Annual Report 2009 / 2010

Private Equity Holding AG

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Private Equity Holding AG offers institutional and private investors the opportunity to invest in a broadly diversified private equity portfolio.

The objective of Private Equity Holding AG is to generate long term capital growth for its shareholders.

The Private Equity Holding Group is managed by Alpha Associates.

Alpha Associates is an independent private equity fund-of-funds manager and advisor, building and managing globally diversified private equity fund portfolios for institutional and private clients.

Key Figures

Share Value

	31.03.2010 EUR (audited)	31.03.2009 EUR (audited)	Change in %	31.03.2010 CHF (audited)	31.03.2009 CHF (audited)	Change in %
Net Asset Value per Share, based on Fair Values	53.09	47.28	12.3%	75.95	71.76	5.8%
Price per Share (PEHN.S)	25.86	10.15	154.8%	37.00	15.40	140.3%

Comprehensive Income Statement

	01.04.09 – 31.03.10 EUR 1,000 (audited)	01.04.08 – 31.03.09 EUR 1,000 (audited)	Change in %
Profit / (Loss) for the Year	9,348	(42,185)	n / m
Total Comprehensive Income / (Loss) for the Year	22,982	(24,397)	n / m

Balance Sheet

	31.03.10 EUR 1,000 (audited)	31.03.09 EUR 1,000 (audited)	Change in %
Net Current Assets	26,210	16,943	55%
Total Non-Current Assets	179,001	164,920	9%
Non-Current Liabilities	—	—	—
Total Equity	205,211	181,863	13%

Asset Allocation

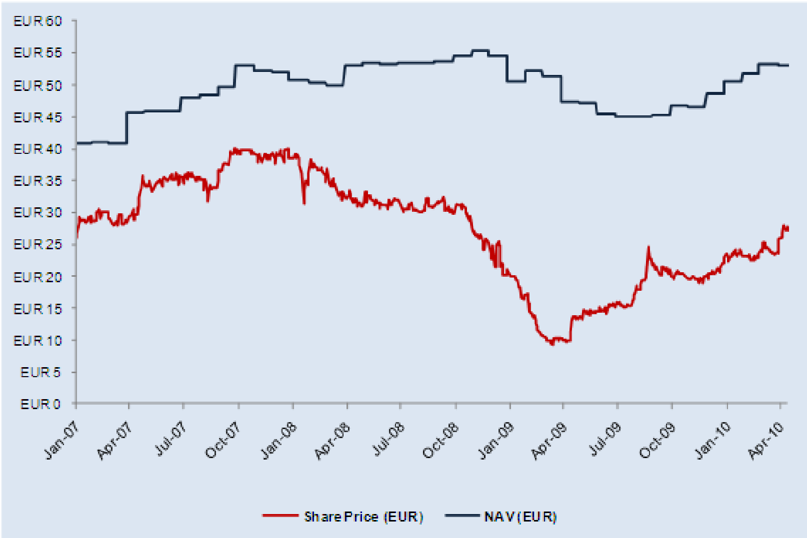
	Fair Value 31.03.2010 EUR million (audited)	Unfunded Commitment 31.03.2010 EUR million (audited)	Total Exposure 1 31.03.2010 EUR million (audited)	Total Exposure 1 31.03.2010 in % (audited)
Buyout Funds	86.2	60.4	146.6	56%
Venture Funds	43.9	4.9	48.8	18%
Special Situation Funds	30.6	19.7	50.3	19%
Total Fund Investments2	**160.7**	**85.0**	**245.7**	**93%**
Direct Investments and Loans2	18.3	—	18.3	7%
Total Direct Investments and Loans	**18.3**	**—**	**18.3**	**7%**
Total Funds, Direct Investments and Loans	**179.0**	**85.0**	**264.0**	**100%**

1 Fair Value plus Unfunded Commitment
2 Classified as "Financial assets available for sale"

	31.03.2010 (audited)	31.03.2009 (audited)	Change in %
Unfunded Commitments (EUR million)	85.0	99.6	(15%)
Overcommitment3	33%	50%	(34%)
Net Current Assets / Unfunded Commitments	31%	17%	81%

3 Overcommitment = (unfunded commitments - net current assets) / (non-current assets - non-current liabilities)

Share Price and NAV per Share
01.01.2007 – 31.03.2010



NAV 01.01.07 - 31.03.10 (in EUR):	30.0%
NAV 01.01.07 - 31.03.10 (in CHF):	15.7%
Share price 01.01.07 - 31.03.10 (in EUR):	-1.1%
Share price 01.01.07 - 31.03.10 (in CHF):	-11.9%
Peak (27.09.07) - Trough (16.03.09) (in CHF):	-78.9%
Trough (16.03.09) - 31.03.10 (in CHF):	164.3%
Discount to NAV as of 31.03.2010:	51.3%
Low (27.09.2007):	19.8%
High (16.03.2009):	81.6%
Average 01.01.07-31.03.08:	27.3%
Average 01.04.08-31.03.10*:	56.5%

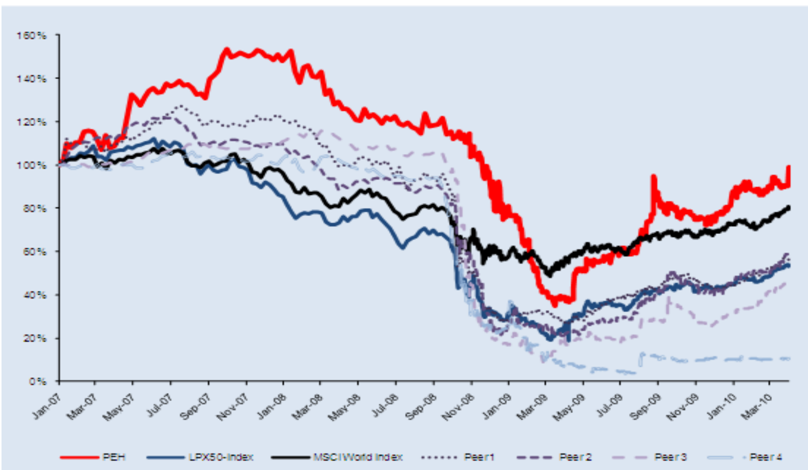
* CSFB SP III sold ca. 1.3 m shares during these 24 months

