



Results of MCI Capital in FY 2016

Warsaw, 29 March 2017

PLN
2,231m

Fund assets

PLN
2,023m

Net Asset Value of the
funds

PLN
1,341m

Asset value on MCI's
balance sheet

PLN
1,043m

Net Asset Value MCI

PLN
(82)m

Net loss

PLN
17.75

Net assets per share

PLN 8.97

Market price per share

0.51

P/BV

2016 KPI - NAV per share fell by 5% y/y

KPI	31.12.2016	31.12.2015	change:
MCI share price*	8,97	11,51	-22%
number of shares	58 752 198	61 779 619	-5%
NAV in PLNm	1 042,7	1 154,6	-10%
NAV/share	17,75	18,69	-5%
P/BV	0,51	0,62	-18%
obligations (bonds+loans+bills) in PLNm	282,2	230,7	22%
cash and cash equivalents in PLNm	81,3	60,3	35%
net obligations in PLNm	201,0	170,4	18%
Net debt/NAV**	19%	15%	31%
FOPEX/NAV	2,0%	1,5%	37%

- * MCI share price as at 24 March 2016 was PLN **9.28** per share
- ** External debt (bonds, loans, bills) adjusted by cash and cash equivalents

Comment:

- The number of the Company's shares decreased as its 3,027,421 treasury shares were cancelled.
- The share price fell by 22% y/y.
- NAV/share fell by 5% y/y, with the loss-driven decrease being compensated for by an increase in NAV/s resulting from cancellation of treasury shares (+2.1%).
- The discount to market price increased from 38% to 49%.
- Net debt/NAV increased by 31% vs. previous year, mainly due to the issue of bonds at the year-end (M and N series) combined with a decrease in NAV vs. last year.
- FOPEX/NAV keeps very low – the increase vs. last year mainly results from higher interest costs (higher average debt in relation to the previous year).

Balance of cash in MCI and in MCI affiliates (PLNm)

Company name	2016 YE	2015 YE	share of MCI 2016	share of MCI 2015	2016 YE (share in terms of value)	2015 YE (share in terms of value)
MCI Capital S.A.	81	60	100%	100%	81	60
Sub-fund MCI.EuroVentures 1.0	95	98	91%	93%	87	91
Sub-fund MCI.TechVentures 1.0	2	29	55%	64%	1	19
MCI.CreditVentures 2.0 FIZ	7	18	46%	100%	3	18
Helix Ventures Partners FIZ	0	12	50%	50%	0	6
Internet Ventures FIZ	0	16	48%	58%	0	9
Other companies	0	1	100%	100%	0	1
TOTAL:	186	234			173	205

As at 31.12.2016, the balance of cash in MCI and funds affiliated with MCI was **PLN 186m**. Taking into account MCI's share in individual funds, the balance attributable to MCI was **PLN 173m**, down PLN 32m (16%) y/y.

Financing: bonds

Bonds issued since 2004: PLN 531m

Bonds redeemed/converted: PLN 265m

Listing: WSE/ Catalyst/
Bond Spot

Bonds outstanding: PLN 267m

KPI:

Assets: PLN 1,341m

Net assets: PLN 1,043m

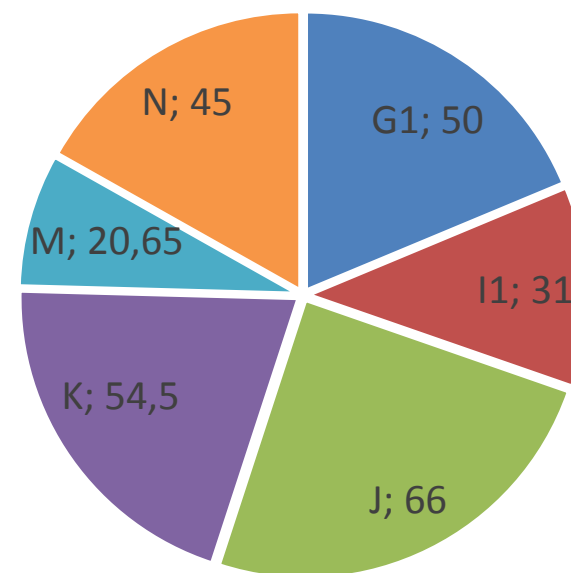
Net debt: PLN 198m

Net debt/assets: 15%

Net debt/net assets: 19%

Future bond issues planned at
PLN 50 – 100m p.a.

