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This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE INTERIM
FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2015 TO 30 JUNE 2015**

To the Shareholders of MCI Management S.A.

Introduction

We have reviewed the accompanying 30 June 2015 condensed separate interim financial statements of MCI Management S.A., with its registered office in Warsaw, ul. Emilii Plater 53 ("the condensed separate interim financial statements"), which comprise:

- the condensed separate statement of financial position as at 30 June 2015,
- the condensed separate statements of profit or loss and other comprehensive income for the six-month period ended 30 June 2015,
- the condensed separate statement of changes in equity for the six-month period ended 30 June 2015,
- the condensed separate statement of cash flows for the six-month period ended 30 June 2015, and
- notes to the interim financial statements.

Management is responsible for the preparation and presentation of these condensed separate interim financial statements in accordance with the 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 National Standard on Auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* issued by the National Council of Certified Auditors and the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of 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 auditing and 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 2015 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. Chłodna 51, 00-867 Warsaw

Signed on the Polish original

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

Signed on the Polish original

.....
Stacy Ligas
Member of the Management Board of KPMG
Audyt Sp. z o.o., entity which is the General
Partner of KPMG Audyt Spółka z ograniczoną
odpowiedzialnością sp.k

11 August 2015

MCI Management S.A.

HALF-YEARLY REPORT
for the period from 1 January to 30 June 2015

Translation from the Polish original

The package contains:

Condensed interim Financial Statements
prepared by MCI Management S.A.

Independent auditor's report on the review of the condensed interim Financial
Statements for the reporting period from 1 January 2015 to 30 June 2015

Directors' Report
prepared by MCI Management S.A.

MCI Management S.A.

Condensed Interim Financial Statements
for the period from 1 January to 30 June 2015

Translation from the Polish original

MCI Management S.A.
Condensed Interim Financial Statements
for the period of 6 months ended on 30 June 2015

For the Shareholders of MCI Management S.A.

In line with the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and terms and conditions of approving of information required by law of a non-member state as equivalent (Journal of Laws of 2014, item 133), the Company's Board of Directors is obligated to provide the preparation of the condensed interim Financial Statements in line with applicable accounting principles giving a fair and a true view of the Company's assets and financial standing for the reporting period from 1 January to 30 June 2015.

The Company's interim condensed Financial Statements have been approved of for publication and signed by the Board of Directors.

Name and Surname	Position/ Function	Signature
Tomasz Czechowicz	Chairman of the Board of Directors	
Ewa Ogryczak	Vice Chairman of the Board of Directors	
Wojciech Marcińczyk	Vice Chairman of the Board of Directors	
Tomasz Masiarz	Member of the Board of Directors	

Warsaw, 11 August 2015

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MCI Management S.A.
Condensed Interim Financial Statements
for the period of 6 months ended on 30 June 2015

SELECTED FIGURES

	Period: from 01.01.2015 to 30.06.2015	Period: from 01.01.2014 to 31.12.2014	Period: from 01.01.2014 to 30.06.2014	Period: from 01.01.2015 to 30.06.2015	Period: from 01.01.2014 to 31.12.2014	Period: from 01.01.2014 to 30.06.2014
	PLN'000	PLN'000	PLN'000	EUR'000	EUR'000	EUR'000
Return on investments	112 687	359 658	302 161	27 258	85 852	72 315
Operating profit/ loss	111 683	350 545	296 875	27 015	83 676	71 050
Profit/ loss before taxation	106 637	359 758	306 696	25 794	85 875	73 400
Net profit/ loss	102 986	352 281	301 624	24 911	84 091	72 186
Net cash from operating activities	5 768	25 082	40 366	1 395	5 987	9 661
Cash flows from investing activities	(17)	(50 068)	(73 994)	(4)	(11 951)	(17 709)
Cash flows from financing activities	(18 417)	(2 177)	168	(4 455)	(520)	40
Net increase (decrease) in cash and cash equivalents	(12 666)	(27 163)	(33 460)	(3 064)	(6 484)	(8 008)
	As at: 30.06.2015	As at: 31.12.2014	As at: 30.06.2014	As at: 30.06.2015	As at: 31.12.2014	As at: 30.06.2014
	PLN'000	PLN'000	PLN'000	EUR'000	EUR'000	EUR'000
Total assets	1 315 748	1 223 455	1 168 308	313 692	287 041	280 783
Non-current liabilities	106 360	162 727	132 605	25 358	38 178	31 869
Current liabilities	73 677	28 324	55 996	17 566	6 645	13 458
Equity	1 135 711	1 032 404	979 707	270 768	242 218	235 456
Share capital	62 732	62 732	62 447	14 956	14 718	15 008
No. of shares	62 732 377	62 732 377	62 446 627	62 732 377	62 732 377	62 446 627
Profit/ loss per one ordinary share (in PLN / EUR)	1,64	5,62	4,83	0,40	1,34	1,16
Book value per one share (in PLN / EUR)	18,10	16,46	15,69	4,32	3,86	3,77

The figures presented above are complementary to the Financial Statements prepared in line with IFRS EU and have been converted to EURO according to the following simplified principles:

- individual items of assets and liabilities as at the balance sheet date - according to the average rate determined by the National Bank of Poland applicable as at the last balance sheet date; respectively as at 30 June 2015 – 4,1944, as at 31 December 2014 – 4,2623, and as at 30 June 2014 – 4,1609.
- individual items of the statement of profit or loss and of the statement of cash flows for the period from 1 January to 30 June of a given year – according to the average rate calculated as the arithmetical average of exchange rates determined by the National Bank of Poland as at the last month in a given period; respectively for the period from 1 January to 30 June 2015 – 4,1341, from 1 January to 31 December 2014 – 4,1893 and from 1 January to 30 June 2014 – 4,1784.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OF OTHER COMPREHENSIVE INCOME
for the period from 1 January to 30 June 2015

	NOTE	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Revaluation of shares	1	108 196	61 814	300 574	103 854
Revaluation of investment certificates	1	4 491	1 043	1 587	1 130
Profit on investments		112 687	62 857	302 161	104 984
General administrative expenses	2	(3 369)	(1 889)	(5 142)	(3 528)
Other operating income	3	2 375	451	81	54
Other operating costs		(10)	(8)	(225)	(166)
Profit on operating activities		111 683	61 411	296 875	101 344
Finance income	4	936	268	8 362	2 273
Finance expenses	4	(5 560)	(2 700)	(5 737)	(3 000)
Measurement of derivatives		(422)	(329)	7 196	7 196
Profit before taxation		106 637	58 650	306 696	107 813
Income tax	5	(3 651)	(3 201)	(5 072)	(2 884)
Net profit for the reporting period		102 986	55 449	301 624	104 929
Other comprehensive income net		-	-	-	-
Total comprehensive income		102 986	55 449	301 624	104 929
Earnings per share – continuing operations					
Basic (PLN)	6	1,64	0,88	4,83	1,68
Diluted (PLN)	6	1,56	0,84	4,54	1,59

Condensed statement of profit or loss and of other comprehensive income shall be analysed together with relevant notes to the Financial Statements on pages 4 to 28.

CONDENSED STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

	NOTE	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Non-current assets				
Tangible non-current assets		409	472	509
Intangible assets		-	1	1
Investment certificates	9	159 251	154 601	17 273
Investments in subsidiaries	7	1 085 326	991 861	946 421
Investments in associated entities	8	49 584	34 853	11 538
Investments in other entities		7	7	7
Deferred tax assets	5	-	1 862	3 440
Receivables on bonds		-	-	40 000
Derivatives	1	8 425	8 847	7 197
		1 303 002	1 192 504	1 026 386
Current assets				
Trade and other receivables	11	2 147	1 978	7 052
Receivables on bills of exchange	12	7 128	7 000	115 623
Receivables on bonds		-	-	1 622
Loans granted to related entities	13	67	5 947	6 074
Loans granted to other entities	13	789	748	2 570
Cash and cash equivalents	14	2 615	15 278	8 981
		12 746	30 951	141 922
Total assets		1 315 748	1 223 455	1 168 308
Equity				
Share capital	15	62 732	62 732	62 447
Capital redemption reserve	15	929 902	577 621	576 962
Other equity reserves		43 473	43 188	42 336
Own shares		(5 053)	(5 089)	(5 333)
Retained profit (loss) from previous periods		1 671	1 671	1 671
Net profit for the period		102 986	352 281	301 624
Total equity		1 135 711	1 032 404	979 707
Non-current liabilities				
Bank loans and borrowings	19	165	186	206
Bonds	17	104 405	162 541	132 399
Deferred tax	5	1 790	-	-
		106 360	162 727	132 605
Current liabilities				
Trade and other payables	16	655	364	418
Bonds	17	61 233	2 872	1 731
Bills of exchange	18	-	13 430	40 273
Bank loans and borrowings	19	41	41	1 885
Current provisions	20	11 748	11 617	11 689
		73 677	28 324	55 996
Total equity and liabilities		1 315 748	1 223 455	1 168 308

Condensed statement of financial position shall be analysed together with relevant notes to the Financial Statements on pages 4 to 28.

MCI Management S.A.
Condensed Interim Financial Statements
for the period of 6 months ended on 30 June 2015

CONDENSED STATEMENT OF CHANGES IN EQUITY
for the period from 1 January to 30 June 2015

	Share capital	Retained profit from previous periods	Net profit for the reporting period	Capital redemption reserve				Other equity reserves			Other comprehensive income	Own shares	Equity
				Issue of shares as part of conversion of convertible bonds	Issue of shares - execution of the managerial option programme	Issue of shares above the nominal value	Profit distribution	On account of optional incentive programmes	Measurement of the equity component of bonds	Unregistered increase of share capital	Revaluation of financial assets available for sale		
Balance as at 01.01.2014	62 347	1 671	118 668	28 175	1 641	106 440	321 547	39 573	4 817	100	79 025	(8 959)	755 045
Capital increase	100	-	-	-	-	-	-	-	-	(100)	-	-	-
Changes in equity	-	-	-	-	492	-	-	(492)	-	-	-	-	-
Issue of convertible bonds	-	-	-	-	-	-	-	-	578	-	-	-	578
Incentive programmes from own shares	-	-	-	-	-	-	-	(2 140)	-	-	-	3 626	1 486
Measurement of financial assets	-	-	-	-	-	-	-	-	-	-	(79 025)	-	(79 025)
Transfer of profit (loss)	-	-	(118 668)	-	-	-	118 667	-	-	-	-	-	(1)
Profit (loss) for the period	-	-	301 624	-	-	-	-	-	-	-	-	-	301 624
Balance as at 30.06.2014	62 447	1 671	301 624	28 175	2 133	106 440	440 214	36 941	5 395	-	-	(5 333)	979 707
Balance as at 01.01.2014	62 347	1 671	118 668	28 175	1 641	106 440	321 547	39 573	4 817	100	79 025	(8 959)	755 045
Capital increase	385	-	-	-	1 151	-	-	(492)	-	(100)	-	-	944
Issue of convertible bonds	-	-	-	-	-	-	-	-	578	-	-	-	578
Incentive programmes from own shares	-	-	-	-	-	-	-	(1 288)	-	-	-	3 870	2 582
Measurement of financial assets	-	-	-	-	-	-	-	-	-	-	(79 025)	-	(79 025)
Transfer of profit (loss)	-	-	(118 668)	-	-	-	118 667	-	-	-	-	-	(1)
Profit (loss) for the period	-	-	352 281	-	-	-	-	-	-	-	-	-	352 281
Balance as at 31.12.2014	62 732	1 671	352 281	28 175	2 792	106 440	440 214	37 793	5 395	-	-	(5 089)	1 032 404
Balance as at 01.01.2015	62 732	1 671	352 281	28 175	2 792	106 440	440 214	37 793	5 395	-	-	(5 089)	1 032 404
Incentive programmes from own shares	-	-	-	-	-	-	-	285	-	-	-	36	321
Transfer of profit (loss)	-	-	(352 281)	-	-	-	352 281	-	-	-	-	-	-
Profit (loss) for the period	-	-	102 986	-	-	-	-	-	-	-	-	-	102 986
Balance as at 30.06.2015	62 732	1 671	102 986	28 175	2 792	106 440	792 495	38 078	5 395	-	-	(5 053)	1 135 711

Condensed statement of changes in equity shall be analysed together with relevant notes to the Financial Statements on pages 4 to 28.

