

# MCI Management SA publishes results for Q1 2012

15.05.2012

In Q1 2012, MCI recorded positive financial results. Consolidated annual net profit was 9.5 million PLN. Value of consolidated assets grew to 650.1 million PLN with net assets at 535.1 million PLN. Average annual net internal rate of return (IRR) on the whole portfolio managed by MCI, since the beginning of its operations, was 19.37%. The company's results were published May 15, 2012.

## FINANCIAL SITUATION

“In the first quarter, our net profit was about 10 million PLN in the MCI CG and we recorded further growth of the net asset value. MCI's results were mainly influenced by the reduced share price of ABC Data SA and increased value of MCI.TechVentures certificates resulting from the revaluation of the investment in Netretail Holding B.V. adjusted to market value and discounted against the contract of sale. Anticipated revenue resulting from closing the deal in Netretail Holding B.V. is about 160 million PLN (EUR 38.5 million); with return of about 4.1x CoC and IRR of 175%. This result shows the strategy we adopted, assuming investments in emergent sectors of new technologies and Internet, and development of portfolio companies into regional and global leaders in their sectors, is the right strategy bringing measureable yields to our investors.” said Tomasz Czechowicz, president of MCI Management SA.

The total average net IRR on investments executed by MCI, in the in the period since the beginning of the group's operation to the end of Q1 2012, calculated as the sum of full and partial exits and residual value of investments, was 19.37% per year, thus confirming the position of MCI among the best private equity funds in Europe.

Value of assets under management (AUM) of the Group at the end of Q1 2012, was 805.2 million PLN (including full investment commitment of managed funds), and net assets of the company where 535.1 million PLN, growing by about 0.6% compared to Q1 2011.

Net assets per share is a significant indicator of portfolio quality in a private equity fund

â€œ were 8.6 PLN at the end of Q1 2012; that is about 1.8 x more than the average stock price recorded in the first quarter. This shows the shares of MCI are significantly undervalued that the amount.

#### SIGNING AGREEMENT TO SELL SHARES IN NETRETAIL HOLDING B.V.

The contract for selling shares in Netretail Holding B.V. was signed on April 20, 2012. Naspers Group where the buyer. Closing the contract depends on receiving appropriate permissions from respective authorities, which is why the transaction is expected to close in Q2 2012. Anticipated revenue resulting from closing the deal in Netretail Holding B.V. is about 160 million PLN (EUR 38.5 million; CoC 4.1x and IRR 175%). The investment in Netretail Holding B.V. confirms the successful strategy adopted by MCI Management, assuming investments in emergent sectors of new technologies and Internet, in companies in their growth stage operating in CEE and developing them into regional and global leaders in their sectors. Other e-commerce companies in the portfolio of MCI that have a chance of following this trend are Frisco.pl, Morele.net, DomZdrowia.pl.

#### ABC DATA SA

Following news that one of the subsidiaries, Scop Computers, is facing bankruptcy (due to a claim by the Romanian tax authority), the share price of ABC Data SA returned to the level from the beginning of the year, dropping by about 50% in April, despite the fact that Scop (the Romanian subsidiary of ABC Data) is responsible for only about 9% of revenues and EBITDA of the Group. If the challenges faced by Scop Company remain unsolved, ABC Data plans a hopeful limited reestablishment of the market position in Romania, based on the experience gained during cooperation with SCOP Company. Results of ABC Data SA in Q1 2012: consolidated sales grew by 13.6% (Y/Y), the EBITDA result (after excluding Scop Computers) was 13.1 million PLN; that is 18% higher than the first respective three months of 2011, while sales revenue in ABC Data Capital Group (excluding Scop Computers) grew by 16% (Y/Y).

#### OTHER EVENTS IN PORTFOLIO OF MCI

Investment in JUUPSTORE - Poland's first independent service to promote distribute and sell mobile applications for phones, smartphones and tablets featuring applications for all popular operating systems: Android, iOS, Java, Windows Mobile, Windows Phone, BlackBerry, Bada and Symbian.

Geewa.cz â€œ in April, Pool Live Tour from Geewa has recorded 2 million daily users and the company was listed in "TOP 10 Facebook's game developers.â€œ  
Debut of Telecom Media â€œ 13/03/12 â€œ currently Optizen Labs - has successfully made

its debut on NewConnect.

#### IPO MCI PARTNERS

IPO on NewConnect is planned for the third or fourth quarter of this year and is being prepared in cooperation with Copernicus Securities SA. The offering will be targeted at institutional investors and equity emission in the IPO will not exceed 20%. The funds raised will be allotted for developing distribution channels of the certificates and fundraising abroad, as well as to finance a small (2-5%) GP share in foreign funds. The reason for the spinoff is the board's conviction that the value of MCI partners should grow faster than the value of MCI Management SA, because it is a function of value growth dynamics within the funds.

#### INVESTMENT CERTIFICATES OF MCI.TECHVENTURES

So far, the investment in the investment certificates in MCI.TechVentures ranked in the top quartile of all investments in open-ended and closed-ended investment funds on the Polish market. MCI.TechVentures fund was in the top five leading funds in terms of IRR in 2011 (IRR for the year 2011 is 28%).

Regular emissions of investment certificates have taken place since the 2010. Each subsequent emission enjoys growing interest among investors - predominantly individual investors. In Q1 2012, private investors entrusted us with about 7 million PLN. Until today, MCI.TechVentures has raised over 16 million PLN through the emission of investment certificates.