Monthly Development of NAV per Share
01.01.2007 – 31.03.2010

Monthly NAV Net Returns	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	since 1.1.07
2010	2.4%	2.7%	-0.3%										4.9%	30.0%
2009	3.4%	-1.7%	-8.0%	-0.1%	-3.6%	-1.2%	-0.1%	0.5%	3.5%	-0.6%	4.7%	4.0%	0.1%	23.9%
2008	-0.8%	-0.7%	6.3%	0.6%	-0.1%	0.2%	0.2%	0.4%	1.2%	1.7%	-1.5%	-7.3%	-0.3%	23.8%
2007	0.6%	-0.5%	11.7%	0.4%	0.1%	4.7%	0.9%	2.6%	6.5%	-1.5%	-0.2%	-2.7%	24.1%	24.1%

NAV 01.01.07 - 31.03.10 (in EUR):	30.0%
Peak (Sep 07) - Trough (Apr 09):	-10.9%
Trough (Apr 09) - March 10:	12.4%
Standard deviation:	3.5%
Positive months:	22
Negative months:	17

Relative Performance of PEHN
01.01.2007 – 31.03.2010



Outperformance PEHN vs. LPX-50 PE-Index:	45.6%
Outperformance PEHN vs. MSCI World:	18.2%
Outperformance PEHN vs. best performing peer:	40.0%
Outperformance PEHN vs. worst performing peer:	88.3%

Dear Shareholders

Private Equity Holding AG (PEH) reports a comprehensive net gain of EUR 22.982 million for the financial year 2009/2010. As of March 31, 2010, the net asset value per share (NAV) stood at EUR 53.09 (CHF 75.95), which represents an increase of 12.3% in EUR (5.8% in CHF) since April 1, 2009. The audited NAV per share is 3.9% lower than the values which were first published on April 8, 2010. After the publication of the shareholders letter on April 30, Private Equity Holding Cayman received new fund reports for two large buyout investments, which showed material differences from the previous reports. The net effect of these two reports was negative. Therefore, the Manager and the Board of Directors decided to reflect this effect already in the audited financial statements as of March 31, 2010, rather than in the June report. The adjustment had a positive effect on the Company's expense ratio and net current assets.

Strong Performance

PEH re-started its investment program in the first quarter of 2007. Since January 1, 2007, the net asset value per share increased by 30.0% in EUR (15.7% in CHF). Over the same period, the NAV per share of the other four SIX-listed Private Equity Fund Investment Companies declined, on average by 19.0% in EUR (-27.9% in CHF).

The closing price of the PEH-shares on March 31, 2010 was CHF 37.00 (EUR 25.86). Since March 31, 2009, the share price increased by 140.3% in CHF (154.8% in EUR) in a financial market environment that was recovering throughout the year. The share price development since January 1, 2007 is less impressive (-1.1% in EUR; -11.9% in CHF), but it is still noteworthy that PEH outperformed both the Listed Private Equity Index (by 45.6%) and the MSCI World Index (by 18.2%) as well as its SIX-listed peers (see page 4).

Solid Financial Position

PEH's balance and off-balance sheet ratios became even stronger over the last financial year. Despite a decrease of PEH's open commitments of 14.7%, its net current assets increased by 54.7%. PEH's portfolio is 100% equity financed. This allowed PEH to make the first new investments since the collapse of "Lehman". Towards the end of the financial year 2009/2010, PEH purchased a secondary interest in Renaissance Venture and made a commitment to Alpha Russia & CIS Secondary L.P.

Reduction of Discount

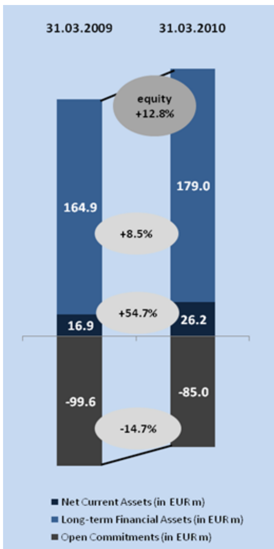
The Board of Directors and Alpha Associates as Manager are determined to significantly increase the attractiveness of the PEH share through a combination of measures. The reduction of the discount between the share price and the net asset value per share is of eminent importance for the shareholders and the company. The Board of Directors and the Manager analyzed the interests of the Company and different groups of shareholders and concluded that going forward PEH shall provide for certain reserves in its cash flow planning to allow for regular distributions to the shareholders as well as an active market making by NZB Neue Zürcher Bank AG, the Company's market maker. At the same time the Company shall continue to pursue its growth strategy as the Board of Directors is convinced that only a growing NAV will ensure the attractiveness of the PEH share over the longer term. The goal is to balance a consistent growth strategy through new investments with measured distributions of portfolio proceeds while carefully monitoring PEH's liquidity situation.

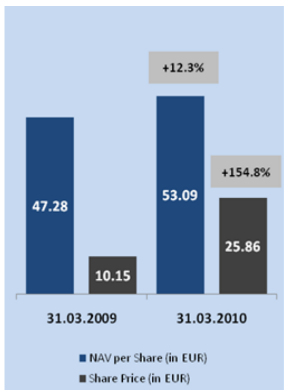
Implementation of a Distribution Policy

In line with the above considerations, the Board of Directors proposes to the Annual General Meeting, which takes place in Zug on June 24, 2010, to approve a reduction of the nominal value per share from CHF 8 to CHF 6 and to distribute CHF 2 per share to the Company's shareholders. This proposal is part of a policy change. Whilst it remains the Company's objective to pursue an active investment policy and generate long term capital growth for its shareholders, the Board of Directors also aims to generate income for the shareholders through regular distributions.

