

Results of the MCI CG after H1 2012



29 August 2012

Summary of H1 2012

Financial results

- Positive financial results of MCI CG (11% IRR in 1H 2012)
- Record-breaking liquidity (PLN 250 mio)
- Record-breaking exit level (**exit/NAV = 30%, benchmark 10%**)
- Under-leveraged balance sheet only 15% debt/equity (**25%-33% benchmark**)

Investments

- Over PLN 160 million in exits from Netretail and NetPress
- New investments planned for this year ca. PLN 100 million
- Advanced works on new investments in the Internet growth and venture capital segment in Poland
- Construction of pipeline Internet growth capital in CIS and DACH*
- Possible first investments of the Group in CIS and DACH

* CIS – former USSR; DACH – Germany, Austria, Switzerland

Portfolio Companies

- Dynamic growth of portfolio companies 2012 vs. 2011:
 - Invia (revenue (est.) +20% y/y; EBITDA (est.) +47% y/y)
 - Geewa (revenue +100% y/y)
 - ABC Data (revenue +23% y/y, net EBITDA +25%)
 - Morele.net (revenue +98% y/y)

Results of MCI CG after H1 2012

in PLN mio	H1 2012
net unit result of MCI	31.0
consolidated net result of MCI	30.1
total consolidated assets	751.5
total consolidated net assets	555.8
IRR for 1H (annual)	11%

Main factors influencing the result of MCI in H1 2012:

1. increase in the value of certificates of the TechVentures fund resulting from:
 - a) revaluation of the investment in Mall.cz to the contract of sale price
 - b) increase in the value of investment in Invia, Geewa, Morele (because of very good operational results)

	H1 2012	H1 2011	Change y/y
MCI stock price	PLN 4.79	PLN 7.19	-33%
capitalisation	PLN 298.6 mio	PLN 448.3 mio	-33%
AUM	PLN 822.2 mio	PLN 823.0 mio	0%
P/BV	0.54	0.8	
debt/equity	15%	15%	

* debt – bank loans/mortgages, bonds

MCI liquidity for new investments

THE MCI GROUP POSSESSES THE CURRENT CASH LIQUIDITY AND AVAILABLE PROMISSORY NOTES IN THE TOTAL AMOUNT OF CA. 257 M PLN + CA. 50 M PLN of NCF's commitment in MCI funds

FUNDRAISING CHANNELS OF MCI:

- WSE - bonds and stocks
- Private Banking – certificate issues
- Bank refinancing
- National (PARP, NCF)
- Disinvestments

Very dynamic development of the Internet branch gives **broad investment possibilities** and we want to react flexibly to the occurring opportunities - thus, the Management Board's priority is to build a liquidity buffer to use this investment potential in the years 2012 – 2013.

MCI BONDS - HISTORY and NEW ISSUE 2012:

2004 - 2009 five-year convertible bonds 10 million	2007 - 2009 two-years regular bonds 50 million	2009 – 2012 three-year convertible bonds 50 M/22 M left to redeem	2010 – 2013 three-years long straight bonds 27.5 million	2011 – 2014 three-year regular bonds 35.3 million
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NEW ISSUE - PLANS FOR 2012

1. tranches from 2012 to 2014
2. maximum 50 million total
3. conversion at the price of PLN 9 (NAV/share), indexed 10% y/y
4. objective: financing the plan of new investments of the group for the amount of 300 M PLN in years 2012/2013

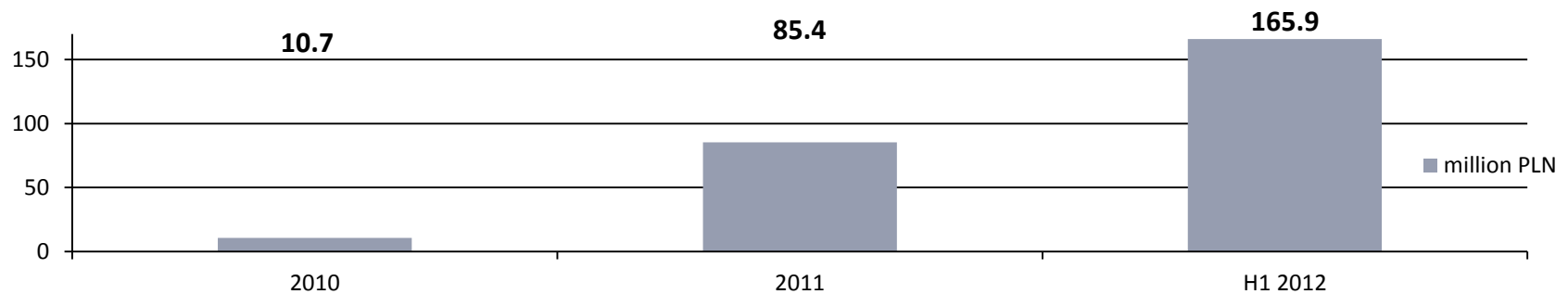
Liquidity in the MCI group (summary as of 30.06.2012)