CONDENSED STATEMENT OF CASH FLOWS
for the period from 1 January to 30 June 2015

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000
Cash flows from operating activities		
Net profit for the reporting period	102 986	301 624
Adjustments for:		
Deferred income tax	3 652	3 408
Reclassification of deferred tax from equity	-	8 480
Depreciation of tangible and intangible assets	82	52
Accrued interest	5 343	(9 629)
Revaluation of shares and certificates	(112 687)	(302 161)
Change in the level of provisions	131	(431)
Change in the level of trade and other payables	291	113
Change in the level of trade and other receivables	(169)	65 365
Paid costs of bond issue	(3)	(868)
Other adjustments	3	(1 723)
Payment for the amortisation of PEM shares from the loan	-	(40 000)
Change in the level of receivables on certificates	-	21 188
Measurement of warrants/ managerial options	320	1 478
Paid interest	17	-
Change in the level of payables on certificates	(160)	(6 530)
Borrowings granted	5 961	-
Net cash from operating activities	5 767	40 366
Cash flows from investing activities		
Outflows for the purchase of fixed assets	(17)	-
Proceeds from sale and repayment of bills of exchange	-	7 856
Outflows for the purchase of bills of exchange	-	(121 850)
Other investing proceeds and outflows	-	40 000
Net cash from investing activities	(17)	(73 994)
Cash flows from financing activities		
Net proceeds from issue of shares and other instruments, capitals and equity contributions	-	7
Issue of own bills of exchange	-	29 000
Repayment of own bills of exchange	(13 095)	(38 449)
Repayment of loans with interest	(23)	(28)
Issue of bonds	-	49 225
Repayment of bonds	-	(35 350)
Interest paid on bonds	(5 299)	(4 237)
Net cash from financing activities	(18 417)	168
Net increase /(decrease) of cash and cash equivalents	(12 667)	(33 460)
Cash and cash equivalents opening balance	15 278	42 441
Change in the level of cash due to exchange differences	4	-
Cash and cash equivalents closing balance	2 615	8 981

Condensed statement of cash flows shall be analysed together with relevant notes to the Financial Statements on pages 4 to 28.

SELECTED INFORMATION

Purpose of the Company

MCI runs direct operations of the *private equity / venture capital* type, investing its assets through 5 investment funds which apply diversified investment strategy. Funds make investments in investment assets in line with their investment strategy, from big *buyout* and *growth* investments (MCI.EuroVentures 1.0 FIZ and MCI.TechVentures 1.0 FIZ) through investments in small technological companies starting their operations (Helix Ventures FIZ and Internet Ventures FIZ) to debt instruments and property (MCI.CreditVentures 2.0 FIZ). Investments in portfolio companies are made for several years when a manager actively supports the development of companies and supervises the accomplishment of their business strategy and seeks opportunities for the asset disposal. The most significant assets of this segment are shares in companies and other financial instruments such as bonds, investment certificates, foreign bills of exchange, borrowings and deposits.

General information

MCI Management SA (hereinafter referred to as MCI or the Company) was registered in the Commercial Register on 21 July 1999 in the District Court for the city of Wrocław Fabryczna with the number RHB 8752. By decision of the District Court for the city of Wrocław - Fabryczna in Wrocław, VI Commercial Division of the National Court Register, on the day of 28 March 2001 the Company was registered in the National Court Register with the number 0000004542.

- REGON (statistical number): 932038308
- NIP (tax identification number): 899-22-96-521
- The Company's registered office is in ul. Emilii Plater 53 in Warsaw,
- The Company's lifetime is indefinite.

The Company does not have internal organisational units.

Composition of the MCI Capital Group as at 30 June 2015:

Parent company:

- **MCI Management S.A.**
The Company's business is primarily activities of financial holdings.

Direct subsidiaries:

- **MCI Fund Management Sp. z o. o.**
The Company holds certificates of:
 - ✓ Sub-fund MCI.TechVentures 1.0 separated within MCI.PrivateVentures FIZ,
 - ✓ Sub-fund MCI.EuroVentures 1.0 separated within MCI.PrivateVentures FIZand is a shareholder in MCI Fund Management Sp. z o. o. Spółka Jawna and a general partner in:
 - ✓ MCI Fund Management Sp. z o. o. II MCI.PrivateVentures SKA
 - ✓ MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures SKA
- **MCI Fund Management Sp. z o. o. II MCI.PrivateVentures SKA**
- **MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures SKA**
- **MCI Ventures Sp. z o. o.**

Indirect subsidiaries:

- **MCI Fund Management Sp. z o. o. Spółka Jawna**
- **Bizneslinkco Sp. z o.o. (dawniej: AWL III Sp. z o. o.)**

In all subsidiaries listed above the Company holds - directly or indirectly - 100% of shares and 100% of votes.

The final controlling entity is Alternative Investment Partners Sp. z o.o.

Associated companies:

- **Private Equity Managers S.A.**

Information related to the preparation of consolidated Financial Statements

The Company meets the classification criteria of an investment entity defined in paragraph 27 IFRS 10 „Consolidation Financial Statements” (hereinafter „IFRS 10”).

The Company does not prepare consolidated Financial Statements because none of its subsidiaries meet the definition of an investment entity as defined in IFRS 10 paragraphs 31 and 32.

Basis for preparation of the Financial Statements

These condensed interim Financial have been prepared in line with the requirements of the International Financial Reporting Standards No. 34 “Interim Financial Reporting” approved of by EU (“IAS 34”) and in line with the Ordinance of the Ministry of Finance of 19 February 2009 on current and periodical information submitted by issuers of securities (Journal of laws No. 33, item 259) with further amendments.

These Financial Statements do not comprise all information required under IFRS for comprehensive. However, they include notes to Financial Statements to explain events and transactions material to understand changes to financial position and profit/ loss of MCI Management S.A. since the date of its most recent annual Financial Statements prepared as at and for the period ended on 31 December 2014.

In relation to the above these Financial Statements shall be read together with the audited Financial Statements prepared in line with IFRS for 2014.

The condensed interim Financial Statements have been approved of by the Board of Directors on 11 August 2015.

The following figures presented on a quarterly basis

- for the period from 01.04.2014 to 30.06.2014,
- for the period from 01.04.2015 to 30.06.2015.

were not subject to a separate audit or review by a licensed auditor.

Continuation as going concern

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. 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 and presentation currency

Figures presented in the Financial Statements are calculated and presented in a currency applied in the economic environment in which the Company runs its operations (“functional currency”), i.e. Polish zloty. Figures in the consolidated financial statements are presented in thousands Polish zlotys (TPLN) unless stated otherwise.

Accounting estimates and judgements

Preparation of the condensed interim Financial Statements requires the Board of Directors to make estimates and assumptions which affect the application of the adopted accounting principles and presented figures disclosed in the Financial Statements, as a lot of information contained in the Financial Statements cannot be measured in a precise manner.

All judgments, assumptions and estimates which have been made for the purpose of these Financial Statements have been presented in obligatory disclosures related to particular items of these Financial Statements, in the notes to the Financial Statements which are integral part of the Financial Statements.

Estimates and judgments are subject to continuous verification. They result from previous experience, including forecasts as to future events, which are relevant in a given situation, and new information. Changes in accounting estimates are recognised prospectively since a period in which changes to estimates were made.

Below are main assumptions related to the future and other principal reasons for uncertainty of estimates as at the balance sheet date, which carry a material risk of the necessity to make important adjustments of the carrying value of assets and liabilities during the consecutive accounting period.

Estimates and assumptions which carry the material risk include:

Fair value of financial instruments

The model and assumptions adopted to measure fair value. Material risks relate to fair value of shares held in subsidiaries. The fair value depends on adopted measurement models.

Main assumptions and judgements are presented in *Note No. 7 "Investments in subsidiaries"*.

Share-based payments

The model and assumptions adopted to measure fair value of granted capital instruments: the exercise price of capital instruments, historical volatility, risk free interest rate, expected dividend yield, etc.

More information is presented in *Note No. 23 "Remuneration to key personnel"*.

Accounting policies

The accounting principles applied in these condensed Financial Statements are the same as these applied by the Company to prepare the Financial Statements as at and for the year ended on 31 December 2014.

NOTES TO FINANCIAL STATEMENTS

1. Income from investments

The item "Income on investments" discloses the effect of revaluation of the following financial assets:

- shares in subsidiaries, associated and other entities,
- investment certificates of closed-end investment funds held by MCI,
- derivatives.

Revaluation of shares

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Measurement of subsidiaries				
MCI Fund Management Sp. z o.o. II MCI.PrivateVentures S.K.A.	(845)	(994)	120 316	89 735
MCI Fund Management Sp. z o.o. IV MCI.PrivateVentures S.K.A.	740	449	121 858	14 125
MCI Fund Management Sp. z o.o.	93 573	47 631	(15)	(7)
MCI Ventures Sp. z o.o.	(3)	(3)	-	-
	<u>93 465</u>	<u>47 083</u>	<u>242 159</u>	<u>103 853</u>
Measurement of associated entities				
Private Equity Manager S.A.	14 731	14 731	58 593	1
	<u>14 731</u>	<u>14 731</u>	<u>58 593</u>	<u>1</u>
Measurement of other entities				
Digital Avenue S.A.	-	-	(178)	-
	<u>-</u>	<u>-</u>	<u>(178)</u>	<u>-</u>
	108 196	61 814	300 574	103 854

Information on measurement of items above is presented in [Note No. 7 "Investments in subsidiaries"](#) and in [Note No. 8 "Investments in associated entities"](#).