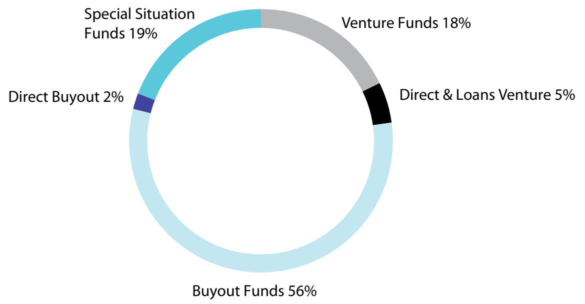
Dr. Hans Baumgartner
Chairman of the Board of Directors

June 2, 2010

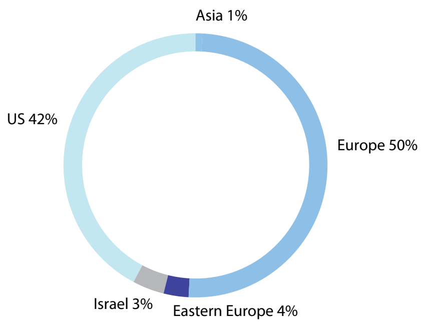




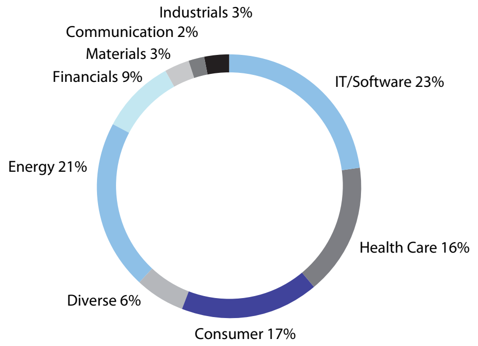
Allocation by Investment Category[1]



Allocation by Geography[2]



Allocation by Industry 2



[1] Based on fair values plus unfunded commitments (basis: total financial assets available for sale)
[2] Based on fair values of the underlying companies (basis: total financial assets available for sale)

The Year in Review

For the financial year 2009/2010, Private Equity Holding AG reports a comprehensive net gain of EUR 23.0 million.

As of March 31, 2010, the fair value per share stood at EUR 53.09. This represents an increase of EUR 5.81 or 12.3% compared to March 31, 2009.

As of March 31, 2010, total long-term assets amount to EUR 179.0 million (March 31, 2009: EUR 164.9 million). The change since March 31, 2009 includes a decrease in the Earn-out of EUR 61.1 million, an increase in the fair value of fund investments of EUR 73.3 million, which includes the transfer of the Earn-out of EUR 57.9 million, and an increase in the fair value of direct investments of EUR 2.2 million. During the financial year, total distributions of EUR 12.3 million were generated from financial assets available for sale, and EUR 16.1 million from the Earn-out. Capital calls amounted to EUR 16.6 million.

Since the beginning of the financial year, April 1, 2009, the Company's net current assets increased from EUR 16.9 million to EUR 26.2 million.

Fund Investments

As of March 31, 2010, the fair value of the fund portfolio stood at EUR 160.7 million (March 31, 2009: EUR 87.4 million). The change results from the Earn-out transfer of EUR 57.9 million, capital calls of EUR 16.4 million, distributions of EUR 11.3 million and positive net value adjustments of 10.3 million.

Noteworthy portfolio events in the last quarter* of the financial year 2009/2010 included the following:

Private Equity Holding sold an interest of EUR 5 million in *17 Capital Fund* at cost, thereby reducing its original EUR 10 million commitment. The sale was executed in connection with the increase of the fund size and a related change of some of the fund terms.

Private Equity Holding acquired a secondary stake in *Renaissance Ventures*, a European venture capital fund, at a substantial discount to its reported value.

Private Equity Holding committed USD 10 million to *Alpha Russia & CIS Secondary L.P.* The fund is managed by Alpha Associates and focuses on the acquisition of mature private equity fund interests in the secondary market in Rus-

* For portfolio events in the first three quarters of the financial year 2009/2010 please refer to the respective quarterly reports which can be downloaded from the Company's website (www.peh.ch).

sia, other countries of the former Soviet Union and Turkey. The fund aims to capitalize on the opportunities post crisis to purchase high quality private equity assets at attractive discounts to net asset value from investors in distress or restructuring their portfolios. The fund also makes selective primary commitments to leading funds in the region as well as direct co-investments.

ABRY Partners VI completed a follow-on investment in Sentrum Holdings, a data center business located in London, UK. The fund distributed proceeds from the repayment of a bridge loan to MP Media Investments, a company acquiring senior debt of selected radio companies.

Avista Capital Partners completed follow-on investments in (i) IWCO, a provider of direct mail solutions, (ii) Frontier Drilling, a private land drilling contractor, (iii) Spartan Offshore, an owner and operator of a fleet of 6 offshore units servicing the Gulf of Mexico's oil and gas industry, and (iv) Celtique Energy, a coal mining company in Wales, UK. The fund distributed proceeds from the sale of the second tranche of the bank debt of WOW, a fully integrated provider of cable television, high speed data and digital telephony services.

Bridgepoint Europe IV completed an investment in LGC, the UK-based recognized leader in chemical and biological analytical services and reference materials.

European E-Commerce Fund B distributed proceeds from the sale of shares in Zooplus through a secondary placement. Zooplus is a direct pet food and pet supply retailer listed on the Frankfurt Stock Exchange.

Kiwi I and Kiwi II distributed proceeds from the IPO of YOOX, an online clothing store for designer brands.

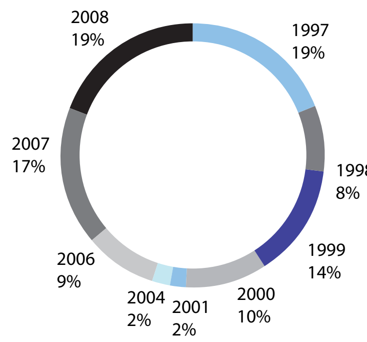
Investindustrial IV completed a follow-on investment in Permasteelisa, the global leader in the engineering, manufacturing and installation of architectural envelopes.

Newbury Ventures distributed proceeds from i) disposing their holdings in Bridgewater Systems, a software company servicing mobile telephony providers that the fund had taken public on the Toronto Exchange, and ii) selling Sentillion, a software company for the healthcare industry, to Microsoft.