entity from the MCI Group	type of liquidity	amount according to the financial statements (as of 30/06 in PLN thousand)	share of MCI in the fund by amount	share of MCI in the fund % (not stated = 100%)
MCI SSF	cash less operating loans (600 k)	10 821	720	
	escrow (outside MCI)	- 10 101		
MCI.TechVentures	cash and deposits	146 537	103 295	88.5%
	loans	- 44 611		
	Mall.cz revenue - 2nd part / booked 3.07	14 791		
MCI EuroVentures	cash and deposits	639	639	
Helix Ventures	cash and deposits	1 394	697	50%
Internet Ventures	cash and deposits	2 364	591	25%
MCI.BioVentures	cash and deposits	300	270	90%
MCI Partners	cash and deposits	71	71	
MCI.CreditVentures	cash and deposits	414	414	
other Group companies	cash	1 717	1717	
cash equivalents		35 838	35 838	
cash, deposits and cash equivalents in the MCI Capital Group		160 174	144 253	
Promissory notes and unused credit lines in the MCI Capital Group*		97 600		
TOTAL liquidity in the MCI Capital Group		257 774		

Record-breaking investment exits in H1 2012



TOTAL AMOUNT OF INVESTMENT EXITS IN H1 2012 VS. 2011 and 2010:



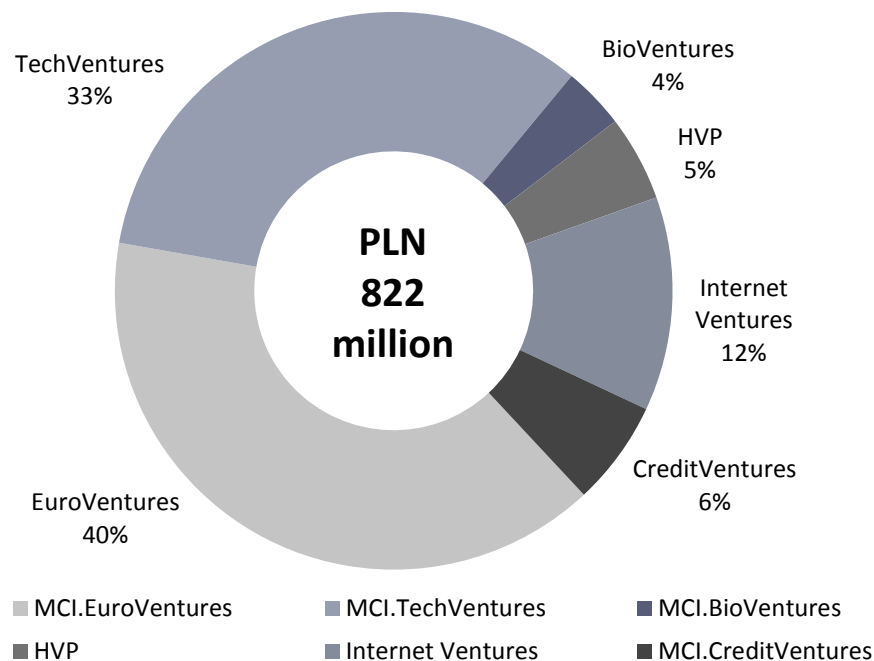
POSSIBLE EXITS IN 2012/2013:

- at least 5 companies with high exit potential (PLN 100M)
- key growth opportunity: PE MANAGERS, ABC DATA, INVIA, GEEWA, MORELE
- we are working on expanding this list up to 7-8 candidates through portfolio management and new investments
- a healthy portfolio, high liquidity and strong conjuncture in the segment of new technologies allows us to execute investment exits selectively