Revaluation of investment certificates

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Investment certificates of Helix Ventures Partners FIZ	(223)	253	1 631	1 120
Investment certificates of Internet Ventures FIZ	690	121	(210)	9
Investment certificates of MCI.CreditVentures FIZ	-	-	166	1
Investment certificates of MCI.CreditVentures FIZ 2.0	4 024	669	-	-
	<u>4 491</u>	<u>1 043</u>	<u>1 587</u>	<u>1 130</u>

Information on measurement of items above is presented in [Note No. 9 "Investment certificates"](#)

Measurement of derivative financial instruments

	As at 31.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 31.06.2014 PLN'000
Embedded derivative on investment certificates of Internet Ventures FIZ	5 671	6 317	5 043
Embedded derivative on investment certificates of Helix Ventures Partners FIZ	2 754	2 530	2 154
	<u>8 425</u>	<u>8 847</u>	<u>7 197</u>

MCI Management S.A.
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As at 30 June 2015 there was a measurement of an embedded financial derivative, being a mechanism of privileged distribution of money allocated in investments made by Internet Ventures FIZ and Helix Ventures In the event of disinvestment the Company has the priority of return of the invested capital.

2. General and administration costs

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Amortisation/depreciation of non-current and intangibles assets	(82)	(43)	(52)	(29)
Materials and energy use	(35)	(15)	(61)	(37)
Bought-in services	(1 353)	(632)	(2 040)	(1 258)
Taxes and other fees	(13)	(8)	(92)	(91)
Remuneration	(1 739)	(1 091)	(2 570)	(1 950)
Employee benefits and social security	(69)	(62)	(43)	(35)
Other costs	(78)	(38)	(284)	(128)
	(3 369)	(1 889)	(5 142)	(3 528)

3. Other operating income

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
*VAT return	1 924	-	-	-
Release of unused incentive programmes for 2014	451	451	-	-
Other operating income	-	-	81	54
	2 375	451	81	54

* By decision No. 1401/PT-III/4213-18/15/AKŁ of the Tax Chamber of 26 February 2015, Tax Office returned VAT to the account of MCI Management S.A. in the amount of TPLN 996 together with MCI's interest for late payment of TPLN 731 plus interest of TPLN 197 due from the State Treasury for the period during which the amount mentioned above was held by Tax Office.

4. Financial income and expenses

Financial income

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Income on dividends	-	-	4 352	-
Interest on short-term bank deposits	45	18	153	44
Gains and losses on translation differences	355	-	-	-
Commission income - fiduciary transactions, guarantees	298	150	446	221
Income from interest on bonds	-	-	1 531	777
Income from interest on borrowings	110	36	234	120
Income from interest on bills of exchange	128	64	1 646	1 111
	936	268	8 362	2 273

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Financial expenses

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Costs of interest on:				
Issued bonds	(5 532)	(2 696)	(4 850)	(2 526)
Issued bills of exchange	(21)	-	(509)	(300)
Bank loans	(6)	(3)	(8)	(4)
Received borrowings	-	-	(73)	(37)
Gains and losses on translation differences	-	-	(43)	32
Other	-	-	(254)	(165)
	(5 560)	(2 700)	(5 737)	(3 000)

5. Income tax

Income tax disclosed in statement of comprehensive income

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Current tax	-	-	-	-
Deferred tax	(3 651)	(3 201)	(5 072)	(2 884)
	(3 651)	(3 201)	(5 072)	(2 884)

Reconciliation of profit before taxation to tax amounts

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Profit before taxation	106 637	58 650	306 696	107 813
Income tax disclosed in profit (loss)	3 651	3 201	5 072	2 884
Effective tax rate	3%	5%	2%	3%
Taxable income undisclosed in statement of profit and loss (+)	267	265	7	-
Non-taxable income disclosed in statement of profit and loss (-)	(114 725)	(64 026)	(310 003)	(106 997)
Expenses disclosed in statement of profit and loss not being tax deductible costs (+)	8 855	4 573	8 875	4 591
Expenses undisclosed in statement of profit and loss being tax deductible costs (-)	(5 555)	(3 914)	(9 491)	(6 731)
Total	(111 158)	(63 102)	(310 612)	(109 137)
Taxable base	(4 521)	(4 452)	(3 916)	(1 324)
Income tax	-	-	-	-

Tax losses

Incurring in years	Incurring in the amount of 000'PLN	Used in the amount of 000'PLN	To use in the amount of 000'PLN	To use by year
2010	11 537	5 769	5 768	2015
2012	4 715	-	4 715	2017
2013	9 774	-	9 774	2018
2014	3 844	-	3 844	2019
2015	4 521	-	4 521	2020
	34 391	5 769	28 622	

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Deferred income tax

	As at 31.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 31.06.2014 PLN'000
Deferred income tax assets:			
Due for realisation w ithin 12 months	1 742	1 742	1 376
Due for realisation after 12 months	6 334	6 411	6 138
	8 076	8 153	7 514
Deferred income tax liabilities:			
Due for settlement w ithin 12 months	-	-	-
Due for settlement after 12 months	9 866	6 291	4 074
	9 866	6 291	4 074

In the statement of financial position the Company compensates deferred tax assets and liabilities by disclosing them under one item.

Deferred income tax assets

	Tax losses possible to deduct 000'PLN	Interest and bonuses on bonds 000'PLN	Other assets 000'PLN	Total 000'PLN
Balance as at 30 June 2014	4 076	1	3 437	7 514
Effect on profit or loss	503	-	136	639
Effect on equity	-	-	-	-
Balance as at 31 December 2014	4 579	1	3 573	8 153
Effect on profit or loss	-	49	(126)	(77)
Effect on equity	-	-	-	-
Balance as at 30 June 2015	4 579	50	3 447	8 076

Deferred income tax liabilities

	Revaluation of portfolio companies 000'PLN	Interest 000'PLN	Other 000'PLN	Total 000'PLN
Balance as at 30 June 2014	1 976	127	1 971	4 074
Effect on profit or loss	2 249	(52)	20	2 217
Effect on equity	-	-	-	-
Balance as at 31 December 2014	4 225	75	1 991	6 291
Effect on profit or loss	2 799	(44)	820	3 575
Effect on equity	-	-	-	-
Balance as at 30 June 2015	7 024	31	2 811	9 866

6. Earnings per share

Earnings per share

	Period from 01.01.2015 to 30.06.2015 PLN'000	Period from 01.04.2015 to 30.06.2015 PLN'000	Period from 01.01.2014 to 30.06.2014 PLN'000	Period from 01.04.2014 to 30.06.2014 PLN'000
Earnings attributable to Company's Shareholders	102 986	55 449	301 624	104 929
Weighted average of ordinary shares (in thousands)	62 732	62 732	62 446	62 414
Basic earnings per share (in PLN per one share)	1,64	0,88	4,83	1,68

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Diluted earnings per share

	Period from 01.01.2015 to 30.06.2015 PLN'000	Period from 01.04.2015 to 30.06.2015 PLN'000	Period from 01.01.2014 to 30.06.2014 PLN'000	Period from 01.04.2014 to 30.06.2014 PLN'000
Earnings attributable to Company's Shareholders	102 986	55 449	301 624	104 929
Costs of interest on convertible bonds (after deducting tax)	1 048	1 048	917	840
Earnings applied when determining diluted earnings per share	104 034	56 447	302 541	105 769
Weighted average of ordinary shares (in thousands)	62 732	62 732	62 414	62 414
Adjustments for:				
- theoretical change of convertible bonds (thousands)	4 167	4 167	4 167	4 167
- share options (thousands)	-	-	-	-
Weighted average No. of ordinary shares for the purposes of diluted earnings per share (thousands)	66 899	66 899	66 581	66 581
Diluted earnings per share (in PLN per one share)	1,56	0,84	4,54	1,59

7. Investments in subsidiaries

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
MCI Fund Management Sp. z o. o.	147 451	53 878	57
MCI Fund Management Sp. z o. o. II MCI.PrivateVentures S.K.A.	744 791	745 636	758 345
MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures S.K.A.	193 082	192 342	188 019
MCI Ventures Sp. z o. o.	2	5	-
	1 085 326	991 861	946 421

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 measurement of subsidiaries and the value of investment certificates is affected by:

- Unpaid amount of taken up issued A1 series investment certificates in the sub-fund MCI.TechVentures 1.0 FIZ of MPLN 112
- Balance of granted and received borrowings, bills of exchange of MPLN 113.

The fair value of investment certificates in subsidiaries is settled based on 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 Company's Board of Directors.

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

Subsidiary	+10%	-10%
MCI Fund Management Sp. z o. o.	162 196	132 706
*MCI Fund Management Sp. z o. o. II MCI.PrivateVentures SKA	744 791	744 791
*MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures SKA	193 082	193 082
*MCI Ventures Sp. z o. o.	2	2
	1 110 071	1 070 581

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* Increase or decrease of investment certificates value does not affect the value of these subsidiaries, since as at 30 June 2015 these companies do not hold investment certificates, but only receivables on their sale to MCI Fund Management Sp. z o.o.

8. Investments in associated entities

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Private Equity Managers S.A.	49 584	34 853	11 538
	49 584	34 853	11 538

Measurement of shares in an associated entity

As at 30 June 2015 the Company holds directly 10,25% shares of Private Equity Managers S.A. (hereinafter also: PEM).

PEM is treated as an associated entity due to shares held by the Company and personal ties.

Shares of Private Equity Managers S.A. were measured at PLN 145 PLN per 1 share, i.e. at the closing price of PEM's shares at the Warsaw Stock Exchange on 30 June 2015, and the change in their measurement was recognised in profit/ loss.

9. Investment certificates

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Investment certificates of Helix Ventures Partners FIZ	9 887	9 951	10 214
Investment certificates of Internet Ventures FIZ	14 412	13 722	7 059
Investment certificates of MCI.CreditVentures FIZ 2.0	134 952	130 928	-
	159 251	154 601	17 273

Measurement of investment certificates

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 these funds. Revaluation of certificates to their fair value from quarterly measurements is disclosed in MCI's profit or loss at the end of each quarter.

Fair value of investments in subsidiaries showing the effect of increase or decrease of investment certificates value by 10 percentage points:

Investment certificates	+10%	-10%
Investment certificates of Helix Ventures Partners FIZ	10 876	8 898
Investment certificates of Internet Ventures FIZ	15 853	12 971
Investment certificates of MCI.CreditVentures 2.0 FIZ	148 447	121 457
	175 176	143 326

10. 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.