Series	Issue date	Maturity date	Value (m)
G1	2014-03-21	2018-03-21	PLN 50.00
I1	2014-10-17	2017-10-17	PLN 31.00
J	2015-12-11	2018-12-11	PLN 66.00
K	2016-06-24	2019-06-24	PLN 54.50
M	2016-12-23	2019-12-20	PLN 20.65
N	2016-12-29	2021-12-29	PLN 45.00



List of bonds by series, figures in PLNm

Funds' results from MCI's perspective

Funds' rates of return

	3-year %*	y/y %
MCI EUROVENTURES	8.7%	-5.1%
MCI TECHVENTURES	10.4%	-1.3 %
MCI CreditVentures	2.5 %	3.0%

*yearly average rate of return over a 3-year period for A series

Components of the MCI result(-PLN 82m)

Income tax	3,07
Operating costs	-5,351
Financial costs	-15,416
Financial revenue	10,249
Valuation of derivatives	0,326
Update of PEM value	-20,337
Investment loss	54,937

Structure of MCI Capital assets

Balance sheet item	Value in PLN m	% share
Investments in subsidiaries	1 083,8	80,8%
Investment certificates	113,9	8,5%
Cash and cash equivalents	81,3	6,1%
Bill of exchange receivables	26,1	1,9%
Private Equity Managers	21,4	1,6%
Deferred tax assets	8,0	0,6%
Receivables	2,4	0,2%
Derivatives	2,1	0,2%
Loans granted	1,1	0,1%
Tangible assets	0,8	0,1%
Total assets	1 340,9	100%

Change in the value of Fund ICs (-PLN 64m)

MCI.TV	MCI.CV	HVP	IV	MCI.EV
-7	3	-7	-7	-46

We maintain a “young” portfolio structure

Age structure of the portfolio – by value (PLNm)

Age (years)	MCI.TV	MCI.EV	TOTAL	%
0-1	30,9	231,9	262,8	18%
1-2	392,4	107,8	500,1	35%
2-5	271,9	143,5	415,4	29%
5-10	112,8	146,8	259,6	18%
>10	0,0	0,0	0,0	0%

MCI.TechVentures

TOTAL	808,0	630,0
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1 438,0

MCI.EuroVentures

TOP 15	Company data	Purchase	Age
1	GT Gettaxi	Q2 2015	1-2
2	UAB Pigu	Q3 2015	1-2
3	KupiVip	Q4 2014	2-5
4	Morele.net	Q4 2011	5-10
5	Frisco S.A.	Q3 2012	2-5
6	Tatilbudur	Q4 2015	1-2
7	windeln.de AG	Q1 2013	2-5
8	Answear	Q3 2013	2-5
9	Marketinvoice	Q3 2016	0-1
10	iZettle AB	Q4 2015	1-2
11	NaviExpert	Q4 2007	5-10
12	Azimo Limited	Q2 2015	1-2
13	Ganymede	Q1 2015	1-2
14	AGAN	Q1 2015	1-2
15	Travelata	Q2 2014	2-5

TOP 6	Company data	Purchase	Age
1	ABC Data	Q2 2008	5-10
2	Indeks	Q2 2013	2-5
3	Mobiltek	Q1 2016	0-1
4	ATM	Q1 2016	0-1
5	Lifebrain	Q2 2015	1-2
6	ecard	Q3 2015	1-2

List of TOP15 and Top6 companies by the value of assets held by funds

New investments in 2016; funds whose ICs are held by MCI Capital spent approx. **PLN 350m** on new projects and further financing rounds



Data centre leader in Poland



One of the leaders of handling the internet and mobile payments on Polish market.



Online factoring platform

Internet Ventures



SaaS solution for PR departments



Streaming of multimedia content from the computer to the laptop



The company operates in the Balkans, focused on non-banking financial services and asset management

PLN 400m acquired thanks to exits from investments and dividends in 2016.

