

# Results of the Capital Group after H1 2012. MCI earns net 30.1 million PLN.

29.08.2012

The MCI Group, operating in Central and Eastern Europe, despite the economic slowdown, recorded very good financial results. In the first half of the year, it earned PLN 30 million of net profit with the record level of exits in the amount of 160 million PLN. The company has 250 million PLN of free cash at its disposal. It may spend from 300 to 500 million PLN on development of promising technological projects in the years 2012-2013.

- Despite the unstable market situation, we have had a successful six months. This shows that our strategy, based on investing in promising technological companies, mainly foreign ones, is very effective. The value of the assets has increased to 751.5 million PLN, whereas the value of net assets up to 555.8 million PLN. " said Tomasz Czechowicz, President of the Management Board of MCI Management SA.

The record-breaking exit - sale of shares in the largest Internet shop, Mall.cz (investment by the special purpose vehicle of MCI.TechVentures fund, Netretail Holding BV), as well as successful fundraising resulted in the Group currently having a significant amount of cash at its disposal to be applied for new investments. The liquid financial assets as well as promissory notes constitute ca. 275 million PLN and the other 50 million PLN are the assets of the National Capital Fund, which may be made available upon request. The very dynamic development of the Internet branch gives broad investment possibilities.

- MCI intends to react flexibly to the occurring opportunities - thus, the priority for the Management Board was the construction of a liquidity buffer in order to use this investment potential in 2012-2013. Until the end of 2012, MCI plans to execute new investments worth at least 100 million PLN. - Tomasz Czechowicz announces.

Therefore, the Management Board and Supervisory Board have proposed to summon

the Extraordinary General Assembly, which is to take place in September 2012, to vote for a new issue of convertible bonds (minimum conversion price - 9 PLN), with the maximum value up to 50 million PLN. The bonds would be issued in tranches, according to investment needs, as well as serve to refinance the series B bonds maturing in September (buy-out amount of 22 million PLN).

The factors having major influence on the MCI result in the first half of 2012 are mainly the increase in the value of the certificates of the MCI.TechVentures fund, obtained as a result of revaluation of the investment in Mall.cz to the sale price as well as increases in the value of the investments in Invia, Geewa and Morele (thanks to very good operating results of these companies).

### Profitable exit transactions

This year in April, MCI CG executed a historical record-breaking exit.

MCI.TechVentures signed a contract selling shares in Mall.cz - the largest Internet shop in the region of Central and Eastern Europe. The company was sold to the Naspers Group (in Poland - the owner of Allegro). The expected total revenue being the result of exiting the investment in Mall.cz is ca. 164 million PLN (38.5 million EUR). In June 2012, MCI received 90% of the amount, the remaining amount is expected October this year. Thanks to the support from Intel Capital and MCI, Netretail has recorded a significant increase within the last two years and strengthened the leading position in several key segments of the e-commerce market in the region of Central-Eastern Europe. Within the period of MCI.TechVentures's engagement as an investor, the company has successfully realized the plan of regional expansion through acquisitions in the region of Central-Eastern Europe. For MCI this transaction will generate IRR of ca. 175% and a total 4.1x return on invested capital. This result shows that the strategy adopted by the Group, entailing investments in the highly prospective branches of new technologies and Internet as well as development of portfolio companies into regional and global leaders in their sectors, is right and brings measurable profits. The Group intends to allocate the obtained financial assets for new investments.

In July 2012, another exit had been executed selling the investment in Nexto sp. z o.o to the Ruch S.A. Group.

### Increasingly better results of ABC DATA

A significant event recorded in the MCI's portfolio is the excellent result of ABC Data,

the leading IT distributor in Poland and the Central-Eastern Europe region. The consolidated sales of ABC Data increased in H1 2012, by 23% (y/y). While, gross revenue in H1 2012, increased 13.1% to 66 million PLN (y/y). In H1 2012, the adjusted EBITDA was 22.4 million PLN that means a 24.9% increase compared y/y. The company's expansion in the Baltic countries has been dynamic since the beginning of operation in Latvia and Estonia in December 2011 - the quarter-to-quarter sales increased more than twofold. ABC Data is also preparing to launch operations in Hungary - planned for Q4 this year.

ABC Data will pay shareholders the total of 20 million PLN in dividends for the year 2011. The dividend is payable to 28/09/12.

The stock price of ABC Data SA does not reflect its current good economic standing and dynamic development, remaining below its debut price on the WSE.