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

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

- **Level 1** - financial assets/ liabilities measured directly based on prices quoted on the active market.
- **Level 2** - financial assets/ liabilities measured with techniques based on information coming from the active market or market observations.
- **Level 3** - 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:

	As at 30.06.2015		As at 31.12.2014		As at 30.06.2014	
	Level	Method of measurement	Level	Method of measurement	Level	Method of measurement
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
MCI Ventures Sp. z o. o.	3	Adjusted net assets	3	Adjusted net assets	-	-
Investments in associated entities						
*Private Equity Managers S.A.	1	Price quoted in an active market (GPW)	3	Price of the most representative transaction (pre-IPO)	3	Price of the most representative transaction (pre-IPO)
Investment certificates						
Investment certificates of Helix Ventures Partners FIZ	3	Net asset value	3	Net asset value	3	Net asset value
Investment certificates of Internet Ventures FIZ	3	Net asset value	3	Net asset value	3	Net asset value
** Investment certificates of MCI.CreditVentures 2.0 FIZ	3	Net asset value	3	Net asset value	-	-

In the Company's opinion measurements of investment certificates at net asset value and measurements of investments in subsidiaries at adjusted net assets are the best way to reflect the fair value of these investments.

The Company makes transfers between the levels of fair value when the change of conditions results in meeting or failing to meet the criteria of classification to a given level. The Company makes a transfer between the levels of fair value in an interim period in which an event bringing about the change of conditions took place. The Company applies a consistent approach to transfers *from* and *to* particular levels of fair value.

* On 9 April 2015 PEM's shares debuted on the main market of the Warsaw Stock Exchange and since then they are measured at closing prices quoted on this market. As a result, in Q2 2015 there was a change of the fair value measurement level from Level 3 to Level 1.

* In 1H 2014 the Company lost control of a subsidiary Private Equity Managers S.A., which as at 31 December 2014 is an associated entity. In line with IAS 27 paragraph 11 there has been a reclassification of its measurement from measurement through other comprehensive income to measurement at fair value through profit/ loss.

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** In December 2014 the Company purchased all investment certificates of MCI.CreditVentures 2.0 FIZ from its indirect subsidiary MCI Fund Management Sp. z o. o. Spółka Jawna.

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

Type of financial instrument	Measurement method of financial instrument	As at	As at	As at
		30.06.2015	31.12.2014	30.06.2014
		PLN'000	PLN'000	PLN'000
Non-current assets				
Investments in subsidiaries	Measured at fair value through profit/ loss	1 085 326	991 861	946 421
Investments in associated entities	Measured at fair value through profit/ loss	49 584	34 853	11 538
Derivatives	Measured at fair value through profit/ loss	8 425	8 847	7 197
Investment certificates	Measured at fair value through profit/ loss	159 251	154 601	17 273
Current assets				
Trade and other receivables	Measured at amortised cost	2 147	1 978	7 052

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

Type of financial instrument	Measurement method of financial instrument	As at	As at	As at
		30.06.2015	31.12.2014	30.06.2014
		PLN'000	PLN'000	PLN'000
Non-current assets				
Bonds	Measured at amortised cost	-	-	40 000
Current assets				
Receivables on bills of exchange	Measured at amortised cost	7 128	7 000	115 623
Bonds	Measured at amortised cost	-	-	1 622
Borrowings granted to related entities	Measured at amortised cost	67	5 947	6 074
Borrowings granted to other entities	Measured at amortised cost	789	748	2 570
Cash and cash equivalents	Measured at nominal value	2 615	15 278	8 981
Non-current liabilities				
Bank loans and borrowings	Measured at amortised cost	165	186	206
Bonds	Measured at amortised cost	104 405	162 541	132 399
Current liabilities				
Trade and other payables	Measured at amortised cost	655	364	418
Bonds	Measured at amortised cost	61 233	2 872	1 731
Bills of exchange	Measured at amortised cost	-	13 430	40 273
Short-term bank loans and borrowings	Measured at amortised cost	41	41	1 885

The Company assumes that fair value of financial instruments above - not measured at fair value in the statement of financial position - equals their book value.

11. Trade and other receivables

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Trade receivables	71	101	200
Impairment loss on receivables	-	-	(41)
Net trade receivables	71	101	159
Receivables from related entities	166	7	17
Tax/budget receivables	19	12	41
Prepayments	192	228	253
Other receivables	1 699	1 630	6 582*
	2 147	1 978	7 052

Due to the short-term character of these receivables their carrying value is the best indicator of the fair value.

* Of which receivables on dividend from Private Equity Managers S.A. of TPLN 4 369 with due interest).

Receivables from related entities

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Alternative Investment Partners Sp. z o. o.	-	3	0
Tomasz Czechowicz	1	1	17
Private Equity Managers S.A.	165	3	0
	166	7	17

12. Receivables on bills of exchange

Bills of exchange are an instrument to manage liquidity in MCI Management S.A.

As at 31.06.2015 the Company had receivables on bills of exchange to the following entities:

	Nominal value PLN'000	Interest PLN'000	Interest rate % per annum	Total PLN'000
*MCI Fund Management Sp. z o.o. MCI.PrivateVentures Spółka Jaw na	7 000	128	3,7%	7 128

* A subsidiary of MCI Management S.A.

As at 31.12.2014 the Company had receivables on bills of exchange to the following entities:

	Nominal value PLN'000	Interest PLN'000	Interest rate % per annum	Total PLN'000
*MCI Fund Management Sp. z o.o. MCI.PrivateVentures Spółka Jaw na	7 000	-	3,7%	7 000

* A subsidiary of MCI Management S.A.

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As at 30.06.2014 the Company had receivables on bills of exchange to the following entities:

	Nominal value PLN'000	Interest PLN'000	Interest rate % per annum	Total PLN'000
Private Equity Managers S.A.	500	-	3,7%	500
*MCI Fund Management Sp. z o.o. MCI.PrivateVentures Spółka Jaw na	48 000	470	3,7%	48 470
*MCI Fund Management Sp. z o.o. MCI.PrivateVentures Spółka Jaw na	40 000	619	3,7%	40 619
*MCI Fund Management Sp. z o.o. MCI.PrivateVentures Spółka Jaw na	26 000	34	3,7%	26 034
	114 500	1 123		115 623

* A subsidiary of MCI Management S.A.

13. Borrowings granted

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Borrowings granted to related entities	67	5 947	6 074
Borrowings granted to other entities	789	748	2 570
	856	6 695	8 644

Due to the short-term character of the above receivables on granted borrowings their balance sheet value is the best indicator of their fair value.

Borrowings granted to related entities

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
MCI VentureProjects Sp. z o.o.	-	-	265
MCI Fund Management Sp. z o.o.	67	65	62
MCI Fund Management Sp. z o.o. MCI.PrivateVentures Spółka Jawna	-	5 882	5 747
	67	5 947	6 074

14. Cash and cash equivalents

The balance of cash and cash equivalents of TPLN 2.615 as at the balance sheet date (in December 2014 TPLN 15.278, in June 2014 TPLN 8.981) comprised primarily cash at bank and bank deposits measured at nominal value.

15. Equity

Share capital

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Share capital issued and paid	62 732	62 732	62 447
No. of shares	62 732	62 732	62 447
Nominal value per share	1	1	1
Nominal value of all shares	62 732	62 732	62 447

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Capital redemption reserve

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Balance at beginning of period	577 621	457 803	457 803
Execution of incentive programmes	-	1 151	492
Moved to profit for previous period to capital redemption reserve	352 281	118 667	118 667
Balance at end of period	929 902	577 621	576 962

16. Trade and other liabilities

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Trade payables	259	303	343
Payables to related entities	62	25	-
Tax	47	15	20
Social security and other charges	40	17	22
Other payables	247	4	33
	655	364	418

17. Liabilities on bonds

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Balance as at the issue date at nominal value	165 800	201 150	170 150
Costs related to the issue	(2 520)	(2 949)	(2 532)
Balance as at the issue date	163 280	198 201	167 618
Equity part (excl. of deferred tax)	(578)	(578)	(578)
Payables part as at the issue date	162 702	197 623	167 040
Calculated interest – cumulative costs	18 114	21 734	16 305
Paid interest	(15 178)	(18 594)	(13 865)
Repayment	-	(35 350)	(35 350)
	165 638	165 413	134 130
Non-current	104 405	162 541	132 399
Current	61 233	2 872	1 731
	165 638	165 413	134 130

Bonds issued by MCI Management S.A.

The table below presents payables on issue of bonds, their redemption date and balance of interest paid as at 30 June 2015

Bond series	Date of distribution	Date of redemption	No. of bonds	Nominal value	Interest paid
				000' PLN	000' PLN
Series H1	2013-04-03	2016-04-11	36 000	36 000	5 227
Series H2	2013-06-26	2016-06-28	18 800	18 800	2 631
Series H3	2013-12-19	2016-12-19	30 000	30 000	3 136
* Series G1	2014-03-21	2018-03-21	50 000	50 000	3 266
Series I1	2014-10-17	2017-10-17	31 000	31 000	918
				165 800	15 178

* Series of bonds convertible to shares of MCI Management S.A. The price of conversion is PN 12.

18. Current liabilities on bills of exchange

Bills of exchange are an instrument to manage liquidity in MCI Management S.A.

As at 30.06.2015 the Company had no liabilities on bills of exchange.

As at 31.12.2014 the Company had liabilities on bills of exchange to the following entities:

	Nominal value PLN'000	Interest PLN'000	Interest rate % per annum	Total PLN'000
* MCI.PrivateVentures 1.0 FIZ	13 413	17	1,0%	13 430

* A subsidiary of MCI Management S.A.

As at 30.06.2014 the Company had liabilities on bills of exchange to the following entities:

	Nominal value PLN'000	Interest PLN'000	Interest rate % per annum	Total PLN'000
MCI Asset Management Sp. z o.o. Spółka Jaw na	5 500	52	3,70%	5 552
MCI Asset Management Sp. z o.o. Spółka Jaw na	1 400	16	3,70%	1 416
* MCI.TechVentures 1.0 FIZ	6 000	66	4,20%	6 066
* MCI.PrivateVentures 1.0 FIZ	13 028	16	4,20%	13 044
ABCD Management Spółka Jaw na	4 200	22	3,70%	4 222
ABCD Management Spółka Jaw na	7 127	25	3,70%	7 152
* MCI Fund Management Sp. z o.o. IV MCI.PrivateVentures S.K.A.	2 800	21	3,70%	2 821
	40 055	218		40 273

* A subsidiary of MCI Management S.A.

19. Banks loans and borrowings

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
Non-current			
Bank loan - non-current part	165	186	206
	165	186	206
Current			
Bank loan - current part	41	41	41
*MCI Asset Management Sp. z o.o. Spółka Jaw na – loan value	-	-	1 600
*MCI Asset Management Sp. z o.o. Spółka Jaw na – loan interest	-	-	244
	41	41	1 885
Total loans and borrowings	206	227	2 091

* Borrowing from a related entity, interest rate per annum 8,92%.