Results of selected portfolio companies

MCI Management fund portfolio

PE MANAGERS AUM STRUCTURE



MCI NET IRR AND RESULTS OF THE THREE LARGEST FUNDS MANAGED BY MCI

since the beginning of operation to 30/06/12

MCI Management - since the beginning 19.15%

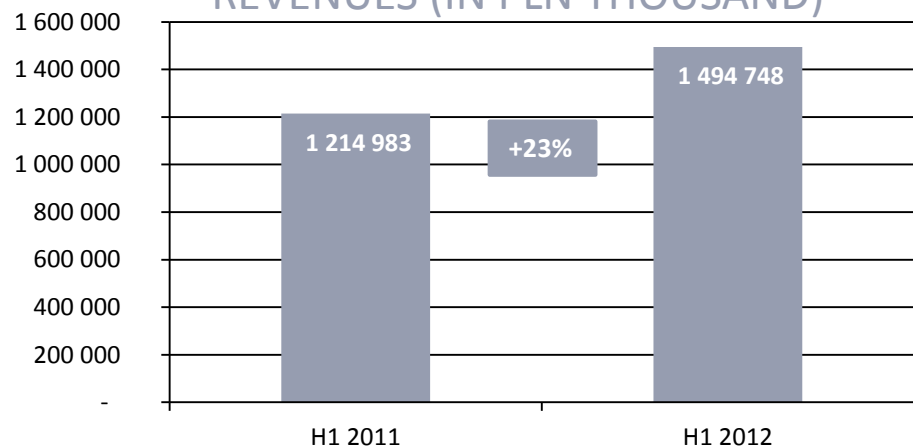
MCI.EuroVentures	12.24%
MCI.TechVentures	38.05%
MCI.BioVentures	10.89%
MCI.CreditVentures	10.28%

TOP 8

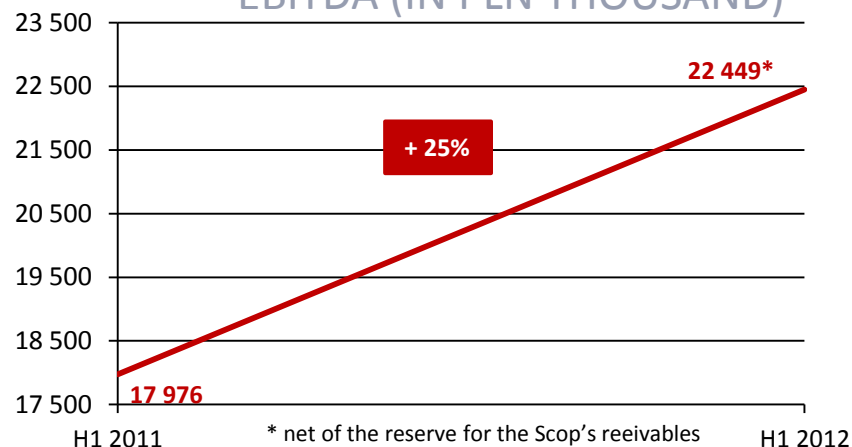
company	valuation as of 30/06/12 (million PLN / MCI's share)	asset share
ABC Data	178	24%
Invia	88	12%
PE Managers	88	12%
CreditVentures	49	7%
Geewa	21	3%
Morele.net	14	2%
Naviexpert	9	1%
Genomed	6	1%
total	453	60%
Cash in the Group	144	21%
other items	154	19%
TOTAL ASSETS	751	100%

ABC Data (IT distribution)

REVENUES (IN PLN THOUSAND)



EBITDA (IN PLN THOUSAND)



RESULTS OF ABC DATA SA IN H1 2012

- Consolidated sales in H1 2012 increased 23% (y/y). Gross revenue in H1 2012, increased 13.1% to 66 million PLN (y/y).
- Adjusted EBITDA in H1 2012 was PLN 22.4 million that means a 24.9% increase compared y/y.

ABC Data will pay the shareholders PLN 20 million in dividend for the year 2011. The dividend is payable to 28/09/12.

The company's expansion in the Baltic countries has been dynamic since the beginning of operation in Latvia and Estonia in December 2011 - the quarter-to-quarter sales increased more than twofold.

ABC Data is also preparing to launch operations in Hungary - planned for Q4 this year.

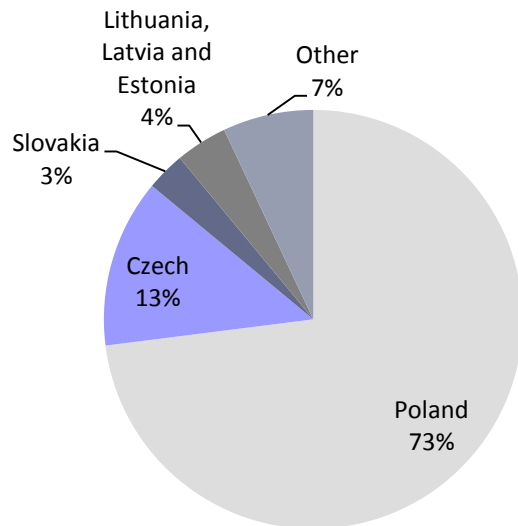
Colorovo is the bestselling brand among the consumables distributed by ABC Data. Still in 2012, the Company will introduce subsequent product groups under its own brand.

