

MCI Capital S.A. made a net profit of PLN 48.2 million in the first half of 2016

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- **As at 30 June 2016, the NAV per one share amounted to PLN 19.31 - a 3% increase as compared to the amount as at the end of 2015 (PLN 18.69).**
- **In the first half of 2016, the Company derived a net profit of PLN 48.2 million and a profit on investment of PLN 46.3 million.**
- **As at 30 June 2016, the value of the MCI's assets was PLN 1,438 million.**

"Despite diverse situation on capital markets we have derived, in the last quarter, good results due to our non-public assets. The funds of the certificates which we hold include assets of the value of approx. PLN 2.4 billion. I believe that they will still grow rapidly," said **Tomasz Czechowicz, President of the Management Board of MCI Capital S.A.** *"After the record exits in the last 12 months, we have considerable funds, which is convenient in terms of planning new investments. And the conditions to do so are favourable. In Poland there is a group of entities with good foundations whose current stock exchange prices can be attractive to private equity funds. From the global perspective, the meaning of broadly understood digitalisation has been increasing. The companies operating in this area, especially those that revolutionise the existing order (so-called disruptors) report a dynamic growth of valuation in each subsequent financing round,"* he added.

In the first half of 2016, MCI Capital S.A. made a net profit of PLN 48.2 million. The net asset value per one share amounted to PLN 19.31 as at the end of June 2016 as compared to PLN 18.69 as at the end of 2015. The Company's financial results are mainly based on the growth of the investment certificates held. The value of the MCI's assets as at the end of June 2016 was PLN 1,438 million. The results of the following funds were the main contributors to the result of GK MCI Capital:

- TechVentures – growth of the value of the fund's investment certificates by PLN 23 million,
- EuroVentures – growth of the value of the fund's investment certificates by PLN 34 million,
- CreditVentures – growth of the value of the fund's investment certificates by PLN 3 million.

Potential of the Investment Portfolio

MCI.EuroVentures and MCI.TechVentures, the biggest funds in which the investment certificates are held by MCI, actively operate on markets connected to digital economy. In the last 12 months, the portfolio of MCI.EuroVentures has been expanded by the following companies: Lifebrain, Mobiltek/Dotpay, eCard and ATM.

“The process of active development of value has just begun in the new investments of MCI.EuroVentures. Taking into account the historic results of the fund that usually derived returns on investment of 2.5-4 CoC, one can expect that the rate of return for the new projects to be similar,” said **Tomasz Czechowicz**.

On the other hand, MCI.TechVentures is composed of companies that show a considerable growth potential in the regional and European scale. The group of strong regional champions includes: Frisco.pl (online supermarket), morele.net (online sale of consumer electronic goods) and Pigu.lt (e-commerce leader in Lithuania, Latvia and Estonia). iZettle, Gett, Azimo and Auctionata are aspiring to be fast growers reaching Europe and beyond.

“We believe that fintech will be one of the leading investment areas in the next 10 years. So, we are going to develop our portfolio based to a significant degree on this segment. We still perceive good growth perspectives in the e-commerce and marketplaces segments,”

added **Czechowicz**.

Buyback

Since the beginning of 2016, the Management Board of MCI has been purchasing its own shares in order to stabilise the price and limit the discount of the market price on the NAV per share. Until the day of publication of the statements, the Company spent nearly PLN 10 million on buyback, purchasing 915 489 own shares, i.e. 1.5% of the share capital of MCI. In order to intensify the purchase, the company is planning to buy shares with a 'micro-call' formula as part of which it is going to buy on the market shares worth approx. PLN 10 million.

"In the last 3 years, we have been delivering to a very dynamic 'low two-digit' growth of the NAV per share that at the same time, is not followed by a growth of capitalisation on the stock exchange. The aim of our actions is to decrease the discount and ensure a stable growth of the stock price," commented **Ewa Ogryczak, Vice President of the Management Board and CFO of MCI Capital S.A.**