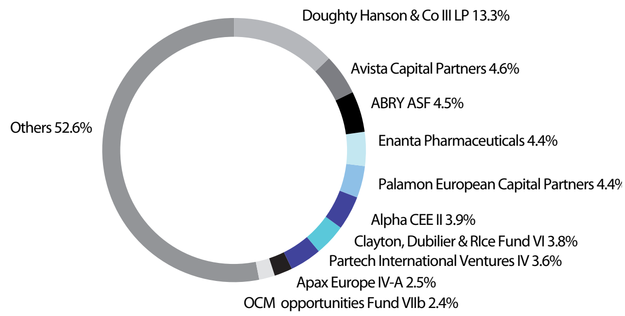
Palamon European Capital Partners distributed proceeds from the redemption of shares held in Towry, the third largest independent financial advisory company in the UK.

Warburg Pincus Private Equity X completed an investment in Survitec, a safety and survival equipment manufacturer in the UK. The fund distributed shares of the oil and gas ex-

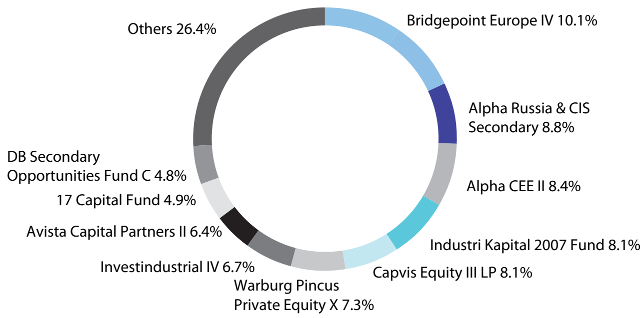
Diversification of the Fund Portfolio by Vintage Year[3]



Largest Exposures by Fair Value



Largest Exposures by Unfunded Commitment



[3] Based on fair values of the fund investments

ploration company Bill Barrett listed on NYSE, which were sold subsequently by Private Equity Holding.

WL Ross Recovery Fund IV invested in China Longyuan Power Group, a Chinese power supplier and the Invesco Mortgage Recovery Master Fund and Invesco Mortgage Recovery Master Fund Loans, two feeder vehicles with a strategy to capitalise on the current dislocation in the residential and commercial mortgage loan and structured securities markets. The fund distributed interest income and dividends received from its portfolio companies.

Direct Investments

As of March 31, 2010, the fair value of the direct portfolio (incl. loans) stood at EUR 18.3 million (March 31, 2009: EUR 16.4 million). During the financial year 2009/2010, positive net value adjustments of EUR 2.8 million were recorded on the portfolio and EUR 1.0 million was distributed.

No noteworthy events occured in the direct portfolio in Q4 of the financial year.

The ten largest investments by fair value are described below. Together they account for 47% of the total fair value of the investment portfolio of the Private Equity Holding Group.

Doughty Hanson & Co. III

Fund Size: *USD 2.7 billion*
Type: *Buyout*
Industries: *Diverse*
Region: *Europe*
Fair Value: *EUR 23.9 million*
13.3% of PEH portfolio

Doughty Hanson is one of Europe's largest independent private equity firms. Since 1985, the firm has undertaken more than 118 investments with an aggregate acquisition value in excess of EUR 28 billion. The team consists of more than 50 investment professionals, located in offices in London, Frankfurt, Madrid, Milan, Munich, Paris and Stockholm. The fund is fully drawn and there are two companies remaining in the portfolio, with LM Wind Power as key value driver. LM Wind Power was formed in July 2009 through the combination of LM Glasfiber and Svendborg Brakes to create a world leading wind-turbine components manufacturer and servicing company. The company employs 4,700 people in 25 locations across 11 countries.

Avista Capital Partners

Fund Size: *USD 1.7 billion*
Type: *Buyout*
Industries: *Energy, healthcare and media*
Region: *USA*
Fair Value: *EUR 8.2 million*
4.6% of PEH portfolio

Avista Capital Partners was formed in 2005 through the spin-out of the core team from DLJ Merchant Banking Partners. The fund manager employs a 28 person investment team, based in New York. The fund makes controlling or influential minority buyout investments in the US, specializing in growth oriented energy, healthcare and media companies. The fund is fully drawn and invested into 18 companies.

ABRY Advanced Securities Fund

Fund Size: *USD 700 million*
Type: *Special Situations*
Industries: *Media*
Region: *USA*
Fair Value: *EUR 8.0 million*
4.5% of PEH portfolio

ABRY is one of the most experienced media investment firms in North America, having invested over USD 2.4 billion in media transactions of a total size of USD 21 billion over 19 years across multiple credit cycles. Since 1989, the firm has managed 5 private equity funds and 2 senior equity funds, all of them targeting the media sector. ABRY ASF invests in senior debt securities issued by high quality, non-investment grade media companies syndicated by lending banks, using swap structures. The fund targets investments ranging from USD 10 to USD 50 million, with diversification across over 250 media companies in the US. The fund is 65% drawn.

Enanta Pharmaceuticals

Type: *Early-stage Venture*
Industries: *Healthcare*
Region: *USA*
Fair Value: *EUR 8.0 million*
4.4% of PEH portfolio

Enanta Pharmaceuticals is a research and development company that uses its novel chemistry approach and drug discovery capabilities to create best in class small molecule drugs in the anti-infective field. In 2006, Enanta Pharmaceuticals and Abbott signed a worldwide agreement to develop and commercialize hepatitis C virus protease inhibitors, and giving Abbott worldwide access to Enanta's substantial intellectual property and drug discovery capabilities. Enanta received a USD 57 million up front payment from Abbott consisting of a cash licence payment and an equity investment.

Palamon European Capital Partners

Fund Size: *USD 440 million*
Type: *Buyout*
Industries: *Diverse*
Region: *Europe*
Fair Value: *EUR 7.9 million*
4.4% of PEH portfolio

Palamon Capital Partners was established in 1999 to invest throughout Europe in service-orientated businesses with high growth potential. The firm has 15 investment professionals based in London. The fund is fully drawn and has 7 companies remaining in the portfolio.