ABC DATA ON WSE (2012)



ABC Data – foreign expansion

- Still this year, ABC Data will launch its operations on the Hungarian market, strategic from the point of view of the Group's development.
- After only two quarters of operation, ABC Data has reached the position of the third player on the Baltic countries market.
- The development of the IT branch in all CEE countries will be almost twice as fast as the rate of growth of their GDP - according to the analysts' forecasts.
- Before the end of 2013, ABC Data as the only IT distributor will conduct direct business activity in the Central-Eastern European part of the European Union - resided by 100 million people.



TERRITORIAL SALES STRUCTURE



INVIA EFFECTIVELY USES THE INCREASE IN THE E- AND M-COMMERCE MARKETS, WHICH RESULTS IN THE DYNAMIC DEVELOPMENT OF THE COMPANY AND ALLOWS MAINTAINING HIGH MARGINS.

thousand PLN	2010	2011	increase 2010/2011	H1 2012	2012 (forecast, whole year)	increase 2011/2012 whole year
INVIA						
incomes	29.381	36.812	25%	17.325	44.043	20%
EBITDA	6.329	7.429	17%	2.552	10.948	47%
margin	22%	20%		15%	25%	
TravelPlanet						
incomes	16.850	18.038	7%			
EBITDA	-1.256	245	n/a			

The companies continue to improve their product offer and increase competitiveness of the sales channels. **Both companies cooperate only with the highest quality tour operators and carry an extended insurance offer.** Thanks to that, they build the trust of the clients and increase the share in the market in the current market situation.



	H1 2011	H1 2012	change
income (thousand USD)	700	1.400	+100%

FOUR-FOLD INCREASE IN THE NUMBER OF USERS (Y/Y)