20. Provisions

	As at 30.06.2015 PLN'000	As at 31.12.2014 PLN'000	As at 30.06.2014 PLN'000
* Litigation related costs and losses	11 466	11 466	11 572
Bonuses and holidays/leaves	196	5	20
Other costs	86	146	97
	11 748	11 617	11 689

* The provision was created due to costs of litigation related to compensation for bringing the company JTT to bankruptcy.

21. Dividend

Dividend paid

The Company's Board of Directors did not resolve on a dividend payment for 2014.

Under the resolution No. 6 of 13 March 2015 the Company's Board of Directors decided to allocate the net profit for 2014 of TPLN 352 281 to the Company's capital redemption reserve.

22. Material events after the balance sheet date

On 8 July 2015 the Company disposed of shares for the benefit of:

- Tomasz Czechowicz – 4.394 shares in the Company's share capital,
- Ewa Ogryczak – 17.575 shares in the Company's share capital,
- Cezary Smorszczewski – 30.910 shares in the Company's share capital.

The disposal of 4.394 shares in the Company's share capital for the benefit of Tomasz Czechowicz arises on the resolution No. 5 of the Supervisory Board of 16 April 2015 on awarding Mr Tomasz Czechowicz the right to purchase shares in the Company's share capital. The shares in the Company's share capital were purchased by Tomasz Czechowicz at the price of PLN 0,01 (one grosz) per share, altogether at the total price of PLN 43,94.

The disposal of 17.575 shares in the Company's share capital for the benefit of Ewa arises on the resolution No. 6 of the Supervisory Board of 16 April 2015 on awarding Mrs Ewa Ogryczak the right to purchase shares in the Company's share capital. The shares in the Company's share capital were purchased by Ewa Ogryczak at the price of PLN 0,01 (one grosz) per share, altogether at the total price of PLN 175,75.

The disposal of 17.575 shares in the Company's share capital for the benefit of Cezary Smorszczewski arises on the resolution No. 4 of the Supervisory Board of 16 April 2015 on awarding Mr Cezary Smorszczewski the right to purchase shares in the Company's share capital. The shares in the Company's share capital were purchased by Cezary Smorszczewski at the price of PLN 0,01 (one grosz) per share, altogether at the total price of PLN 175,75.

Resolutions No. 4, 5 and 6 of the Supervisory Board of 16 April 2015 were passed due to Tomasz Czechowicz, Ewa Ogryczak and Cezary Smorszczewski failing to meet conditions of purchasing shares in the Company's share capital under the Option Programme adopted with a resolution No. 15 of the Supervisory Board of 30 May 2014 and due to the Company's will to gratify the three Board Members for their involvement in the Company's growth and development.

The disposal of 13.335 shares in the Company's share capital for the benefit of Cezary Smorszczewski arises on an agreement between the Company and Cezary Smorszczewski of 16 June 2015 concluded due to Cezary Smorszczewski's resignation from the position in the Company's Board of Directors and termination of a managerial contract concluded on 17 March 2014 between the Company and Cezary Smorszczewski. 13.335 shares in the Company's share capital disposed of for the benefit of Cezary Smorszczewski are his remuneration for holding a position in the Company's Board of Directors from 1 January 2015 to 16 June 2015. The shares in the Company's share capital were purchased by Cezary Smorszczewski free of charge.

23. Remuneration to key personnel

The following figures have been disclosed in the statement of comprehensive income as employee benefits:

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period from 01.04.2015 to 30.06.2015 PLN'000	Period from 01.01.2014 to 30.06.2014 PLN'000	Period from 01.04.2014 to 30.06.2014 PLN'000
Cost of current employment	780	535	966	656
Cost of social security	23	16	42	34
Share options granted to Board Members, Supervisory Board and other staff	959	570	1 478	1 193
Other employee benefits	46	32	127	102
	1 808	1 153	2 613	1 985

The table below presents information about average remuneration (including Board of Directors):

	As at 30.06.2015 No. of staff	As at 31.12.2014 No. of staff	As at 30.06.2014 No. of staff
Board of Directors	3	3	2
Supervisory Board	6	5	5
Operational staff	6	9	9
	15	17	16

Remuneration to key personnel

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Board of Directors				
Short-term employee benefits	415	145	658	527
Incentive programmes - share options	-	(102)	1 366	1 081
Remuneration paid in capital instruments	862	862	-	-
Flat fee for using passenger cars	12	6	44	20
	1 289	911	2 068	1 628
Supervisory Board				
Short-term employee benefits	112	72	66	38
Incentive programmes - share options	-	(99)	-	-
	112	(27)	66	38

Due to Tomasz Czechowicz, Ewa Ogryczak and Cezary Smorszczewski failing to meet economic conditions of purchasing shares in the Company's share capital under the Option Programme adopted with a resolution No. 15 of the Supervisory Board of 30 May 2014 the number of shares due to the three members mentioned above was 0.

Due to the Company's will to gratify the three Board Members for their involvement in the Company's growth and development and due to very good results for 2014 the Supervisory Board in resolutions No. 4, 5 and 6 of 16 April 2015 granted them a bonus in the form of MCI's shares. Details related to the number of granted shares are described in note No. 22 "Material events after the balance sheet date".

MCI Management S.A.
Condensed Interim Financial Statements
for the period of 6 months ended on 30 June 2015

Advances paid to Board Members

	Period: from 01.01.2015 to 30.06.2015 PLN'000	Period: from 01.04.2015 to 30.06.2015 PLN'000	Period: from 01.01.2014 to 30.06.2014 PLN'000	Period: from 01.04.2014 to 30.06.2014 PLN'000
Tomasz Czechowicz	1	(3)	16	4

Borrowings granted to Board Members

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

24. Transactions with related entities

Information on transactions with related entities as at 30 June 2015

	Related to note	Final controlling entity	Subsidiaries	Other related entities	Total
Investments:					
Investments in subsidiaries	7	-	1 085 326	-	1 085 326
Investments in associated entities	8	-	-	49 584	49 584
Investment certificates	9	-	-	159 251	159 251
Derivatives	1	-	-	8 425	8 425
Receivables:					
Trade receivables	11	1	-	165	166
Bills of exchange	12	-	7 128	-	7 128
Granted borrowings	13	-	67	-	67
Liabilities:					
Trade payables	16	61	-	1	62
Income and expenses:					
Revaluation of shares	1	-	93 465	14 731	108 196
Revaluation of investment certificates	1	-	-	4 491	4 491
Costs of embedded derivatives	1	-	-	(422)	(422)
Finance income	-	-	209	-	209
Finance expenses	-	-	-	21	21

Information on transactions with related entities as at 31 December 2014

	Related to note	Final controlling entity	Subsidiaries	Other related entities	Total
Investments:					
Investments in subsidiaries	7	-	991 861	-	991 861
Investments in associated entities	8	-	-	34 853	34 853
Investment certificates	9	-	-	154 601	154 601
Derivatives	1	-	-	8 847	8 847
Receivables:					
Trade receivables	11	4	-	3	7
Bills of exchange	12	-	7 000	-	7 000
Granted borrowings	13	-	5 947	-	5 947
Liabilities:					
Bills of exchange	18	-	-	13 430	13 430
Trade payables	16	-	-	25	25

MCI Management S.A.
Condensed Interim Financial Statements
for the period of 6 months ended on 30 June 2015

Income and expenses:

Revaluation of shares	1	-	287 592	70 429	358 021
Revaluation of investment certificates	1	-	-	1 815	1 815
Costs of embedded derivatives	1	-	-	8 847	8 847
Finance income	-	-	4 276	2 600	6 876
Income on dividends	-	-	-	4 350	4 350
Finance expenses	-	-	(294)	(391)	(685)
Other operating costs	-	-	-	(3)	(3)
Other operating expenses	-	4	-	22	26
General and administration costs	-	(1)	-	-	(1)
Income on guarantees	-	-	-	600	600

Information on transactions with related entities as at 2014

	Related to note	Final controlling entity	Subsidiaries	Other related entities	Total
Investments:					
Investments in subsidiaries	7	-	946 421	-	946 421
Investments in associated entities	8	-	-	11 538	11 538
Investment certificates	9	-	-	17 273	17 273
Derivatives	1	-	-	7 197	7 197
Receivables:					
Bonds		-	-	41 622	41 622
Trade receivables	11	-	-	17	17
Bills of exchange	12	-	115 123	500	115 623
Granted borrowings	13	-	6 074	-	6 074
Liabilities:					
Bills of exchange	18	-	2 821	19 110	21 931
Income and expenses::					
Revaluation of shares	1	-	242 159	58 593	300 752
Revaluation of investment certificates	1	-	-	1 587	1 587
Finance income	-	-	1 630	1 548	3 178
Income on dividends	-	-	-	4 352	4 352
Finance costs	-	-	(153)	(265)	(418)
Costs of embedded derivatives	-	-	-	7 196	7 196
Income on guarantees	-	-	-	298	298

Management members of MCI Management S.A., holding a position in subsidiaries

As at 30 June 2015 the following persons from the Board of Directors or Supervisory Board of MCI Management S.A. held a position in subsidiaries:

MCI Management S.A.
Condensed Interim Financial Statements
for the period of 6 months ended on 30 June 2015

Subsidiaries/Board Members same as in MCI	Board Members			
	Tomasz Czechowicz	Ewa Ogryczak	Wojciech Marcińczyk	Tomasz Masiarz
MCI Fund Management Sp. z o. o.	yes	yes	yes	no
MCI Fund Management Sp. z o. o. II MCI.PrivateVentures SKA	yes	yes	yes	no
MCI Fund Management Sp. z o. o. IV MCI.PrivateVentures SKA	yes	yes	yes	no
MCI Ventures Sp. z o. o.	yes	yes	yes	no
MCI Fund Management Sp. z o. o. Spółka Jaw na	yes	yes	yes	no
BiznesLinkCo Sp. z o.o. (formerly: AWL III Sp. z o. o.)	no	no	no	no

None of the Supervisory Board members held a position in subsidiaries.

25. Operating segments

There are no separate operating or geographical segments in the Company. The Company as a whole constitutes a separate and exclusive operating segment as a whole - it is the parent company in the Capital Group MCI specialising in purchasing and disposing of financial assets on its own account.

26. Contingent liabilities and assets

As at 30 June 2015 there were no material changes in contingent liabilities and assets as compared to the situation described in the Financial Statements as at 31 December 2014 - particularly there were no changes to the evaluation of probability of cash proceeds and outflows on contingent liabilities and assets.