Alpha CEE II

Fund Size:	*EUR 309 million*
Type:	*Buyout & Expansion*
Industries:	*Diverse*
Region:	*Central & Eastern Europe*
Fair Value:	*EUR 6.9 million 3.9% of PEH portfolio*

Alpha CEE II is the second diversified private equity fund for Central and Eastern Europe managed by Alpha Associates, the leading private equity fund-of-funds manager for Central and Eastern Europe and Russia/CIS with more than a decade of investment experience in the region. The fund makes primary commitments to top tier private equity funds in the region with a focus on the new EU member countries, purchases mature fund interests on the secondary market and makes selective direct co-investments. The stage focus is on conservatively leveraged small and mid-market buyouts as well as expansion financing, primarily of businesses in the consumer-oriented sectors. The fund is 52% drawn and has exposure to 92 companies.

Clayton, Dubilier & Rice Fund VI

Fund Size:	*USD 3.4 billion*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*USA*
Fair Value:	*EUR 6.8 million 3.8% of PEH portfolio*

Clayton, Dubilier & Rice is one of the private equity firms with the longest operating history, having started out in 1978 with a focus on operational improvements in large corporations. Since inception, companies such as Bodycote, DuPont, Ford, General Electric, General Motors, Gillette, IBM, PPR and Telecom Italia, have selected the firm as the buyer of choice for large divisions. The fund invests primarily within the United States. The fund is fully drawn and has 4 companies remaining in the portfolio.

Partech International Ventures IV

Fund Size:	*USD 304 million*
Type:	*Venture*
Industries:	*Information technology*
Region:	*USA*
Fair Value:	*EUR 6.5 million 3.6% of PEH portfolio*

Founded in 1982, Partech International is a leading global venture capital firm with offices in the US, Europe and Israel and USD 800 million under management. The fund focuses on the software & internet and communications & components sectors. Partech's internationally integrated team works together closely to find the most innovative information technology companies. The partners are organized along industry groups, across geographical boundaries, giving the firm unique sourcing and due diligence capabilities. The fund is fully drawn and has 31 companies in the portfolio.

Apax Europe IV-A

Fund Size:	*USD 1.8 billion*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*Europe*
Fair Value:	*EUR 4.5 million 2.5% of PEH portfolio*

Apax Partners is one of the largest and most established private equity organizations globally, with 12 offices and over 100 investment professionals worldwide. The team has followed a proven strategy successfully since the 90's. The fund makes buyout and expansion capital investments with a focus on 5 growth sectors: telecommunications, retail & consumer, media, healthcare, and financial & business services. The fund is fully drawn and has 10 companies in the portfolio.

OCM Opportunities Fund VIIb

Fund Size:	*USD 10.9 billion*
Type:	*Special Situations*
Industries:	*Diverse*
Region:	*Global*
Fair Value:	*EUR 4.3 million 2.4% of PEH portfolio*

The fund is managed by Oaktree Capital Management, a global distressed fund manager formed in 1895 and headquartered in Los Angeles. The company has a 21 year track record and over USD 67 billion assets under management. It applies an opportunistic, value oriented approach to investment niches in distressed debt, high yield bonds, private equity, convertible securities and mezzanine. The team dedicated to funds VII and VIIb includes 19 investment professionals in the US, the UK and Germany. The manager has a preference for out-of-favor opportunities and applies a value driven approach when assessing opportunities. The fund is 85% drawn and has 38 investments in the portfolio.

The ten largest fund investments by unfunded commitment are described below. Together they account for 73% of the total unfunded commitments of the Private Equity Holding Group.

Bridgepoint Europe IV

Fund Size:	*EUR 4.8 billion*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*Europe*
Unfunded Commitment:	*EUR 8.6 million (10.1% of total unfunded)*

Bridgepoint is one of the leading private equity investment firms in Europe with a team of over 70 investment professionals and over 20 partners. Having invested successfully for over 25 years, Bridgepoint has proven its ability to finance businesses and growe them organically or by acquisition. The fund makes European buyout investments at the upper end of the mid-market. The focus is on controlling positions in enterprises valued between EUR 200m and EUR 1billion.

Alpha Russia & CIS Secondary

Fund Size:	*USD 200 million (target)*
Type:	*Secondary*
Industries:	*Diverse*
Region:	*Russia & CIS*
Unfunded Commitment:	*USD 10.0 million (8.8% of total unfunded)*

ALPHA Russia & CIS Secondary L.P. is managed by Alpha Associates and focuses on the acquisition of mature private equity fund interests in the secondary market in Russia, other countries of the former Soviet Union and Turkey. The fund aims to capitalize on the attractive opportunities post crisis to purchase high quality private equity assets at attractive discounts to net asset value from investors in distress or restructuring their portfolios. The fund also makes selective primary commitments to leading funds in the region as well as direct co-investments.

Alpha CEE II

Fund Size:	*EUR 309 million*
Type:	*Buyout & Expansion*
Industries:	*Diverse*
Region:	*Central & Eastern Europe*
Unfunded Commitment:	*EUR 7.1 million (8.4% of total unfunded)*

Alpha CEE II is the second diversified private equity fund for Central and Eastern Europe managed by Alpha Associates, the leading private equity fund-of-funds manager for Central and Eastern Europe and Russia/CIS with more than a decade of investment experience in the region. The fund makes primary commitments to top tier private equity funds in the region with a focus on the new EU member countries, purchases mature fund interests on the secondary market and makes selective direct co-investments. The stage focus is on conservatively leveraged small and mid-market buyouts as well as expansion financing, primarily of businesses in the consumer-oriented sectors. The fund is 52% drawn and has exposure to 92 companies.

Industri Kapital 2007 Fund

Fund Size:	*EUR 1.7 billion*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*Europe*
Unfunded Commitment:	*EUR 6.9 million (8.1% of total unfunded)*

The fund is managed by IK Investment Partners, a firm that has managed mid-market buyout funds with commitments totaling over EUR 4.0 billion since 1989. It has 26 investment professionals in offices in the UK and in Sweden, as well as France, Germany and Norway. This is the group's sixth fund, pursuing control buyouts in enterprises valued between EUR 100 million and 500 million. The fund is 31% drawn and has 5 investments in its portfolio.