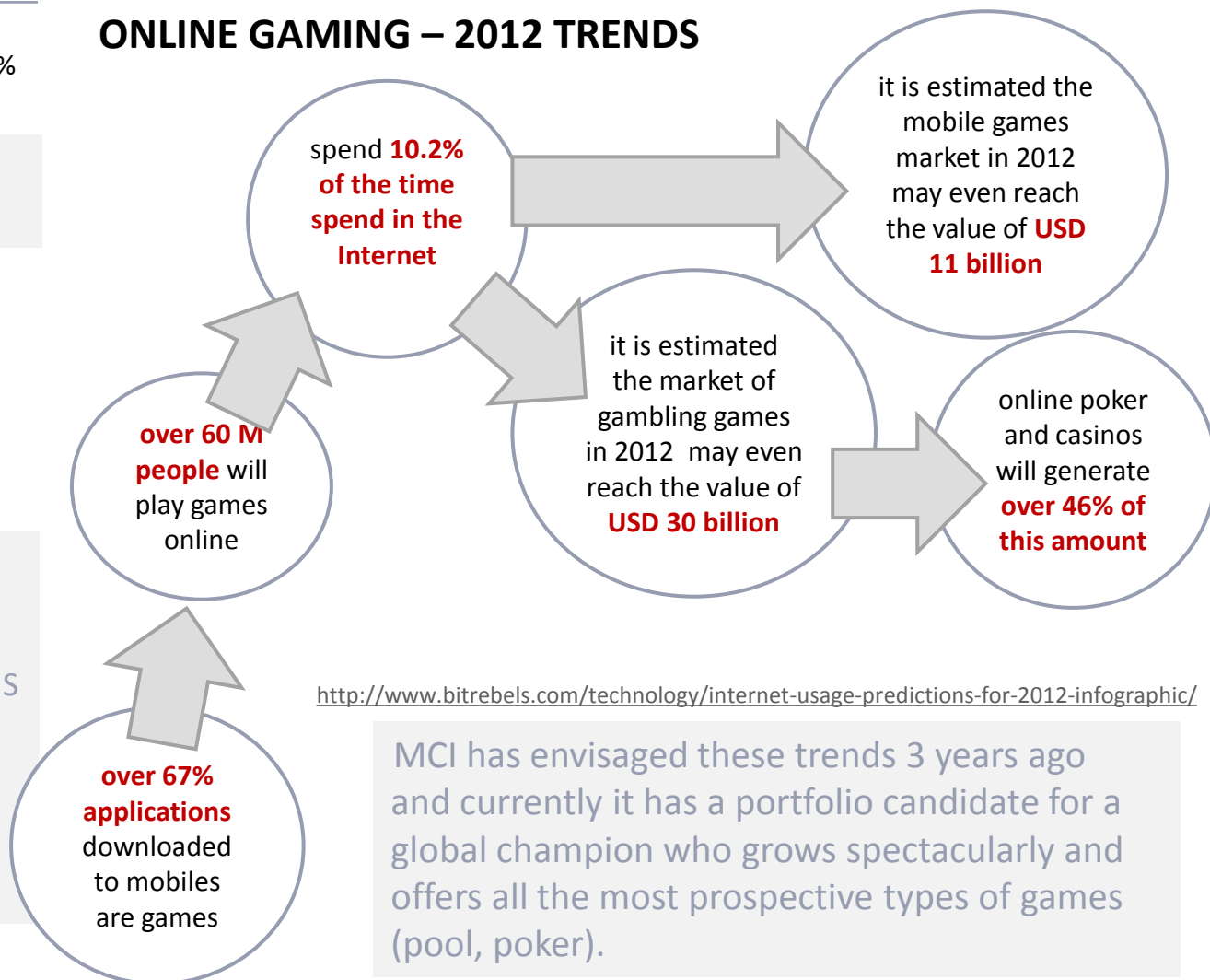


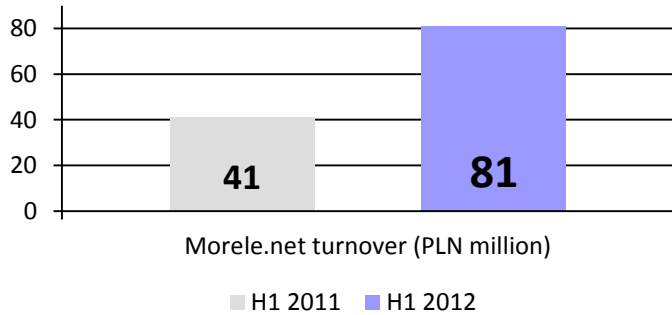
REVENUE FROM POOL LIVE TOUR HAS INCREASED BY TEN-FOLD (H1'11/H1'12).

GEEWA INTENDS TO MAINTAIN THIS RATE, AMONG OTHERS, WORKING ON THE INCREASE OF SALE OF VIRTUAL GAME ADD-ONS AND EXPANDING TO iOS AND ANDROID.

HARD TO IMAGINE A VC FUND INVESTING IN THE INTERNET, WHICH DOES DID NOT INVEST IN SUCH A PROSPECTIVE SEGMENT AS ONLINE GAMES