Company's letterhead

KPMG logo

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**REPORT OF AN INDEPENDENT LICENSED AUDITOR
ON THE REVIEW OF INTERIM FINANCIAL STATEMENTS
FOR THE REPORTING PERIOD
FROM 1 JANUARY 2015 TO 30 JUNE 2015**

To the Shareholders of MCI Management S.A.

Introduction

We have reviewed the appended condensed individual Financial Statements of MCI Management S.A. ("Company") registered in Warsaw, ul. Emilii Plater 53, prepared as at 30 June 2015 ("condensed interim Financial Statements") consisting of:

- condensed individual statement of financial position as at 30 June 2015
- condensed individual statement of profit or loss and other comprehensive income for the reporting period from 1 January to 30 June 2015
- condensed individual statement of changes in equity for the reporting period from 1 January to 30 June 2015
- condensed individual statement of cash flows for the reporting period from 1 January to 30 June 2015
- selected notes to the condensed individual Financial Statements.

The Board of Directors is responsible for the preparation and presentation of these condensed interim individual Financial Statements in line with IAS 34 *Interim Financial Reporting* which has been approved of by the European Union. Our responsibility was to present conclusions on these condensed interim individual Financial Statements based on our review thereof.

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. a Polish limited liability partnership and a member firm of KPMG network of independent member firms affiliated with KPMG Cooperative ["KPMG International"], a Swiss entity.

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. jest spółką komandytową i członkiem sieci KPMG składającej się z niezależnych spółek członkowskich stowarzyszonych z KPMG International Cooperative ["KPMG International"], podmiotem prawa szwajcarskiego.

The Company is registered in the District Court for the capital city of Warsaw in Warsaw, 12th Economic Department of the National Court Register (KRS)

KRS 0000339379
NIP (tax identification number) 527-261-53-62
REGON (statistical number) 142078130

KPMG logo

Scope of the review

We have carried out the review in line with the Polish Auditing Standard No. 3 *General principles for the review of Financial Statements/ condensed Financial Statements and performing other attestation services* issued by the Polish National Chamber of Statutory Auditors and International Standard of Review Engagements 2410 *Review of interim financial information performed by the independent auditor of the entity*. The review of the interim Financial Statements includes the use of information obtained particularly from persons responsible for finance and accounting of the entity and the application of analytical and other procedures of a review. The scope and method of the review materially differs from the scope of an audit in line with domestic and International Auditing Standards and does not allow us to be certain that we have identified all material issues which could have been identified during an audit. For this reason we cannot issue our opinion on the appended condensed interim individual Financial Statements.

Conclusion

The review which we have carried out discloses nothing that could lead to believe that the appended condensed interim individual Financial Statements as at 30 June 2015 were not prepared, in all material aspects, in line with IAS 34 *Interim Financial Reporting* approved of by the European Union.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
registration No. 3546
ul. Chłodna 51, 00-867 Warszawa

[signature]
Ewa Jóźwik
Responsible Individual
registration No. 11154

[signature]
Stacy Ligas
Board Member of KPMG Audyt Sp. z o.o.,
Partner of KPMG Audyt Spółka
z ograniczoną odpowiedzialnością sp.k.

11 August 2015

MCI MANAGEMENT S.A.

Directors' Report
for the reporting period from 1 January to 30 June 2015

Translation from the Polish original

***DIRECTORS' REPORT
FOR THE REPORTING PERIOD FROM 1 JANUARY TO 30 JUNE 2015***

For the Shareholders of MCI Management S.A.

Name and Surname	Position/ Function	Signature
Tomasz Czechowicz	Chairman of the Board of Directors	
Ewa Ogryczak	Vice Chairman of the Board of Directors	
Wojciech Marcińczyk	Vice Chairman of the Board of Directors	
Tomasz Masiarz	Member of the Board of Directors	

The Directors' Report is appended to the consolidated Financial Statements.

Warsaw, 11 August 2015

DIRECTORS' REPORT FOR THE REPORTING PERIOD FROM 1 JANUARY TO 30 JUNE 2015

1. Characteristics of the operations of MCI Management S.A.

MCI MANAGEMENT S.A. („MCI”, „Company”) was established in 1999 and is one of the leading *private equity* groups in the CEE region. So far MCI has run its business in two areas: (1) in the investment segment and (2) in the asset management segment. In 2014 MCI sold the majority of shares of Private Equity Managers S.A., a company managing assets, to external investors and managers employed in the Company, keeping for itself 10,25% of company shares. MCI Group takes also interest in investments in the sector of new technologies related to the Internet, IT distribution and TMT.

MCI's net profit for H1 2015 was MPLN 103. The Company's net assets increased by 10% as compared to the end of 2014 and totalled MPLN 1.136. Hence, the net asset value per share was PLN 18,10 – 50% above shares closing quotation on the Warsaw Stock Exchange as at the 30 June 2015.

In 2014 operations related to asset management were separated from MCI structures, hence MCI became an investment vehicle whose profit/ loss in the current period will be fully dependent on the growing value of investment certificates held.

At present MCI constitutes a separate and exclusive operating segment - **segment of investments** - i.e. purchasing and disposing of financial assets for MCI's own account. MCI runs direct operations of the *private equity / venture capital* type, investing its assets through 5 investment funds which apply diversified investment strategy. Funds make investments in investment assets in line with their investment strategy, from big *buyout* and *growth* investments (MCI.EuroVentures 1.0 FIZ and MCI.TechVentures 1.0 FIZ) through investments in small technological companies starting their operations (Helix Ventures FIZ and Internet Ventures FIZ) to debt instruments and property (MCI.CreditVentures 2.0 FIZ). Investments in portfolio companies are made for several years when a manager actively supports the development of companies and supervises the accomplishment of their business strategy and seeks opportunities for the asset disposal. The most significant assets of this segment are shares in companies and other financial instruments such as bonds, investment certificates, foreign bills of exchange, borrowings and deposits.

2. Events materially affecting MCI's operations in H1 2015.

A SUMMARY OF THE MOST IMPORTANT EVENTS IN THE PERIOD JANUARY-JUNE 2015 AND UNTIL THE REPORTING DATE

On 25 February 2015 under the third PEM's pre-IPO tranche the disposal of shares in PEM's share capital was completed. Shares in PEM's share capital were disposed of by MCI Fund Management Sp. z o.o. IV SKA with headquarters in Warsaw (“FUND SKA”), a subsidiary of MCI and by MCI.PrivateVentures closed-end investment fund with a sub-fund MCI.EuroVentures 1.0, in which MCI, through its subsidiaries holds 98,81 % of investment certificates (“MCI PV”).

FUND SKA sold 8.355 shares in PEM's share capital, constituting 0,25 % in PEM's share capital and 0,25 % of the general number of votes on PEM's shareholders meeting at the price of PLN 80, per share.

According to information received from PEM, MCI PV sold 599.875 shares in PEM's share capital constituting 17,98 % in PEM's share capital and 17,98% of the general number of votes on PEM's shareholders meeting (the selling price is subject to professional secrecy defined in the act of 27 May 2004 on investment funds).

On 13 March 2015 MCI's Supervisory Board appointed KPMG Audyt Sp. z o.o. sp. k. (Auditor) registered in ul. Chłodna 51, 00 – 867 Warszawa auditor to audit MCI's individual Financial Statements for 2015 and review MCI's individual Financial Statements for H1 2015.

On 3 June 2015 MCI's the ordinary Shareholders Meeting assembled and approved of MCI's Financial Statements for 2014, of the Directors' Report for 2014 and of the Supervisory Board's report for 2014. The ordinary Shareholders Meeting also resolved to appoint the following persons as Supervisory Board members of MCI Management S.A.:

- Mr Hubert Janiszewski, for a renewed 3-year individual term of office
The resolution came into force on 4 June 2015
- Mr Jarosław Dubiński, for a 3-year individual term of office
The resolution came into force on the day of its adoption.
- Mr Grzegorz Warzocha, for a 3-year individual term of office.

- The resolution came into force on the day of its adoption.

On 16 June 2015 the Company received a resignation from the Vice Chairman of the Supervisory Board, Mr Krzysztof Obłój. The resignation was effective as at 16 June 2015 and it did not contain justification.

On 16 June 2015 the Company's Supervisory Board appointed Mr Wojciech Marcińczyk Company's Vice Chairman of the Board of Directors for a 3-year individual term of office. The resolution came into force on the day of its adoption. Furthermore, on 16 June 2015 the Company's Supervisory Board appointed Mr Tomasz Masiarz MCI's Board Member for a 3-year individual term of office.

3. Events after 30 June 2015 which can materially affect the future profit/loss

In the Directors' opinion by the reporting date of this Directors' report no events which could materially affect the future profit/loss of the company and its figures took place.

4. Anticipated development of MCI

2015 is the first year in which MCI will operate exclusively as an investment vehicle investing its funds and obtained financing in portfolio companies through dedicated funds. MCI intends to continue investing its assets in 5 investment funds which present 5 different investment strategies - from big investments of the *buyout* and *growth* type (MCI.EuroVentures 1.0 FIZ and MCI.TechVentures 1.0 FIZ), through investments in small technological companies starting their operations (Helix Ventures FIZ and Internet Ventures FIZ) to debt instruments and property (MCI.CreditVentures 2.0 FIZ).

We believe that the trend of economy digitalisation will bring measurable benefits, hence we have consistently followed it. MCI has also taken interest in investments in new Internet technologies. We see huge potential in the *Internet of Things* field which, as we expect, should grow at a rate of 20% annually, and in the sector of enterprises at a rate even twice as that.

In 2015 we plan to invest dynamically by spending circa bn PLN 0,5 on new investment projects. We estimate that our net assets per share should increase in the second half of 2015 by almost 10%. As regards tactical objectives our main assignment is to stabilise the exchange rate of ABC Data S.A. and to sell the Czech company Invia.

5. Current and expected financial standing of MCI Management S.A. and key figures

In H1 2015 MCI Management S.A. attained individual net profit of MPLN 103. In the same period the value of net assets increased up to MPLN 1.136.

The attained net profit resulted primarily from the increase of the value of financial assets - certificates of the funds MCI.EuroVentures 1.0 FIZ and MCI.TechVentures 1.0 FIZ and MCI.CreditVentures 2.0. respectively MPLN 42, MPLN 52 and PLN 4 - attained mainly due to a dividend received from Indeks and ABC Data S.A. and due to increased value of shares of Indeks and Wirtualna Polska.

General administrative costs for H1 2015 were MPLN 3.

Net asset value per share was PLN 18,10 and was 10% higher than net asset value per share as at 31 December 2014 (PLN 16,46) and 50% higher than MCI's share price as at 30 June 2015 (PLN 12,03).

6. Directors' information related to the realisation of forecasts of profit/ loss for 2015 and oncoming years

FORECASTS AND ESTIMATES OF PROFIT/LOSS FOR 2015

On 10 March 2015 the Board of Directors of MCI Management S.A. estimated in its current report No. 5/2015 the net asset value per share at the level of PLN 19,75 as at the end of 2015.