Capvis Equity III

Fund Size:	*EUR 600 million*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*Europe*
Unfunded Commitment:	*EUR 6.9 million (8.1% of total unfunded)*

Capvis is the most established mid market buyout manager based in Switzerland, targeting investments in German-speaking Europe. Its roots go back to Swiss Bank Corporation's Equity Banking Division. The investment team includes 8 partners and 6 investment professionals based in Zurich. This is the team's third independent fund making control investments in medium sized companies, often as part of succession solutions or corporate spin-offs. The fund is 31% drawn and has 2 investments in its portfolio.

Warburg Pincus Private Equity X

Fund Size:	*EUR 15 billion*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*Global*
Unfunded Commitment:	*EUR 6.2 million (7.3% of total unfunded)*

Warburg Pincus was founded in 1966 and is one of the most established private equity firms in the world. It has 59 partners and 160 investment professionals with headquarters in New York and further 12 offices in 9 countries. The fund focuses on growth investments. The activity includes conceiving and creating venture capital opportunities, providing expansion capital, and investing in leveraged buyouts. The fund is 45% drawn and has 32 companies in its portfolio.

Investindustrial IV

Fund Size:	*EUR 1 billion*
Type:	*Buyout*
Industries:	*Diverse*
Region:	*Europe*
Unfunded Commitment:	*EUR 5.7 million (6.7% of total unfunded)*

Investindustrial evolved from a division established in the 1970's to manage the investment portfolio of the Invest Group, a major Italian financial and industrial group owned by the Bonomi family. The fund manager is one of the premier Italian buyout groups with an experienced team of 29 professionals and offices in Milan, London, Barcelona, Madrid and Luxembourg. The fund acquires control positions in industrially driven management buyout transactions and leveraged build-ups principally in Italy and in the Iberian peninsula. The fund is 43% drawn and has 6 companies in its portfolio.

Avista Capital Partners II

Fund Size:	*EUR 1.8 million*
Type:	*Buyout*
Industries:	*Energy, healthcare and media*
Region:	*USA*
Unfunded Commitment:	*EUR 5.4 million (6.4% of total unfunded)*

Avista Capital Partners was formed in 2005 through the spin-out of the core team from DLJ Merchant Banking Partners. The fund manager employs a 28 person investment team, based in New York. The fund makes controlling or influential minority buyout investments in the US, specializing in growth oriented energy, healthcare and media companies. The fund is 27% drawn and has 7 companies in its portfolio.

17 Capital Fund

Fund Size:	*EUR 84 million*
Type:	*Special Situations*
Industries:	*Diverse*
Region:	*Europe*
Unfunded Commitment:	*EUR 4.2 million (4.9% of total unfunded)*

17 Capital is a fund established to provide preferred equity and mezzanine financing for the private equity secondary market, and more specifically for the purchase of interests in private equity funds or portfolios of private equity investments. The fund invests in a balanced portfolio within the private equity secondary market and seeks to generate accelerated cash-return for investors. The fund manager 17 Capital was established in early 2008. The fund is 17% drawn and has 1 investment in its portfolio.

DB Secondary Opportunities Fund C

Fund Size:	*USD 240 million*
Type:	*Secondaries*
Industries:	*Diverse*
Region:	*US & Canada*
Unfunded Commitment:	*USD 5.5 million (4.8% of total unfunded)*

The fund is managed by RREEF Private Equity, which is part of RREEF Alternative Investments, the alternative investment management division of Deutsche Bank's Asset Management. Headquartered in New York, the firm employs more than 1'200 investment professionals in 15 cities around the world, managing more than USD 60 billion of assets. The fund acquires limited partners' stakes in private equity funds as well as co-investments in secondary transactions. The fund is 41% drawn.

FINANCIAL INFORMATION

CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2010

Notes to the Financial Statements

Consolidated Statement of Comprehensive Income

EUR 1,000	Notes	01.04.09-31.03.10 (audited)	01.04.08-31.03.09 (audited)
Income			
Gains on financial assets available for sale	16	4,692	823
Gains/(losses) on financial assets at fair value through profit or loss	17	3,409	(6,595)
Gains/(losses) on earn-out	9	12,824	(6,683)
Other income	18	9	3,579
Interest income		164	1,271
Dividend income		572	64
Foreign exchange gains		66	6
Total Income		**21,736**	**(7,535)**
Expenses			
Impairment of financial assets available for sale	8	6,052	32,491
Administration expense	20, 22	5,688	959
Corporate expense		645	719
Transaction expense		3	456
Interest expense		—	25
Total Expenses		**12,388**	**34,650**
Profit/(Loss) from Operations		**9,348**	**(42,185)**
Income tax expense		—	—
Profit/(Loss) for the Year		**9,348**	**(42,185)**
Other Comprehensive Income			
Net change in fair value of financial assets available for sale	8	13,634	17,788
Other comprehensive income for the year, net of income tax		13,634	17,788
Total Comprehensive Income/(Loss) for the Year		**22,982**	**(24,397)**
Profit/(Loss) attributable to Equity Holders of the Company		**9,348**	**(42,185)**
Total Comprehensive Income/(Loss) attributable to Equity Holders of the Company		**22,982**	**(24,397)**

	01.04.09-31.03.10 (audited)	01.04.08-31.03.09 (audited)
Weighted average number of shares outstanding during year	3,869,102	3,880,237
Basic Earnings per share (EUR)	2.42	(10.87)
Diluted Earnings per share (EUR)	2.42	(10.87)
Comprehensive Earnings per share (EUR)	5.94	(6.29)

The accompanying notes on pages 20 to 41 are an integral part of these consolidated financial statements.

EUR 1,000	Notes	31.03.10 (audited)	31.03.09 (audited)
Assets			
Current Assets			
Cash and cash equivalents	5	22,683	19,723
Financial assets at fair value through profit or loss	7	4,533	1,380
Receivables and prepayments	6	547	574
Total Current Assets		**27,763**	**21,677**
Non-Current Assets			
Financial assets available for sale	8	179,001	103,799
Earn-out	7, 9	—	61,121
Total Non-Current Assets		**179,001**	**164,920**
Total Assets		**206,764**	**186,597**
Liabilities and Equity			
Current Liabilities			
Payables and accrued expenses	12	1,553	4,734
Total Current Liabilities		**1,553**	**4,734**
Equity			
Share capital		20,247	20,247
Share premium		116,540	116,540
Treasury shares	14	(6,079)	(6,445)
Fair value reserve		14,976	1,342
Retained earnings		59,527	50,179
Total Equity		**205,211**	**181,863**
Total Liabilities and Equity		**206,764**	**186,597**

	31.03.10 (audited)	31.03.09 (audited)
Total number of shares as of year end	4,050,000	4,050,000
Number of treasury shares as of year end	(184,871)	(203,090)
Number of Shares Outstanding as of Year End	**3,865,129**	**3,846,910**
Net Asset Value per Share (EUR)	53,09	47.28

The accompanying notes on pages 20 to 41 are an integral part of these consolidated financial statements.