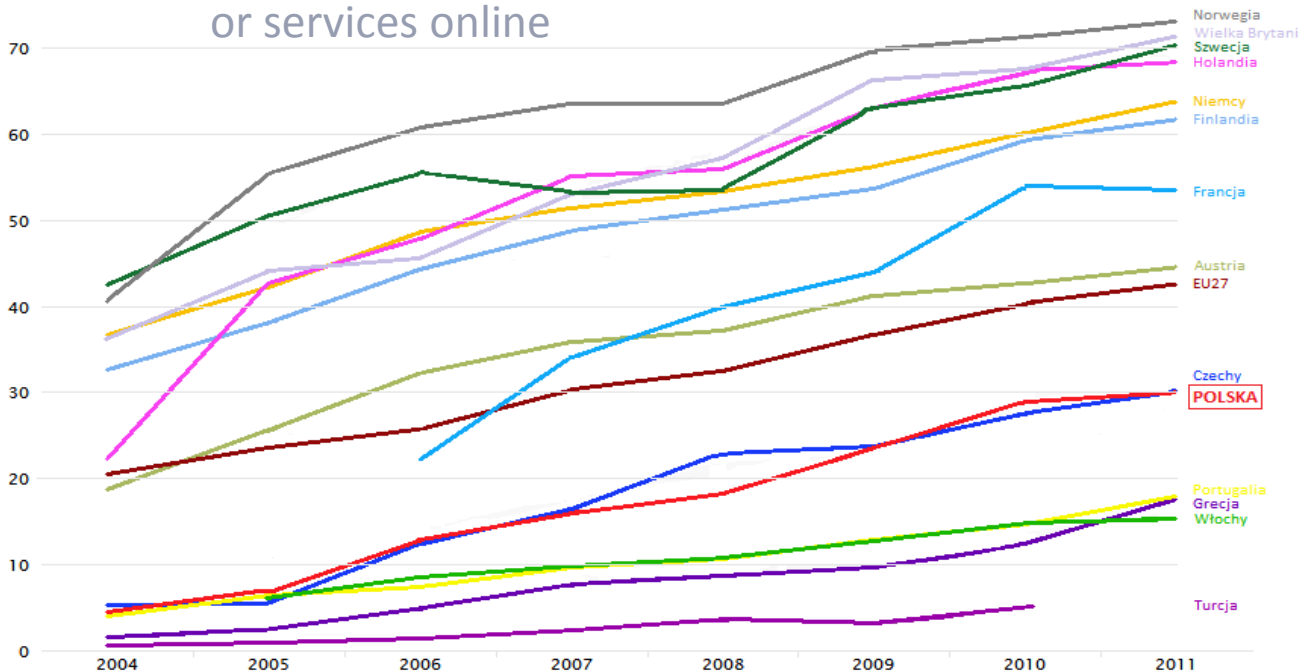
ONLINE GAMING – 2012 TRENDS





Before the end of 2012, the Management Board of the Company forecasts total turnover ca. 180 million PLN

% of population ordering products or services online



E-COMMERCE IN POLAND

- 50% of e-businesses recorded an increase in turnover, 16% - a decline. On the traditional market: increase - 15%, decline - 52% of the respondents - *Commerce Index*.
- Poland was first in Europe in terms of growth dynamics of the e-commerce market (33.5% in 2011 and 24% forecast for 2012; forecast for Europe: 16%) - *Forrester Research*.
- The Poles will spend 5.6 billion EUR online shopping in 2012 - *Kelkoo*.
- In 2011, mobile sales increased by 722% (highest in Europe) - *Zanox Mobile Performance Barometr*.

The e-commerce market is entering a phase where low price and broad availability of products are slowly stopping to be the factor distinguishing among the competition. In our opinion, the key element will be providing the clients with a comprehensive offer, covering products from many sectors. The time of division into large, universal shops and niche sellers, specializing in a narrow range of products is approaching. Therefore, we search for solutions allowing to integrate many sectors in one IT platform. We believe that in the near future, thanks to such solutions, we will be able to use the option of expansion to foreign markets effectively. - **Radosław Stasiak, Vice-president of the Management Board of Morele.net**

MCI's strategy vs. development of the online industry

MCI investment strategy for 2012/2013

- The effect of the macroeconomic uncertainty is the concentration on the investments in *growth technology* and *consumer Internet*.
- MCI intends to allocate 300 million PLN in investments and in case of launching another fund (MCI Partners Fund 3.0) which is being worked on, over 500 million PLN in the years 2012-2013.
- In year 2012, new investments should come near 100 million PLN (3-5 new projects plus *follow-ons* in the portfolio).
- We will concentrate on:
 - *growth capital* in the field of investment in technologies and Internet in the territory of **CEE**, **DACH**, **CIS** and **Turkey**
 - European candidates for global champions (investments with Intel Capital or other A-class global VC funds)
 - *early stage* investments in the Internet and *med-tech* in Poland (with NCF and PARP).
- Investment areas on the Internet: *cloud computing*, *fintech*, *e-commerce*, *social media*, mobile Internet, *online entertainment / smart TV*.
- **We will not conduct any LBO-type investments (outside the Internet/TMT industry) and in real estate (except for mezzanine and special situations).**



main investment area
other investments
intermediate investments

} current
investments

countries in MCI's scope of interest

former investments



Investment strategy - why growth capital

	private equity market	public market	capital supply	remarks
buy-out and expansion (> PLN 100 M)			high	<ul style="list-style-type: none"> • small supply of project, aggressive auction market in the private sector, high prices • IPO / SPO market open despite the crisis
increase (PLN 5-100 M)		?	SMALL	<ul style="list-style-type: none"> • large supply of good products • IPO / SPO market very limited after the crisis • significant number of companies have problems with obtaining capital
early stage (< PLN 5 M)			high	<ul style="list-style-type: none"> • low supply of high quality projects • high capital supply - capitalisation of funds with the participation of NCF is ca. 1 billion PLN • New Connect market open despite the crisis

BECAUSE OF THE CRISIS, A CAPITAL GAP HAS APPEARED IN THE SEGMENT OF GROWTH COMPANIES. THE CAPITAL SUPPLY IS TOO LOW AS A RESULT OF THE SIGNIFICANT LIMITATION OF ACTIVITY ON THE PUBLIC MARKET

MCI, POSSESSING SIGNIFICANT LIQUIDITY, IS A VERY IMPORTANT PLAYER HERE

Investment strategy - why Emerging Europe (1/2)