As at 30 June 2015 the estimated increase net asset value per share (from PLN 16,46 as at the end of 2014 to PLN 19,75 as at the end of 2015) was realised in almost 50%; as at 30 June 2015 the net asset value per share was PLN 18,10.

7. Description of basic risks and threats

INVESTMENT RISK

Risk of *venture capital* investments

The essence of the venture capital investments is the possibility of obtaining higher rates of return through investing in projects of higher risk level.

Prior to making a venture capital investment, a business plan needs to be thoroughly analysed, which, however, does not always ensure that company development will go as planned. This relates particularly to technology innovations which have yet no use on the market, hence, are difficult to evaluate. If a business model of a company is not successful, it can negatively affect the value of investment, of which also incurring losses. As a result, this could negatively affect the company's profit through decreased value of investment certificates.

Risk related to the measurement of the portfolio companies

Portfolio companies of investment funds, whose certificates are held by MCI's companies, are measured at fair value once a quarter and the value of measurement translates to the value of held investment certificates. Measurements are confirmed by auditors. Measurement methods are partly based directly on market prices of listed companies or on comparative figures of companies listed on stock exchange in Poland and abroad. Hence, if there is downturn on stock exchanges, there is a risk of lower results of MCI (reflecting changes to measurements mentioned above).

Funds invest their capital for 5 to 10 years. Companies which are not listed on stock exchange receive financing. Hence, liquidity of such investments is limited and the profit is realised through disposal of a company's shares usually to sector investors or financial investors. It is not certain if the funds find buyers for their investments in future and if they are able to achieve planned rates of return. The risk of economic downturn and downturn on stock exchange may additionally make it more difficult to exit or materially restrict the potential rate of return. As a result, this could negatively affect MCI's profit/loss.

Competition risk related to acquiring new investment projects

The MCI's development is closely linked to possibilities of making new investments in promising and technologically advanced economic projects. The market observes increased competition of other funds (*venture capital, private equity*) and *business angels* interested in making investments in companies from the sector of new technologies. The MCI's Board of Directors has addressed this risk through geographical expansion to new and perspective markets where the competition is smaller. A material competitive advantage of MCI Management S.A. is its recognition in Poland and abroad, which allows to win new projects.

Risk related to the structure of funds' investment portfolio

An important aspect of creating the portfolio is its appropriate diversification, which aims at mitigating the investment risk. The Company tries to mitigate this risk through limiting the level of capital invested in one project.

Foreign exchange risk

Funds make investments also in currencies other than zloty. As at 30 June 2015 investments in currencies other than zloty constituted 35,6% of the portfolio of assets under management. Due to this fact, currency fluctuations will affect the reported investment value which will fall if zloty is appreciated against other currencies in which a particular investment is run in the investment period. Fluctuations of investment currencies (due to lower measurements or lower income from sales of investments) may lower the value of funds assets and hence lead to a decrease of investment certificates held by MCI. As far as possible, the managing company executes a policy of securing the foreign exchange risk through adjusting a proper currency of financing to the original currency of investment.

RISK FACTORS RELATED TO ENVIRONMENT IN WHICH MCI RUNS ITS OPERATIONS

Risk of changes to the legal, tax, regulations and economy system

In the MCI's environment changes to the legal, tax, regulations and economy system may take place. This may result in changes in the economical situation such as increase of interest rates, economic downturn, worsened situation in the industry sector in which the company operates or invests, and other regulatory changes affecting the taxation of revenues obtained by the Company. These elements may negatively affect the Company's profit/loss.

Risk of downturn in the sector of innovative technologies

The majority of the current investment portfolio of the managed funds, as well as their planned investments, is realised in the sector of innovative technologies. A downturn in this sector may materially affect the number and scope of investment projects realised by the funds, as well as their profitability, which in turn, may lead to material decrease of the Company's profit/ loss.

Political risk

Political and economic situation in some countries where MCI's funds invested, or intend to invest in future, may be instable, which may affect portfolio companies and their value and, in consequence, affect the value of investment certificates held by MCI.

8. Information on the purchase of own shares

In H1 2015 the Company did not purchase any own shares.

9. Information on branches of MCI Management SA

In H1 2015 as well as at the reporting date MCI Management SA did not have any company branches.

10. Information on concluded material agreements

In H1 2015 the Company did not conclude any agreements material for its operations.

11. Description of important transactions with related entities

More information is presented in the condensed interim Financial Statements for the period from 1 January to 30 June 2015 in note No. 24 "Transactions with related entities."

Bill of exchange agreements

More information is presented in the condensed interim Financial Statements for the period from 1 January to 30 June 2015 in notes No. 12 "Receivables on bills of exchange" and o. 18 "Current liabilities on bills of exchange".

12. Information on received loans, borrowing agreements, together with their maturity dates, on guarantees and securities constituting at least 10% of the issuer's equity

Information on loans and borrowings taken up by MCI Management S.A. is presented in note No. 19 to the interim consolidated Financial Statements for the period from 1 January to 30 June 2015 "Bank loans and borrowings".

Information on guarantees and securities granted by MCI Management S.A. is presented in No. 28 to the interim consolidated Financial Statements for the period from 1 January to 30 June 2015 "Guarantees and securities".

13. Information on granted loans together with their maturity dates, on granted guarantees and securities, particularly on borrowings, guarantees and securities granted to the issuer's related entities

Information on borrowings granted is presented in note No. 13 to the interim consolidated Financial Statements for the period from 1 January to 30 June 2015 "Borrowings granted".

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

On 28 September 2012 MCI Management S.A. guaranteed a loan granted by Alior Bank S.A. for the benefit of MCI.PrivateVentures closed-end investment fund, by signing "Declaration on submission to enforcement based on the bank writ of enforcement" as a guarantee of a loan of TPLN 60 000 granted for the benefit of a sub-fund MCI.EuroVentures 1.0. The bank may proceed to enforcement up to TPLN 120 000 based on the writ of enforcement within 24 months following the day of the loan agreement termination.

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

On 15 May 2014 MCI Management S.A. guaranteed a loan granted by Alior Bank S.A. for the benefit of MCI Credit Ventures 2.0 by signing "Declaration on submission to enforcement based on the bank writ of enforcement" as a guarantee of a loan of TPLN 15 300 granted for the benefit of MCI Credit Ventures 2.0. The bank may proceed to enforcement up to TPLN 30 600 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.

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

On 11 September 2014 MCI Management S.A. guaranteed a loan granted by Alior Bank S.A. for the benefit of MCI.PrivateVentures closed-end fund by signing "Declaration on submission to enforcement based on the bank writ of enforcement" as a guarantee of a loan of TPLN 65 000 granted for the benefit of sub-fund MCI.EuroVentures 1.0. The bank may proceed to enforcement up to TPLN 130 000 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.

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 Management S.A. guaranteed a loan granted by Raiffeisen Bank Polska S.A. for the benefit of MCI Venture Projects Sp. z o.o. SKA of TPLN 30 000 by signing "Liabilities repayment guarantee". Under the Guarantee the Company is obligated to pay the bank each amount up to TPLN 45 000. The guarantee validity date - 1 October 2018.

14. Information on issuer's organisational and capital relationships with other entities and defining its main domestic and foreign investments (securities, financial instruments, intangible assets and property), including capital investments made outside its related entities and a description of methods of their financing

Information on organisational and capital relationships and investments in MCI Management S.A. is described in the interim condensed Financial Statements for the reporting period from 1 January to 30 June 2015.

15. Litigations before court, arbitration authority or public administration authority

JTT compensation

On 2 October 2006 proxies of MCI Management S.A. filed a lawsuit in the District Court of Wrocław against the State Treasury for payment of compensation of MPLN 38,5 on damages incurred and profits lost by MCI Management S.A., as a shareholder of JTT Computer S.A., which arose due to illegal activities of tax authorities. By the final Court of Appeals order of 31 March 2011 MCI received compensation of MPLN 46,6 (with interests). The State Treasury appealed against the order of the Court of Appeals by filing a cassation to the Supreme Court. On 26 April 2012 the Supreme Court dismissed the judgement favourable to MCI and submitted the case to further examination by the Court of Appeals. On 17 January 2013 the Court of Appeals upheld the judgement under appeal and again awarded MCI damages on account of JTT.

On 17 January 2013 the State Treasury appealed to the Supreme Court against the second judgment of the Court of Appeals in Wrocław. By the judgment of 26 March 2014 the Supreme Court annulled the decision of the Court of Appeals in Wrocław of 17 January 2013 and submitted the case for further re-examination by the Court of Appeals in Wrocław.

The first appellate hearing was held in July 2014 when the Court of Appeals allowed the evidence from the complementary hearing of witnesses.

As at the date of this report the litigation continues, the case is considered by the Court of Appeals. The Court took evidence related to witness statements and postponed the hearing to allow evidence from the complementary hearing of a court expert.

Counterclaim – claims for compensation Anna Hejka/MCI

On 2 April 2011 Anna Hejka requested the Company to pay her an amount of MPLN 30 as compensation claim for services provided by Anna Hejka in relation to the Issuer's investment in the company ABC Data S.A. Anna Hejka supports her claims against the Company based on Issuer's failing to perform contractual obligations as well as on delict (prohibited) actions as a result of which, as she states, she has been deprived of success fees.

On 31 August 2011 the Company filed against Anna Hejka a suit by writ of payment of PLN 250,525.00 with statutory interest on sums and dates specified in the claim. The sum under the writ of payment includes:

- PLN 107,348.83 as advance on remuneration and expenses which has never been returned to or settled with the Company,
- PLN 143,127.60 as contractual penalty to be paid to the Company in line with the agreement concluded in 2006 for the company's shares which were granted to Anna Hejka as advance payment and never returned.

On 31 August 2011 the Company filed a lawsuit to obligate Anna Hejka to declare her will and it requested to secure non-monetary claim prior to the initiation of the proceedings. Anna Hejka's declaration of will shall include her obligation to sell 46.470 Issuer's shares of the Series "H" to Alternative Investment Partners Sp. z o.o. The subject of the claim security would be a court's order prohibiting Anna Hejka to dispose of or encumber 46.470 series "H" shares registered on her securities account.

On 10 February 2012 Anna Hejka filed a counterclaim to the District Court in Płock for MCI Management S.A. paying for her benefit a sum of PLN 15,803,295 as compensation for her bonuses, fulfilling a function of a Board Member, for incentive programmes and other contractual matters settled between parties. In the course of litigation the amount of the counterclaim against the Company was reduced to PLN 12.163.470.

