

# **MCI assets and results enjoy stable growth in 1H 2008 despite significant plunges on the stock markets.**

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After the first half of 2008, MCI Management SA (â€œMCIâ€œ) generated a unit net result of 32.6 million zlotys and a consolidated net result of 25.5 million zlotys and it continues to enjoy stable growth of its assets despite recent slumps in prices on the stock markets. The financial report for Q2 2008 was published on 12 August 2008.

In the first half of 2008, MCI generated positive financial results close to the record-breaking results of MCI in 1H last year. The book value of MCI assets (based on EVCA guidelines) on June 30, 2008 was 265.9 million zlotys; an increase of 32% compared to the value of assets at the end of 1H 2007 (200.7 million zlotys). Considering the bear market on the Warsaw Stock Exchange, these results are most satisfactory.

The value of private equity / venture capital assets within the last year was much better than that of publically traded assets, because due to their limited liquidity they are less prone to price fluctuations.

After the first half of 2008, the company is fulfilling its annual consolidated result forecast in over 32%. In the second half of 2008, the key sources generating net profits necessary to fulfill the annual forecast will derive from:

- Positive completion of the sale of shares in Bankier.pl SA
- Finishing the process of transferring MCI assets to the subfunds
- Further developments in price changes on the stock markets

In 1H 2008, MCI successfully finalized full exits from the investments in Technopolis

and Finepharm for a total 20 million zlotys, comprising almost 62% of all investment exits value executed in the whole 2007. Subsequently, MCI fulfilled 34% of the annual investment exit plan for the year 2008 (60 million zlotys). Successive exits are planned for the companies: Bankier.pl SA (20-30 million zlotys), ABC Data (pre-IPO for 20 million zlotys) and other investments (20 million zlotys).

MCI finished the first half of 2008 with three new investments in the companies: Genomed (MidTicket in the biotechnology / medical diagnostics sector), Invia.cz (BigTicket in travel e-commerce) and Belysio (MidTicket in mobile social networking sector). MidTicket investments are defined as investments worth 1-10 million zlotys target capital engagement, whereas BigTicket investments are investments worth 10-50 million zlotys. MCI funds are working hard on the current investment pipeline that will allow another three investments to be made by the end of the year. Furthermore, MCI realized successive investment rounds to the companies already in the portfolio for 2.3 million zlotys.

In the strategic projects department, in the first half-year MCI continued the transfer of assets to FIZ (Q3 and 4 2008), advanced preparations were made for the Cleantechnologies fund (MCI.EcoVentures 1.0) and finalization of the HelixVentures fund, which is planned to launch in Q3 2008.

“Despite the difficult situation on the stock markets, significantly affecting the valuation of the assets of MCI Management SA, the company generated results close to the record-breaking results from first half of last year. In the scope of new investments, the market definitely improved benefiting investors holding private equity assets, giving MCI a chance to make favorable acquisitions of attractive companies in the near future” â Roman Cisek, Director of Operations of MCI Management SA, said.