Assumed % share in the investment portfolio

POLAND	CEE	DACH	CIS	TURKEY
25% - 50%	20% - 40%	5% - 15%	5% - 25%	5%

Region	Strategy areas	Sources of value growth
POLAND	investments in the sectors of Internet / TMT including companies at various development stages	<ul style="list-style-type: none"> companies at an early stage of development with potential to become leaders (national/global level) growth phase (leaders in the CEE area and global leaders) expansion phase (national leaders / leaders in the CEE area / European and global leaders)
CEE	direct co-financing (B and C rounds) of the companies to become leaders on the CEE market / Emerging Europe or co-investments with other VCs in companies with global leader potential	<ul style="list-style-type: none"> unique experience - MCI Management has been present in the region since 2004, and so far the total IRR has reached 40% with limited competition of other PE/VC using the special investment potential in the Czech Republic, Hungary and Baltic Countries high supply of companies aspiring to become global leaders (LogMeIn, Avg, Avast, GetJear) and on the regional scale (Invia, Netretail Holding, Allegro)

Investment strategy - why Emerging Europe (2/2)



Assumed % share in the investment portfolio

POLAND	CEE	DACH	CIS	TURKEY
25% - 50%	20% - 40%	5% - 15%	5% - 25%	5%

Region

Strategy areas

Sources of value growth

DACH

focus on e-commerce / marketplaces / e-commerce enablers (B and C rounds) in syndication with renowned investors

- ties of MCI Management with the most important VCs and enterprise incubators in the region
- using experience in e-commerce and online media
- region shifting from copycat model to "emerging world champions candidates" model , e.g. CitiDeal/Groupon, DeliveryHero, Zalando.de, Bigpoint

CIS

investments (C and D rounds) with strong international partners, present on the market

- already developed relationship of MCI Management with key investors / projects; using MCI's experience for national expansions of regional leaders into the CEE area
- largest Internet market in Europe (Mail.ru, Yandex.ru, Ozon, KupiVip, Kaspersky) with the highest IPO values in the segment
- highest returns for VC/PE (4-10x higher exit price than in Poland) due to the size of the entities and the growth potential of the region

TURKEY

syndicated investments with renowned investors

- large market, rapidly adapting new technologies, one of the leading markets and economies in Europe and globally, export of experience

Main trends of the technology market

MAIN GROWTH FEATURES OF THE TECHNOLOGICAL MARKET:

- value generated to a larger extent by **innovation of the business models and not technology innovation**
- an essential element of the competition advantage is **fast and effective monetization**

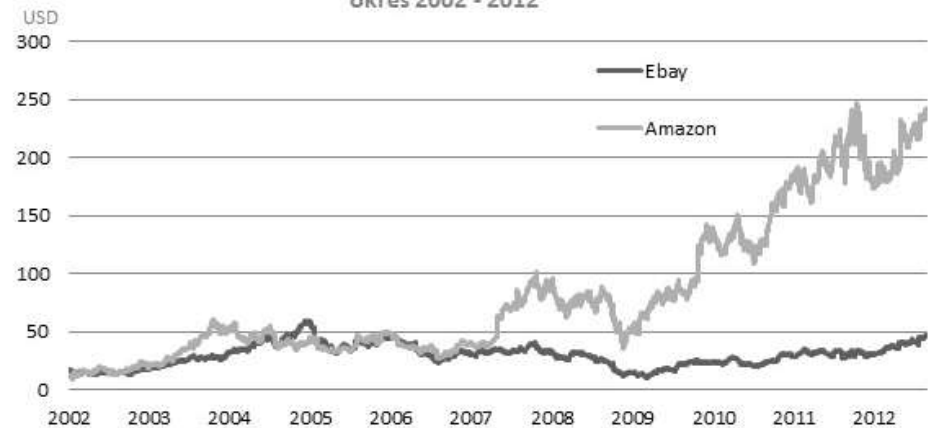
.... and within this scope, mainly:

- fast development of **mobile Internet** based on smartphones and tablets, reflected in the development of:
 - mobile applications
 - services based on geolocation
 - mobile payments
 - services connected with delivery of content - mainly mobile media
- **e-commerce** expansion
- **fin-tech** sector development, including specialized banking services offered by the newly created technological companies

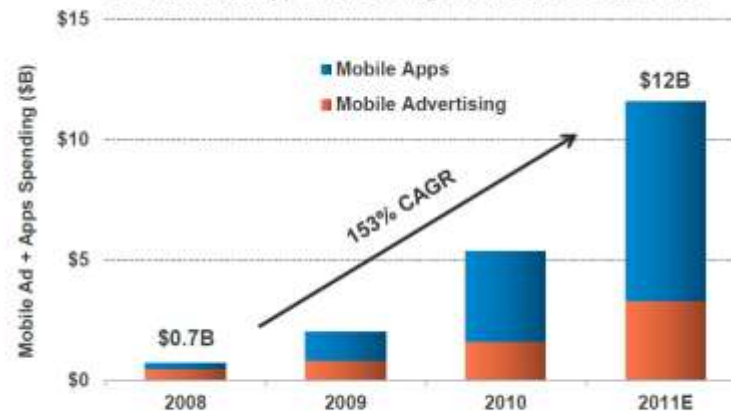
THE BUSINESS MODEL DETERMINES SUCCESS TO A GREATER EXTENT THAN TECHNOLOGY (AMAZON VS. EBAY)