On 9 July 2015 the District Court in Płock announced the judgement by which it:

- discontinued proceedings in relation to the amount of PLN 143.127,60 with statutory interest,
- ordered Anna Hejka to pay the Company PLN 107.348,83 with statutory interest,
- dismissed the remaining portion of the lawsuit,
- ordered the Company to pay Anna Hejka PLN 3.617 as lawsuit costs repayment,
- ordered Anna Hejka to pay the Company PLN 9.427,25 as lawsuit costs repayment,
- dismissed the counterclaim proceedings above the amount of PLN 12.163.470,
- dismissed the remaining portion of the counterclaim,
- ordered Anna Hejka to pay the Company PLN 21.617 as repayment of counterclaim proceeding costs.

As at the date of this report the verdict is not legally binding.

Corporate income tax – JTT compensation

On 20 June 2011 the Company MCI SA requested the Ministry of Finance for the Ministry's interpretation related to the corporate income tax on the compensation received from the State Treasury for the significant loss on JTT shares held by MCI Management S.A. According to the Company, the compensation received from the State Treasury does not constitute taxable income. Tax authorities in their individual interpretation issued on 14 September 2011 considered the Company's standpoint incorrect, as a result of which the Company filed to the Voivodship Administrative Court against the issued interpretation. The Voivodship Administrative Court in Warsaw decided on 12 November 2012 that the file shall not be examined and stated that exemptions from taxation on compensations awarded based on provisions of the civil law could be used by the end of 1998, but this provision has been deleted. In January 2013 the Company appealed against the order of the Voivodship Administrative Court in Warsaw to the Supreme Administrative Court.

After a hearing on 9 April 2015 the Supreme Administrative Court dismissed the cassation appeal. The verdict is legally binding. When MCI's proxy receives a written justification of the Supreme Administrative Court's verdict, he will recommend possible further steps in the light of a constitutional complaint.

Tax liabilities on VAT for December 2007

On 1 August 2013 Director of the Tax Control Office issued a decision indicating an understatement of tax due on account of determined irregularities of PLN 995,634 for December 2007. The decision was made based on control proceedings brought about by the Director of the Tax Control Office in Warsaw of 4 December 2012. The proceedings under consideration comprised reliability and fairness of declared tax bases and correctness of calculating and paying VAT for December 2007.

The Director of the Tax Control Office found irregularities in the calculation of VAT liabilities resulting mainly from failing to issue a VAT invoice for activities performed in 2006-2007 for the benefit of ABC DATA Holding S.A. as well as from the sale of shares held by ABC Data Holding S.A.

On 16 August 2013 the Company appealed against the decision of the Director of the Tax Control Office to the Director of the Tax Chamber in Warsaw, appealing fully against the decision of the Tax Control Office. According to the Company the decision of the Tax Control Office is a breach of material tax law and proceedings. The Director of the Tax Chamber upheld the decision of the Tax Control Office. Toward the end of 2013 the Company paid tax liabilities resulting from the decision of the Tax Control Office with interest and on 3 January 2014 it appealed against the decision of the Tax Control Office to the Voivodship Administrative Court.

On 2 September 2014 the Voivodship Administrative Court in Warsaw announced the judgment with which it overruled the Tax Chamber Director's decision. The judgement was not appealed against by the parties and it is final and binding. The lawsuit files were submitted to the Tax Chamber.

By decision No. 1401/PT-III/4213-18/15/AKŁ of the Tax Chamber of 26 February 2015, Tax Office returned VAT to the account of MCI Management S.A. in the amount of TPLN 996 together with MCI's interest for late payment of TPLN 731 plus interest of TPLN 197 due from the State Treasury for the period during which the amount mentioned above was held by Tax Office.

16. Issue of shares and Issuer's use of proceeds from the issue

In H1 2015 the Company did not issue shares.

17. Management of the financial resources

MCI Management S.A. issues bonds and holds pre-approved loans which give the Company financial security and allow to make new investments. Funds obtained in this way and income from disposing of new investments are used to make further investments. The Company's Directors plan to continue this policy. Free cash is invested in safe financial instruments or bank deposits.

18. Realisation of investment plans

Due to experience and considerable network of contacts and partners MCI has vast access to new investment projects. A very dynamic development of the Internet sector - constituting the main segment of the Group's interest - creates a number of investment opportunities. The Directors assess that with a day-to-day liquidity of MPLN 300 in the Group (cash and pre-approved loans) MCI is privileged as compared to its competitors and will be able to use the market investment potential.

19. Factors and unusual events affecting 2015 profit/ loss of MCI Management SA

No other factors or unusual events which could affect the Company's profit/loss occurred in the Company's operations in H1 2015.

20. Factors which in the Company's opinion will affect the Company's profit/ loss in the following period

The main factors which will affect the Company's 2015 profit/ loss are: stock exchange prices and financial and operating profit/ loss of portfolio companies - this will materially affect the value of the Company's investment assets, MCI's profit/ loss and opportunities of the assets disposal.

The situation on capital markets translates into the situation on debt markets and into opportunities of winning new investments.

21. Changes to main principles of management in MCI Management S.A.

No changes to the main principles of management in MCI Management S.A. took place in H1 2015.

22. Changes among personnel managing and supervising MCI Management S.A.

Composition of the Board of Directors of MCI Management S.A. as at 31 December 2014:

- Cezary Smorszczewski – Chairman of the Board
- Tomasz Czechowicz – Vice Chairman of the Board
- Ewa Ogryczak – Member of the Board

Composition of the Supervisory Board as at 31 December 2014:

- Hubert Janiszewski – Chairman of the Supervisory Board,
- Piotr Czapski – Member of the Supervisory Board,
- Stanisław Kluzza – Member of the Supervisory Board,
- prof. zw. dr hab. Krzysztof Oblój – Member of the Supervisory Board,
- Dorota Lange-Socha – Member of the Supervisory Board.

As at the date of these Financial Statements the composition of the Board of Directors was as follows:

- Tomasz Czechowicz – Chairman of the Board
- Ewa Ogryczak – Vice Chairman of the Board
- Wojciech Marcińczyk – Vice Chairman of the Board (from 16 June 2015)
- Tomasz Masiarz – Member of the Board (from 16 June 2015)

Changes to the Board of Directors from the beginning of the period until the date of this report:

- Cezary Smorszczewski – resignation on 16 June 2015

Composition of the Supervisory Board as at 30 June 2015:

- Hubert Janiszewski – Chairman of the Supervisory Board,
- Piotr Czapski – Member of the Supervisory Board,
- Stanisław Kluzza – Member of the Supervisory Board,
- Grzegorz Warzocha – Member of the Supervisory Board (from 3 June 2015),
- Jarosław Dubiński – Member of the Supervisory Board (from 3 June 2015)
- Dorota Lange-Socha – Member of the Supervisory Board.

Changes to the Supervisory Board from the beginning of the period until the day of this report:

- full professor Phd. Krzysztof Oblój – resignation on 16 June 2015.

23. Shares held by persons managing and supervising MCI Management S.A.

According to the knowledge of MCI Management S.A., as at the date of this report the number of shares held by persons managing the Company is as follows:

As at 31.03.2015

Board of Directors:

	<i>Number of shares held</i>	<i>Number of shares given under the option programme</i>
Tomasz Czechowicz	*1 425 092	882 789
Cezary Smorszczewski	-	-
Ewa Ogryczak	-	-

* Nominal value per share is PLN 1.

Supervisory Board:

	<i>Number of shares held</i>	<i>Number of shares given under the option programme</i>
Hubert Janiszewski	*21 467	-

* Nominal value per share is PLN 1.

As at 30.06.2015

Board of Directors:

	<i>Number of shares held</i>	<i>Number of shares given under the option programme</i>
Tomasz Czechowicz	*1 429 486	*887 183
Ewa Ogryczak	17 575	17 575
Wojciech Marcińczyk	46 635	46 635
Tomasz Masiarz	0	0

* Nominal value per share is PLN 1.

Supervisory Board:

	<i>Number of shares held</i>	<i>Number of shares given under the option programme</i>
Hubert Janiszewski	*21 467	-

* Nominal value per share is PLN 1.

24. Majority shareholders

	Share in share capital		Share in No. of votes on Shareholders' Meeting	
	No. of shares in thousands	Share in share capital	No. of votes on Shareholders' Meeting	Share in No. of votes on Shareholders' Meeting
* Tomasz Czechowicz	32 619	52,00%	32 619	52,00%
Quercus Towarzystwo Funduszy Inwestycyjnych S.A.	3 415	5,44%	3 415	5,44%
BZ WBK Towarzystwo Funduszy Inwestycyjnych S.A.	3 200	5,10%	3 200	5,10%
Other	23 498	37,46%	22 498	37,46%
	62 732	100,00%	62 732	100,00%

* Total Tomasz Czechowicz, indirectly through Alternative Investment Partners Sp. z o. o., holding 49,72% shares and votes on Shareholders Meeting and directly 2,28% shares and votes on Shareholders Meeting.

25. MCI Management S.A. Directors' statement on observing corporate governance

In line with § 91 section 5 item 4) of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and terms and conditions of approving of information required by law of a non-member state as equivalent (Journal of Laws of 2014, item 133) and in line with § 29 section 5 of the Stock Exchange Rules and with the Resolution No. 1013/2007 of the Board of GPW S.A. (Warsaw Stock Exchange) dated 11 December 2007, Board of Directors of MCI Management S.A. provides a Statement on observing corporate governance in 2014.

Principles of corporate governance, which MCI Management S.A. is subject to, are presented in the document "Good practices of companies listed on the Warsaw Stock Exchange" appended to the Resolution No. 19/1307/2012 of the Stock Exchange Council of 21 October 2012 on adopting amendments to Good practices of companies listed on the Warsaw Stock Exchange. The wording of these principles is publically available on the Stock Exchange website http://www.gpw.pl/WSE_corporate_governance

A report related to observing corporate governance in MCI Management S.A. in 2015 including a description of rules of appointing and dismissing managing persons and their powers, particularly their right to issue or redeem shares; description of principles of amending the Company's statute or articles of association, the manner of operation of the General Meeting of Shareholders and fundamental powers thereof, particularly principles arising on bylaws of the General Meeting of Shareholders will be presented on the Company's official Internet website.

Directors' Statement in line with § 92 section 1 items 5 and 6 of the Regulation of the Minister of Finance of 19 February 2009

In relation to § 92 section 1 items 5 and 6 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities we declare that:

- a) to the best of our knowledge the condensed interim Financial Statements for the reporting period from 1 January to 30 June 2015 and comparative figures have been prepared in line with applicable accounting principles and they reflect in a fair, true and clear manner the assets and financial standing of MCI Management S.A. and its profit/ loss, and MCI Management S.A. Directors' report presents the true picture of the Company's development and achievements, including a description of basic risks and threats;
- b) the entity authorised to audit Financial Statements which audited the annual Financial Statements have been appointed in compliance with applicable law; the auditing company and its licensed auditors who audited these Financial Statements met conditions of issuing an impartial and independent opinion on the audit in line with applicable regulations and professional standards.