

# MCI Fund forecasts further profits

11.10.2005

Summing up the first three quarters of 2005 of the operations of MCI technology fund the Management board of MCI Management SA decided to publish the forecasts the financial results at unit and consolidated level for 2005 and 2006 as well as the valuation of MCI Management SA assets made with the use of the directors method for that period.

thousand PLN thousand PLN

..... 31-12-2005 31-12-2006

Unit financial net result 4,780 7,170

Consolidated financial net result 5,560 8,340

Directors valuation of MCI assets 100,086 120,103

By the end of Q3 2005 the fund made two complete exits from CK Adax and Process4E, and at the same time made three new investments (Clix, Comtica, Hoopla). By the end of the year the investment portfolio of the fund, which now has 14 companies, will increase by two new investments. The operations of MCI branch office in the Czech Republic and Slovakia are developing as planned, the pipeline of prospective investments in these markets is very promising. Within the expansion strategy of the fund in the CEE markets a new branch office of MCI was opened in Bucharest, which will be searching for new investment projects in Romania. MCI Management SA has stopped the work on the creation of a new fund TechVentures 2.0. until the middle of 2006 because of overliquidity of assets, concentrating mainly on work on new investments.

The basis for the end of 2005 are the realized results accrued from the three quarters and estimated results of the fourth quarter, assuming the same number of consolidated companies. The valuation of assets for the end of 2005 includes the valuation of two new investments, work on which is well advanced and which will be finalized by December 31, 2005.

The forecast regarding 2006 is for the time being tentative and it will be adjusted in Q1

2006 after closing specific annual budgets of MCI Management SA and portfolio companies as well as investment plans of the fund for 2006.

The Management Board of the company will be assessing the possibility of realization of the forecast results once a quarter. The information on this issue will be published in the quarterly reports or current reports if at least one of the forecasted positions changes by more than 10%.

“We observe strong activity in the market of new technologies. This regards both European market and entities operating in Central Europe. We are probably in the initial stage of the 3-5 year cycle of stable growth in such sectors as the Internet, e-commerce and mobile/wireless. This growth shall result in the growth of the valuations and demand for new technology companies”  
Tomasz Czechowicz, President of Board  
MCI Management SA