Notowania Amazon vs. eBay

okres 2002 - 2012



Global Mobile App + Advertising Revenue, 2008 vs. 2011E



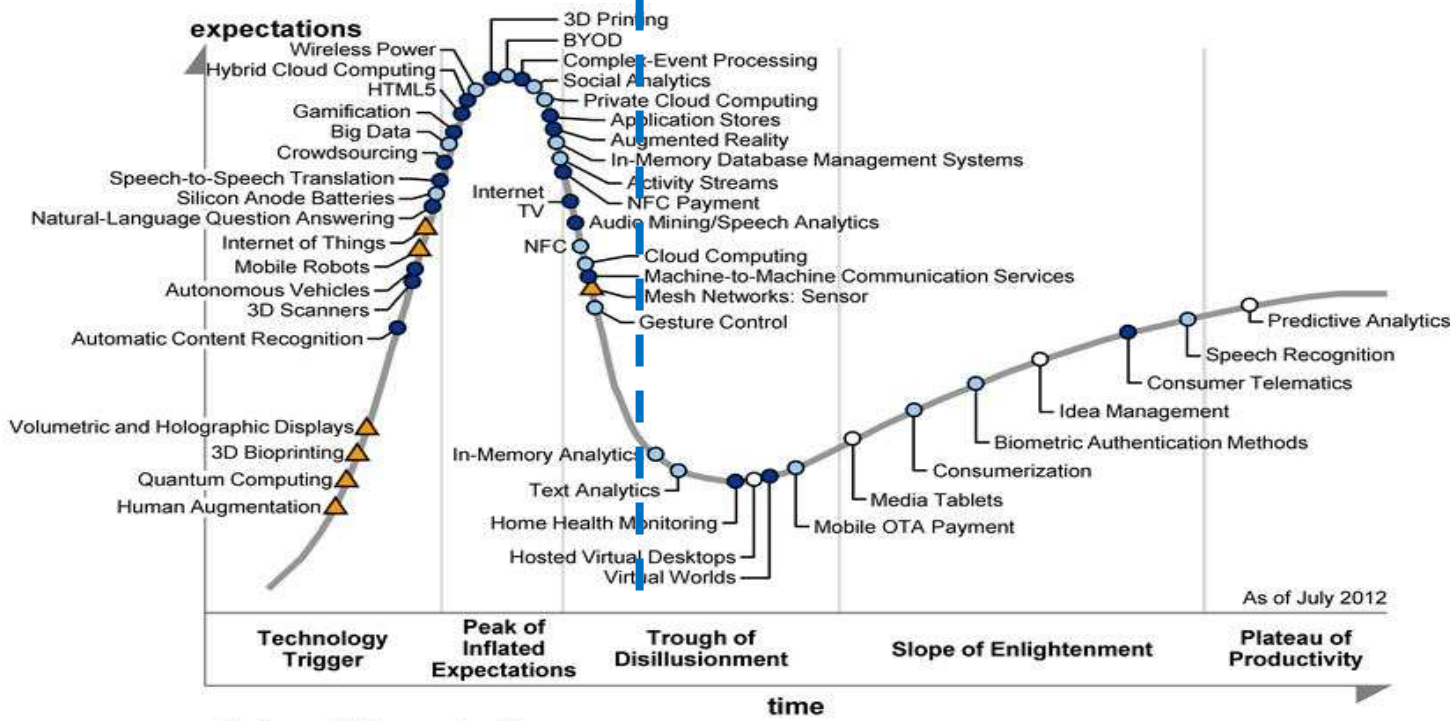
INTERNET = MOBILE
INTERNET

Forecasts on development of the tech industry

EDUCATION

OBSERVATION

INVESTMENTS



- Emerging Europe:
- e-commerce
 - e-commerce enablers
 - digital entertainment
 - cloud computing
 - mobile apps
 - smart TV
 - medtech
 - fintech

Plateau will be reached in:
 ○ less than 2 years ● 2 to 5 years ● 5 to 10 years ▲ more than 10 years ⊗ obsolete before plateau

Source: Gartner

Reservations

- The above presentation does not constitute an offer as provided by the law.
- The above presentation has been prepared on the basis of the best knowledge of the Company MCI Management SA and contained up-to-date information upon its publication.

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