

Results of the Capital Group after the first half of 2013 and forecast for 2013

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MCI earns 91.2 million net profits in the first half of 2013. 170 million PLN forecast by the end of the year

- Realization of the midyear forecast – in the first half of 2013, the MCI Group recorded consolidated net profit of 91.2 million PLN, well exceeding its periodic forecast
- Assets of the Group grew to 844 million PLN. Assets under management at the end of June 2013 were 957 million PLN, compared to 830 million PLN at the end of 2012
- Execution of the first investment in Turkey (Indeks Bilgisayar) and the fourth investment in the e-fashion industry (Answear.com)
- Announcement of the forecast for the end of 2013 – net profit will amount to 170 million PLN, assets under management 1.1 billion PLN and net assets (NAV) 714 million PLN. In 2013, Expected revenue from sale of investments will be 100 million PLN

Events in the first half of 2013

*-the first half of the year has been a successful one on many levels. Not only have we expanded our portfolio with new interesting companies, in Poland and abroad, but also we exceeded our official net result forecast, earning 91.2 million PLN net profits. In the second half of the year, we will concentrate on executing further interesting investments, with an interesting deal flow in the Czech Republic, Germany and interesting projects also beginning to appear in Poland. At the same time, we will dedicate ourselves to working on the portfolio and continue the processes of exiting portfolio companies – said **Tomasz Czechowicz, Managing Partner of MCI Management SA.***

In the first half of 2013, the MCI Management Group recorded 91.2 million consolidated net profits, compared to 30.1 million PLN the year before. Assets of the Group grew by 12.3% to 843.9 million PLN from 751.5 million PLN in the previous year. Assets under management at the end of June 2013 were 957 million PLN; that is 15.3% higher than at the end of 2012 and 16.4% higher than the result from the year before (822.2 million PLN). Very good financial results of the fund are mainly the result of increasing value of financial assets held – certificates of the funds MCI.TechVentures and MCI.EuroVentures.

The most important event in the first half of 2013, was signing the agreement to acquire 20% shares in the largest Turkish IT distributor – the company **Indeks Bilgisayar**. MCI acquired a 20% stake at a significant discount to the listed share price. MCI expects the value of acquired shares to grow as a result of the company's development on the impressively fast-growing Turkish market and steady dividend revenue. First dividends of about 5 million PLN were paid out to MCI in May 2013.

Another important event in terms of portfolio development was the investment of MCI.TechVentures in Wareco Limited, the company responsible for the website Answear.com, the largest online multibrand clothing store in Poland and Central Eastern Europe, offering over 200 most popular global brands of clothing, shoes and accessories.

Results forecast for 2013

The Board of MCI Management SA has announced the consolidated financial results forecast that the MCI Capital Group intends to generate at the end of 2013. Consolidated net profit that the end of 2013 is forecast at about 170 million PLN. MCI

estimates assets under management at the end of the year should reach 1.1 billion PLN and net assets (NAV) 740 million PLN. Revenues from sale of investments (exits) should reach about 100 million PLN by the date the financial statements for the year 2013 are published. Furthermore, MCI lists 10 investments in its portfolio with potential market exit value above 100 million PLN. They include the companies ABC Data, Indeks, Windeln.de, Frisco.pl, Morele.net, Answer.com, KupaVIP.ru, Geewa, Invia and Private Equity Managers. The forecast has been prepared with the assumption that the situation on the capital markets at the end of the year will remain at a similar level to the current situation.

Significant events and the results of major portfolio companies

E-commerce B2B market

- **ABC Data** - realization of its expansive development strategy and an upturn on the IT distribution market resulted in dynamic growth of the company's results. In the first half of 2013, ABC Data recorded revenues and EBITDA higher by 46% and 42% respectively. In September, the company will pay out dividends of 0.24 PLN per share. The strategy focusing on increasing revenues from exports and e-commerce was appreciated by stock market investors. In only a short time, the company share price exceeded target prices set in the recommendations of two renowned financial institutions;
- **Indeks** - MCI's latest acquisition recorded good financial results despite the taut socio-political situation, which impacted the company's share price. In the first half of 2013, Indeks generated revenue of 750 million Turkish liras and EBITDA of 23 million TRL, which means year-to-year growth by 21% and 27% respectively. The company expects an increase in revenue as a result of signing a major contract with Apple and commencing the construction of a commercial building on an attractive piece of property in Istanbul's business district. Latest recommendations from analysts show high potential for the company's stock price to grow.

E-commerce B2C and new technologies

- **Invia** - consequent fulfillment of its regional expansion strategy by increasing the scale of operations in the countries with the highest market growth potential for online sales of travel packages. Increased engagement in Russian company Travelata

and benefiting from growth generated by the market. As a result the company recorded good financial results, almost EUR3 million EBITDA in 2012;

- **Morele.net** – results improved by developing logistic cooperation with ABC Data SA, beginning the process of optimizing IT systems and total cost control. In the first half of 2013, revenues grew by several dozen percent, compared to the respective period of 2012 (from 82 million PLN to 100 million PLN);
- **Geewa** – strengthening its position on the online games market by introducing its products to the segment of mobile games. The flagship product, *Pool Live Tour*, the most popular billiards game on Facebook, is now available for mobile devices running iOS and Android. The company will launch four new games in its portfolio;
- **Answear.com** – the new investment of the fund recorded high annual dynamics of operating results. In a year's time its revenues from sales grew by over 150% (1H2013/1H2012), as a result of increased website traffic – traffic grew by over 170% through the year;
- **KupiVIP.ru / 21Diamonds / Windeln.de** – significant improvement of operating results of foreign companies acquired in 2012 and at the turn of 2012/2013. KupiVIP.ru benefits from increasing popularity of online shopping in Russia, which according to market analyses should grow at the rate of 35% per year. More importantly, it is estimated that in the next few years every fourth e-commerce transaction in Russia will concern the e-fashion segment. In turn, Windeln.de consequently pursues its geographical expansion strategy expanding its offer beyond Germany.