee relating to the commitment of bonds issued by MCI Venture Projects Sp. o.o. VI SKA

On 10 March 2016 the Company has granted a financial guarantee in connection with the issuance of bonds by MCI Venture Projects Sp. z o.o. VI SKA. The guarantee was granted under the Czech law. The guaranty secures the obligations of the Issuer as following:

- to pay the face value and interest of Bonds;
- in respect of unjust enrichment in relation to the holder of the Bonds due to the invalidity or cancellation of the Bonds;
- from sanctions caused by improper or undue payments of Bonds.

The total nominal value of the Bonds is CZK 600,000,000 (approx. PLN 95,280,000 using the exchange rate CZK/PLN of 8 April 2016, i.e. 0.1588). The value of interests on the Bonds shall determine the conditions of the Bonds issue. Interests shall be calculated on the basis of a variable interest rate, dependent on the reference rate 6M PRIBOR plus a margin of 3.8% per annum. The guaranty provides protection to the amount of not higher than 130% of the total nominal value of the issued Bonds up to 8 April 2021. The maximum value of these obligations, the repayment of which the Company may be required, does not exceed CZK 780,000,000 (approx. PLN 123,864,000).

The guarantee was granted till the date on which the obligations secured by the Guarantee will be fully satisfied, however not longer than 8 April 2022.

26. Operating lease agreements

At the balance sheet date, the Company does not operate any fixed assets under operating leases. However, the Company incurs expenses related to leasing space to conduct business. Agreements are usually concluded for an indefinite period with a notice period of 1 to 3 months.

27. Operating segments

The company does not separate operating or geographical segments.

28. Major events in the first half of 2016

New Trilateral Agreement

On 29 January 2016 the trilateral agreement ("New Trilateral Agreement") concluded on 23 December 2014 among PEM, MCI Capital Towarzystwo Funduszy Inwestycyjnych S.A. ("TFI") and MCI Capital S.A. (formerly MCI Management S.A.) came into force and governs rules of cooperation among the parties to the Agreement on the subject of the Agreement. Thus, under the agreement of 23 December 2014 concluded among PEM, MCI and TFI, from the effective date of the New Trilateral Agreement the trilateral agreement of 12 November 2013 among PEM, MCI and TFI was terminated ("Existing Trilateral Agreement").

The subject of the New Trilateral Agreement is as follows:

1. maintain, for the duration of the New Trilateral Agreement, the total investment by MCI and MCI's subsidiaries (as defined in the "Act on the Offering") in the investment certificates of investment funds managed by TFI ("Fund"), existing as at the execution date of the New Trilateral Agreement,

2. procure that for the duration of the New Trilateral Agreement the investment portfolio of the Funds is managed solely by PEM, MCI Asset Management Spółka z ograniczoną odpowiedzialnością Spółka jawna or other PEM's subsidiaries as defined in the "Act on the Offering",
3. commitment of MCI that for the duration of the New Trilateral Agreement, MCI and MCI's Subsidiaries shall vote, as the participant(s) of the meeting of investors or member(s) of the investor board of each of the Funds (as long as this lies within competencies of the meeting of investors or the investor board of the Fund) against:
 - a. changes to by-laws of the Funds resulting in decrease in the TFI's remuneration for portfolio management of the MCI.PrivateVentures Closed-End Investment Fund and MCI.CreditVentures 2.0 Closed-End Investment Fund that is charged by TFI on the net asset value of the aforementioned Funds ("Remuneration") in the manner which prevents charging the Remuneration in the amount specified in the New Trilateral Agreement,
 - b. merger, conversion and liquidation of the aforementioned Funds, as well as changes in by-laws of the Funds resulting in the take-over of management of such Funds by another investment funds unless such a merger, conversion or liquidation or a change in by-laws does not lead to a reduction in the remuneration in the manner which prevents charging of Remuneration in the amount specified in the New Trilateral Agreement or replacement of PEM, MCI Sp. j. or other PEM's Subsidiaries with another entity as the manager of the Fund's investment portfolio. In the New Trilateral Agreement, the parties agreed in detail on the method of calculating the Remuneration. The amount of fixed remuneration for management of the investment funds, in accordance with the New Trilateral Agreement, shall be fixed at least at the following level:
 - i. for MCI.EuroVentures 1.0 Sub-fund: 2% of the net asset value of that sub-fund per annum,
 - ii. for MCI.TechVentures 1.0 Sub-fund: 2.75% of the net asset value of that sub-fund per annum,
 - iii. for MCI.CreditVentures 2.0. FIZ fund: 1% of the net asset value of that fund per annum.

The amount of variable remuneration for management of the investment funds, in accordance with the New Trilateral Agreement, will depend on the increase in the net asset value of the investment fund or sub-fund respectively, taking into account the payments of the income and revenues.

4. commitment of the parties to the New Trilateral Agreement that after 31 October 2018 they shall negotiate in good faith and procure to agree on the new rules of determining the remuneration for management of MCI.PrivateVentures Closed-End Investment Fund and MCI.CreditVentures 2.0 Closed-End Investment Fund,
5. MCI is guaranteed the right for MCI or another entity nominated by MCI to take up 50% of investment certificates of the first issue, issued by each investment funds established by TFI after the effective date of the New Trilateral Agreement.