Exits



- Investment started in 2014m partial exist accompanying the IPO in 2015
- Total value of funds acquired – PLN 160m at an investment of PLN 60m
- IRR – 60%; Return on Investment – 2,5x



- Investment started in 2008; consolidation of Invia and TravelPlanet
- Total value of funds acquired – PLN 225m IRR – 46%; Return on primary investment – 11x; secondary – 3,5x

Dividend



- Payment of dividends by the companies listed on Warsaw and Istanbul stock exchanges.



- ABC Data – PLN 30m
- Index – PLN 10.5m

Reconciliation of the value of investment certificates held by MCI of assets of subsidiaries

Fund	% of Funds' ICs held by MCI	NAV of the funds as at 31.12.2016	NAV attributable to MCI as at 31.12.2016
MCI.TechVentures 1.0	55.44%	990 248	548 993
MCI.EuroVentures 1.0	91.37%	789 807	721 647
MCI.CreditVentures 2.0 FIZ	46.34%	185 894	86 156
Internet Ventures FIZ	48.02%	47 898	23 001
Helix Ventures Partners FIZ	50.00%	9 574	4 787
Total		2,023,421	1,384,584

Investment certificates held by companies from MCI Group	1,384,584
Obligations of the subsidiaries of MCI Capital S.A.	-90,813
Obligations on outstanding series of investment certificates in TV	-95,989
Investments in subsidiaries and ICs presented in the balance sheet of MCI	1,197,783

Comment:

- MCI holds investment certificates (ICs) of 5 FIZs. ICs of MCI.TV and MCI.EV are held by a direct subsidiary of MCI, while ICs of CV, IV and HVP are held directly by MCI.
- The key contributors to the MCI balance sheet are MCI.EV and MCI.TV as they hold ICs of 91.37% and 55.44%, respectively.
- The balance of ICs and investments in subsidiaries reflected in the balance sheet of MCI (PLN 1,193.8m) is lower than the direct sum of the value of ICs attributable to MCI (PLN 1,384.6m) due to the obligations of PLN 90.8m of MCI subsidiaries and due to the not paid-up series of ICs in TV with a value of PLN 95.9m.
- In 2017, the Company intends to streamline the Group structure by repaying the debt at the subsidiary level and eliminating the settlements connected with the not paid-up series of IC in TV.

Buyback of shares for the purpose of cancellation and the resulting impact on 2016 performance

- In 2016, the Company repurchased a total of **3,027,421 shares**
- The company spent nearly **PLN 30m** on the buyback, the average price being **PLN 9.9/share**.
- The shares were repurchased directly from the market and in the form of “micro tender offers”
- On 14.11.2016 and EGM was held, which extended the buyback of shares for cancellation **to PLN 100m** (vs. PLN 30m permitted by a previous EGM resolution), which means that in 2017 the Company may spend **up to PLN 70m** on the buyback.
- A change in law will facilitate the buyback in 2017 as it allows more than 5% of a company’s stock to be purchased without having to announce a tender offer.
- The company expects the buyback to start within a month (after formal verification and signature of all agreements)

IMPACT OF THE BUYBACK ON MCI RESULTS IN 2016

figures in PLN thousand

MCI Capital S.A.	2016-01-01	share buyback	cancellation	2016-12-31	
Owners' equity	1,154,617			1,042,625	
- including:					
Share capital	61,780		-3,028	58,752	
Treasury shares (for incentive programmes)	-150			0	
Treasury shares	0	29,962	-29,962	0	
Financial result	121,463			-82,243	
Supplementary capital	926,209		-26,934	1,020,712	
Reserve capital	43,644			43,733	
Retained earnings	1,671			1,671	
Number of shares	61,779,619		-3,027,421	58,752,198	
NAV/s	18.69			17.75	-5.0%
Change in NAV/S excl. the buyback	18.69			17.36	-7.1%
Impact of the buyback on performance					2.1%

- The above presentation does not constitute an offer within the meaning of the law.
- The above presentation was prepared relying on the best knowledge of MCI Capital SA and contained up-to-date information as on the publication date.

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