

# **MCI Capital S.A. is planning a significant increase in the scale of the buy-back of its own shares.**

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- **The NAV per share index amounted to PLN 18.01 as at 30 September 2016 as opposed to PLN 18.69 as at the end of 2015 and PLN 18.15 one year before. Over a three-year period NAV per share increased by 51.6%.**
- **MCI assets were worth PLN 1.359 billion as at 30 September 2016.**
- **MCI is planning to increase the value of the buy-back of its own shares to PLN 100 million.**
- **After nine months of 2016 the company recorded a net loss of PLN 32 million, mostly due to a decrease in the valuation of the investment certificates of MCI.EuroVentures and a lower valuation of the shares of PEM S.A.**

*“From the beginning of the year to 30 September the funds whose certificates are held by MCI invested more than PLN 325 million in Polish and foreign companies. Our assets per share are below the level they achieved in the previous quarter and as at the end of 2015, but they are experiencing a growing trend in the long-term. Over the last three years their value has increased by more than 50%, which only confirms how significantly the scale of MCI’s operations has increased,”* said **Tomasz Czechowicz, President of the Management Board of MCI Capital S.A.** *“Despite this, MCI’s shares are still valued with a significant discount, which currently amounts to more than 40%. Hence the decision to significantly increase the scale of the share buy-back, i.e. from PLN 20 million to PLN 100 million,”* he added.

This year, MCI purchased a total of 915,489 shares for the purpose of redemption. It is planning to increase the scale of the buy-back program from PLN 20 million to PLN 100 million and to implement it in the fourth quarter of 2016. The company’s shareholders must agree to an increase in the amount of funds earmarked for the buy-back at the

general meeting scheduled for 14 November. The buy-back of shares in the fourth quarter will be held on a “micro-call” basis and it will be handled by Noble Securities.

## **Financial result**

MCI assets were worth PLN 1.359 billion as at the end of September 2016. The net assets per share index as at the end of September amounted to PLN 18.01 as compared to PLN 18.69 at the end of 2015 and PLN 18.15 at the end of September 2015. Over the last three years it has increased by PLN 51.6%. Over the first nine months of 2016 MCI Capital S.A. recorded a net loss of PLN 32 million and a loss on investment of PLN 29.7 million. The company’s financial result is mainly due to changes to the value of the investment certificates it holds and a lower valuation of the PEM shares it holds. The net loss was generated mostly due to a decrease in the value of the ICs of MCI.EuroVentures (by PLN 33 million) and a lower valuation of PEM shares (by 15.9 million), set off by an increase in the value of the investment certificates of MCI.TechVentures (by PLN 22 million) – taking into account MCI’s relevant percentage share in particular funds.

## **Investment portfolio potential**

The investment portfolios of MCI.EuroVentures and MCI.TechVentures, i.e. the largest funds whose investment certificates are held by MCI, include companies with a significant growth potential. Over the last 12 months, MCI.EuroVentures added Mobiltek/Dotpay, eCard and ATM to its portfolio. Each of them is pursuing its own growth strategy and is strengthening its position on the market.

*“A significant part of the portfolio of MCI.EuroVentures is only at the beginning of the road when it comes to value creation. The impact of these companies’ valuations on the value of the investment certificates and the result of MCI should be analysed in the perspective of the next few years, which are set to reflect the first results of the creation of their value,”* said **Tomasz Czechowicz**.

*“The portfolio of MCI.TechVentures includes companies which are already strong regional champions (Frisco.pl, morele.net, Pigu.lt and Travelata.ru), along with potential new European and regional champions. The latter include Gett, iZettle, Azimo and Windeln.de,”* added the head of MCI Capital.