The Company published details of the "New Trilateral Agreement" in *Current Report No 8/2016*.

In connection with implementation of the New Trilateral Agreement, the following agreements of additional services were signed for major investors of the Fund, i.e.:

1. The agreement between MCI Capital TFI S.A. and MCI Fund Management Sp. z o.o. (subsidiary of MCI) – a participant of MCI.EuroVentures 1.0 sub-fund separated within MCI.PrivateVentures FIZ concluded on 29 January 2016.

Under the agreement, MCI Fund Management Sp. z o.o. is entitled to receive an additional payment provided that in a given calendar year it holds such a number of investment certificates that the average net asset value of the Sub-Fund attributable to the investment certificates held by the company in that period is not lower than PLN 500m.

2. The agreement between MCI Capital TFI S.A. and MCI Fund Management Sp. z o.o. – a participant of MCI.TechVentures 1.0 sub-fund separated within MCI.PrivateVentures FIZ concluded on 29 January 2016.

Under the agreement, MCI Fund Management Sp. z o.o. is entitled to receive an additional payment provided that in a given calendar year it holds such a number of investment certificates that the average

net asset value of the Sub-Fund attributable to the investment certificates held by the company in that period is not lower than PLN 300m.

3. The agreement between MCI Capital TFI S.A. and MCI Capital S.A – a participant of MCI.CreditVentures 2.0 concluded on 29 January 2016.

Under the agreement, MCI is entitled to receive an additional payment provided that in a given calendar year MCI holds such a number of investment certificates that the average net asset value of the Fund attributable to the investment certificates held by the Company in that period is not lower than PLN 70m.

Under the agreements of additional payments to the aforementioned Fund Participants, Participants are entitled to:

- a) an additional payment in the amount of the difference between the fee currently charged by MCI Capital TFI S.A. for managing the Funds and the rate of 1.08% p.a. for all new series of investment certificates to be taken up by MCI Capital S.A. or MCI Fund Management Sp. z o.o. in MCI.PrivateVentures FIZ and MCI.CreditVentures FIZ above the threshold that is the equivalent of PLN 1,154m,
- b) an additional payment in the amount of the difference between the fee currently charged by MCI Capital TFI S.A. for managing the Funds and the rate of 1.08% p.a. on the number of existing surplus investment certificates of a given series of MCI.PrivateVentures FIZ and MCI.CreditVentures FIZ certificates over the thresholds specified in the Trilateral Agreement attributable to investment certificates held by MCI (for MCI.CreditVentures FIZ) and Fund Management Sp. z o.o. (for MCI.TechVentures 1.9 and MCI.EuroVentures 1.0 Sub-Funds). The Additional Payment attributable to the existing surplus investment certificates is payable for those days in each settlement period where the total net asset value (with regard to investment certificates which have been paid for in full) of the following investment funds: MCI.PrivateVentures FIZ and MCI.CreditVentures 2.0 FIZ Funds (regardless of the proportion of the net asset value of such investment funds) less the surplus within the meaning of subparagraph 6 exceeds, in a given year, the amount specified for that year in § 4.4 points 1) – 4) of the Trilateral Agreement concluded on 23 December 2014 among the Investment Fund Company, MCI Capital S.A. (formerly known as MCI Management S.A.) and Private Equity Managers S.A.

Additional payments shall be made by the Investment Fund Company from own funds of the Investment Fund Company, including the remuneration charged by the Investment Fund Company for asset management.

Resignation from the function of a Member of the Supervisory Board

On 19 March 2016 the Company received resignation of Mr Stanisław Kluza from membership in the Supervisory Board of MCI Capital SA.

On 4 April 2016 the Company received the resignation of Mr. Jarosław Dubiński from membership in the Supervisory Board of MCI Capital SA. The resignation did not include the justification. At the same time, on 4 April 2016 the Management Board of MCI Capital SA received a statement from the shareholder of the Company - MCI Management Sp. o.o. (previously Alternative Investment Partners Sp. o. o.) pursuant to § 14 paragraph. 2 item a) of the Company's Statute on the appointment of Mr. Jarosław Dubiński to the Supervisory Board.

On 28 June 2016 the General Shareholders Meeting appointed to the Supervisory Board Mr. Marcin Petrykowski and Ms. Monika Morali-Majkut.

On 28 June 2016 the Chairman of the Supervisory Board – Mr. Hubert Janiszewski resigned from membership in the Supervisory Board.

29. Events after the balance sheet date

In July 2016 there was a transfer of 1,148,274 MCI shares owned by the President of the Management Board – Mr. Tomasz Czechowicz to the company controlled by Mr. Czechowicz, i.e. MCI Management Sp. z o.o. in order to organize the ownership structure. Details are described in the current report No. 72/2016.

Apart from the above there were no significant events after the balance sheet date other than those disclosed in the notes to this condensed interim consolidated financial statements.