

Fund's revised forecast for 2005. Investment outlook for 2006.

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In 2005 MCI Management SA (a venture capital technology fund, specializing in investments in modern technology in the following sectors: internet , ecommerce , software , mobile , wireless and biotechnology / life science) has made two complete exits from its portfolio companies: CK Adax and Process4E and one successful listing of another company Travelplanet.pl on Warsaw Stock Exchange (WSE),

At the same time, the Fund made 4 new investments in (Clix-Software – customer relationship management for small business, Comtica- mobile interactive solutions, Hoopla.pl – internet distributor of AGD/RTV equipment, DomZdrowia.pl – internet pharmacy). Currently the Fund has 15 portfolio companies. Investment strategy for 2006 assumes further acquisitions of portfolio companies, which aim to reach between 18-20 active investments in new companies. Further investment projects are at a very advanced stage. Two big projects should be completed in the Q1 of 2006. The Fund is running advanced negotiations with additional four companies, but the complete list of potential investment targets comprises about 18 firms. MCI is planning to execute additional exits from its investments through: at least one listing on Warsaw Stock Exchange, acquisition of a strategic investor and MBO for one of its companies. Foreign activities of MCI (representative offices in Prague and Bucharest) are run in accordance with an initial plan; pipeline of potential investments is promising and growing all the time. In 2006 at least one foreign investment in Czech Republic, Slovakia and Romania is to be completed. Current foreign – pipeline – comprises more than 10 potential projects. In 2006, the Fund is planning to analyze the opportunities for new investments in the Ukraine and Russia. The Fund will continue its investments in the field of internet/ecommerce, mobile/wireless, as well as, it is likely that the first investment will be made in biotechnology/life science sector. As the value of assets under management is growing rapidly, the Fund is planning to make investments in companies at their growth/expansion stages. This is a turnaround change of MCI development strategy, compared to an initial strategy run for the last few years, where seed and start up

investments were very predominant.

After three quarters of 2005 the net consolidated profit of MCI Management S.A. amounted to 4,66 million PLN, which stands for a huge 195% increase compared to the results achieved by the Fund in the same period of 2004. Unconsolidated net profit for the same period of 2005 amounted to 3,70 million PLN. It is the best financial result ever achieved by the Fund in its 5-year listing history on Warsaw Stock Exchange. Such good financial results were achieved through the exits made by the Fund in Q1 of 2005 and a successful public offer of Travelplanet.pl SA (Internet Travel agency) made in the mid June/July 2005. Furthermore, the increase of valuation for internet portfolio companies was also reflected in the financial results of MCI.

In addition to that, the level of revenues reported in the Q3 of 2005 was almost 200% higher compared to the same period last year. Such a significant increase was attributed to a dynamic growth of Travelplanet.pl and One2One (mobile solutions) and a newly made investment of MCI in Hoopla.pl. Further exits from investments are only partially reflected in the financial forecast of MCI for 2006. The Fund announced to achieve the net consolidated financial profit of 6,78 million PLN. In 2006 net consolidated profit is to reach at least 8,34 million PLN. The forecast for 2006 is to be fully verified by the Fund by the end of Q1 next year.

In September 2005 two new partners (Bogdan Wiśniewski and Jacek Ciesielski) joined the team of MCI Management SA. Bogdan Wiśniewski, was appointed a Member of the Management Board and an Associate Partner responsible for new investment acquisition and development of portfolio companies operating in the field of IT/Mobile/Wireless. Jacek Ciesielski as an Associate Partner is responsible for acquisition of new investments and development support provided for portfolio companies in specializing in the field of Internet/Ecommerce.

Before the new partners joined the Fund, they co-operated with MCI under its Business Angel 2.0 programme, where they prepared and executed new investment projects together with the Fund. Joining the investment team of MCI Management by Bogdan Wiśniewski and Jacek Ciesielskiego is very crucial for the development of the Fund, as both partners have 30 years of experience in corporate investment and development in companies operating in the sectors of TMT and new technologies. They should make a significant contribution to the increase of investment strategy and value added policy realized by MCI for its portfolio companies. Current investment team consists of 8 people and it is the biggest investment team specializing in TMT and new technology sectors in Central and Eastern Europe.

â€œThe year 2005 is another record period in the history of MCI: three investment exits were executed and at the same time, four promising investments were made. Two additional investment projects are in the completion stage. Investment team was strengthened by new, highly experienced managers. The financial results will increase by almost 100% . For 2006, we are planning to maintain high pace of growth: 50% increase of net profit and more than 25% increase of assets. We are planning to make between 5 – 7 new investment projects in Poland and abroad and additionally 2-4 partial or full exits from investments.â€ said Tomasz Czechowicz â€œ Managing Partner MCI Management SA.

â€œ MCI has very good prospects for development .The team of investment directors has gathered tremendous experience in the scope of acquisition of new interesting investment projects. Further strengthening of the Fund by the appointment of new Associate Partners, will contribute to the faster development of current portfolio companies managed by MCI and is a good sign for other managers in Poland and CEE, that Business Angel model can be successfully developed here. The market is becoming more mature, new interesting investment projects are in the pipeline for which MCI can become a reliable partner making a significant contribution for their dynamic growth. â€ said Jacek Ciesielski â€œ Associate Partner in MCI Management.