EUR 1,000	Notes	01.04.09 – 31.03.10 (audited)	01.04.08 – 31.03.09 (audited)
Cash Flows from operating activities			
Profit/(Loss) for the year		9,348	(42,185)
Adjustments for:			
(Gains) on financial assets available for sale		(4,692)	(823)
(Gains)/Losses on financial assets at fair value through profit or loss		(3,409)	6,595
(Gains)/Losses on earn-out		(12,824)	6,683
Other income		—	(3,579)
Impairment on financial assets available for sale		6,052	32,491
Decrease in other working capital items, net		(3,357)	(596)
Investments in financial assets available for sale		(16,638)	(37,323)
Distributions from financial assets available for sale		11,785	8,499
Investments in financial assets at fair value through profit or loss		(31)	(7,864)
Divestments in financial assets at fair value through profit or loss		286	208
Earn-out received	9	16,074	4,634
Settlement payment regarding a legal case	18	—	2,750
Net cash (used)/provided by operating activities		**2,594**	**(30,510)**
Cash Flows from financing activities			
Purchase of treasury shares	14	(636)	(2,482)
Sale of treasury shares	14	1,002	—
Net cash used/(provided) by financing activities		**366**	**(2,482)**
Net increase /(decrease) in cash and cash equivalents		**2,960**	**(32,992)**
Cash and cash equivalents at beginning of the year		**19,723**	**52,715**
Cash and cash equivalents at the end of the year		**22,683**	**19,723**

Cash Flows from operating activities include:

EUR 1,000	01.04.09 – 31.03.10 (audited)	01.04.08 – 31.03.09 (audited)
Interest received	185	1,271
Dividends received	572	64
Income taxes paid	—	—

The accompanying notes on pages 20 to 41 are an integral part of these consolidated financial statements.

EUR 1,000

	Share capital	Share premium	Treasury shares	Fair value reserve	Retained earnings	Total equity
Opening as of 01.04.08 (audited)	**20,247**	**116,540**	**(3,963)**	**(16,446)**	**92,364**	**208,742**
Loss for the year	—	—	—	—	(42,185)	(42,185)
Other comprehensive income, net of income tax						
Change in fair value reserve	—	—	—	17,788	—	17,788
Total comprehensive Income/(Loss) for the Year	**—**	**—**	**—**	**17,788**	**(42,185)**	**(24,397)**
Purchase of treasury shares	—	—	(2,482)	—	—	(2,482)
Sale of treasury shares	—	—	—	—	—	—
Total as of 31.03.09 (audited)	**20,247**	**116,540**	**(6,445)**	**1,342**	**50,179**	**181,863**

	Share capital	Share premium	Treasury shares	Fair value reserve	Retained earnings	Total equity
Opening as of 01.04.09 (audited)	**20,247**	**116,540**	**(6,445)**	**1,342**	**50,179**	**181,863**
Profit for the year	—	—	—	—	9,348	—
Other comprehensive income, net of income tax						
Change in fair value reserve	—	—	—	13,634	—	13,634
Total comprehensive Income/(Loss) for the Year	**—**	**—**	**—**	**13,634**	**9,348**	**22,982**
Purchase of treasury shares	—	—	(636)	—	—	(636)
Sale of treasury shares	—	—	1,002	—	—	1,002
Total as of 31.03.10 (audited)	**20,247**	**116,540**	**(6,079)**	**14,976**	**59,527**	**205,211**

The accompanying notes on pages 20 to 41 are an integral part of these consolidated financial statements.

1. General information

Private Equity Holding AG (the "Company") is a stock company incorporated under Swiss law with registered address at Innere Güterstrasse 4, 6300 Zug, Switzerland. The business activity of the Company is conducted mainly through its Cayman Islands and Netherlands subsidiaries (together referred to as the "Group").

The business activity of the Group is the purchase, holding and disposal of investments held in private equity funds and directly in companies with above-average growth potential. ALPHA Associates (Cayman), LP, Cayman Islands ("ALPHAC"), and ALPHA Associates AG, Zurich ("ALPHA", together "ALPHA Group" or the "Management"), act respectively as manager of the Group and administrator of the Company. See also Note 22.

The Group has no employees.

These consolidated financial statements were authorized for issue on June 2, 2010 by the Board of Directors.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared in conformity with International Financial Reporting Standards ("IFRS"). They comply with Swiss Law and the accounting principles of the Additional Rules for the Listing of Investment Companies issued by the SIX Swiss Exchange. The financial statements have been prepared under the historical cost convention, with the exception of financial assets at fair value through profit or loss and held as available for sale which are measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

a) Adoption of new standards and amendments to standards in 2009

Effective April 1, 2009 the Group has adopted certain new standards and amendments as detailed below.

