

MCI Management increases its engagement in Travelplanet.pl

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On 10 December 2010, MCI acquired a package of almost 5% shares in the travel company through a package transaction. MCI, together with the fund MCI.TechVentures, declares the necessity to strengthen owner supervision in order to rebuild the value of the company.

Travelplanet.pl Company started in December 2000, as a startup, with 1.5 million PLN in financing from MCI. Already after the first year of operations, Travelplanet.pl became the leader of the Polish online travel market.

After a few years of development and building value, in July 2005, the company was introduced to the primary market of the WSE, raising 6,666,660 PLN from the IPO.

In the last few years, Travelplanet was enjoying prosperity that prevailed on the travel market in Poland to build its leading position on the domestic e-travel market. However, despite its strong market position, that period was not favorable in terms of financial results. In addition, the results of the company for the three quarters of 2010 – an especially difficult year due to the several-week long air travel shutdown caused by volcanic dust – indicate the company will close the year with a loss.

The present ownership structure, and the resulting very low free float on the secondary market, caused the company to be at risk of significant fluctuations in the stock price (and the value of the company), with low turnover and random trades. At the same time, significant packages of shares held by a limited number of financial investors make it hard to identify a leader directly responsible for the fate of the company. Entrusting management to an independent board by selecting an experienced team proved to be insufficient.

“We have decided to increase our level of engagement, because we believe the company needs better substantial support from a significant shareholder to rebuild its

impaired market position.” â€” said Beata Stelmach, President of the Supervisory Board of Travelplanet.pl, who represents MCI.

Following this transaction, together with the package belonging directly to MCI.TechVentures fund, the MCI group has control over 44.44%.

“The last several months showed the company was losing value. Concerned about MCI shareholders, we have decided to strengthen our engagement in Travelplanet, because we believe that introducing more rigid owner supervision will enable the company to take advantage of the potential on the growing market of e-travel in Poland. The example of another of our portfolio investments â€” Invia.cz, which is the leader on the Czech and Slovak markets â€” shows that companies operating in the e-travel market can conduct profitable operations. By using, among others, our experience on the e-travel market in the region of Central Eastern Europe, we want to support the board of Travelplanet in preparing a strategy aiming to rebuild the value of the company.” â€” said Sylwester Janik, Manager of the fund MCI.TechVentures and Board Member of MCI Management.