- IAS 1 (amended) Presentation of Financial Statements, which became effective as of January 1, 2009 requires non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and the statement of comprehensive income). The Group has applied IAS 1 (amended) from April 1, 2009 and has elected to present solely a statement of comprehensive income. The adoption of this revised standard has only impacted the presentation of the Group's performance statement. There is no impact on the Group's financial position or performance.
- IFRS 7 (amended) Financial Instruments: Disclosures, which became effective as of January 1, 2009 requires enhanced disclosures about fair value measurement and liquidity risk. The amendments require that fair value measurement disclosures use a three-level fair value hierarchy that reflects the significance of the inputs used in measuring the fair values of financial instruments. The Group has applied IFRS 7 (amended) from April 1, 2009. The adoption of the amendments resulted in additional disclosures but did not have an impact on the Group's financial position or performance.
- IFRS 8 Operating Segments, which became effective as of January 1, 2009 introduces the "management approach" to segment reporting. As of April 1, 2009, the Group determines and presents operating segments based on the information that internally is provided to the Board of Directors, which is the Group's chief operating decision maker. Previously, operating segments were determined and presented in accordance with IAS 14 Segment Reporting. The new accounting policy in respect of operating segment disclosures is presented as follows: An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Board of Directors (being the Group's chief operating decision maker) to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise audit fees, director's fees and legal fees and other operating expenses. Comparative segment information has been re-presented in conformity with the transitional requirements of the standard. The change in accounting policy only impacted presentation and disclosure aspects.

b) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended March 31, 2010, and have not been applied in preparing these consolidated financial statements. None of these will have an impact on the consolidated financial statements of the Group with the exception of:

- IFRS 9 Financial Instruments deals with classification and measurement of financial assets. The requirements of this standard represent a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortized cost and fair value. A financial asset would be measured at amortized cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. This standard is effective for annual periods beginning on or after January 1, 2013. The

Group is currently in the process of evaluating the potential effect of this standard.

- IAS 24 Related Party Disclosures clarifies that commitments to related parties should be disclosed as related party transactions. It also clarifies the status of a related party and disclosures necessary for subsidiaries of the reporting entity's associates and joint ventures as well as for governments and government-related entities. This standard is effective for annual periods beginning on or after January 1, 2011. The Group is currently assessing the impact of the revised IAS 24 on the disclosures in its consolidated financial statements.

2.2 Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the Subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Scope of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries, after the elimination of all significant intercompany accounts and transactions. All subsidiaries are owned 100%, either directly or indirectly, by the Company. The scope of consolidation includes the following entities:

Company	Domicile	Percentage	Share Capital (EUR 1,000)
Private Equity Holding AG	Zug, Switzerland	n/a	20,247
Private Equity Holding Cayman	Grand Cayman, Cayman Islands	100%	687,414
Private Equity Holding (Luxembourg) SA	Luxembourg, Luxembourg	100%	9,076
Private Equity Holding (Netherlands) BV	Amsterdam, Netherlands	100%	9,076
Private Equity Holding Fund Finance	Grand Cayman, Cayman Islands	100%	8,677
Private Equity Holding Direct Finance	Grand Cayman, Cayman Islands	100%	124,984
Private Equity Holding Co-Finance	Grand Cayman, Cayman Islands	100%	46,869
Private Equity Holdings LP	Delaware, USA	100%	43,110*
Private Equity Parallel Holdings LP	Delaware, USA	100%	10,972*
U.S. Ventures LP	Grand Cayman, Cayman Islands	100%	372*

* Limited partner's capital as of December 31, 2009

The Limited Partnerships Private Equity Hodings LP and Private Equity Parallel Holdings LP were acquired in the context of the buy back of the Earn-out portfolio (see also Note 9).

All subsidiaries of the Company are considered foreign operations integral to the operations of the parent company, as per IAS 21.

As of March 31, 2010, the Group holds ownership interests of 50% or more in the following fund investments:

- Newbury Ventures Cayman, LP
- TAT Investments I CV

With regard to Newbury Ventures Cayman LP the investment was made into a parallel fund in order to achieve favorable tax treatment. In this case the percentage holding in the overall fund is significantly below 50%.

According to the limited partnership agreements of these funds, the Group does not have the power to participate in the financial and operating policy of the funds. Therefore, no equity accounting or consolidation is performed.

2.3 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.4 Fair value per share

Fair value per share is calculated by dividing total shareholders' equity with the number of ordinary shares in issue, net of treasury shares.

2.5 Foreign currency translation

2.5.1 Functional and presentation currency

The performance of the Group is reported to the investors in Euro. The Board of Directors considers the Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euros, which is the Company's functional currency.

The Group shows all changes in fair value resulting from changes in foreign exchange rates attributable to financial assets available for sale directly in shareholders' equity.

2.5.2 Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. Translation differences on non-monetary financial assets and liabilities such as financial assets available for sale are recognized in the fair value reserve.

2.6 Financial instruments

Following IAS 39 the Group classifies the majority of its financial instruments into the following two categories: at fair value through profit or loss and financial assets available for sale. The Management determines the appropriate classification of investments at the time of the purchase.

Recognition of financial assets and liabilities
The Group initially recognizes financial assets and financial liabilities measured at amortized cost on the date at which they are originated. All other financial assets and liabilities are initially recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Derecognition of financial assets and liabilities
The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

2.6.1 Available for sale
Financial instruments intended to be held for an indefinite period of time for the purpose of realizing capital gains upon sale are designated as available for sale. Financial assets available for sale are initially recorded at fair value including transaction costs. These financial assets are subsequently re-measured at fair value (see separate section "Fair Values"). Gains and losses arising from changes in the fair value of financial assets available for sale are recognized in equity. When the financial assets are disposed of or once they are impaired, the related accumulated fair value adjustments are included in profit or loss as "Gains/(Losses) on financial assets available for sale, net" or as "Impairment" respectively. A financial asset available for sale is impaired when information is received about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the financial asset may not be recovered, or where there is a significant or prolonged decrease in the fair value below cost for an investment in an equity security. Impairment losses recognized in profit or loss on equity investments are not reversed through profit or loss but through equity. Loans are granted to companies only under certain circumstances: when the loan is granted together with an equity investment in the company, when an option to purchase shares in the company is part of the loan agreement, or when the loan is convertible into shares of the company (embedded derivatives). Interest income and amortization are recorded in profit or loss or balance sheet, respectively.

2.6.2 At fair value through profit or loss
This category includes securities which were either distributed by funds or direct investments which went public and the Earn-out, which are designated as held at fair value through profit or loss. These financial assets are initially recognized at fair value excluding transaction costs and subsequently remeasured at fair value. All related realized and unrealized gains and losses are included in the income statement as they arise.

2.6.3 Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortized cost, minus repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment. Loans and receivables are impaired, when objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows of the asset that can be estimated reliably.

2.6.4 Financial liabilities
Financial liabilities are measured at amortized cost using the effective interest method.

2.6.5 Recognition of interest and dividend income
Interest income from financial assets available for sale is recognized in profit or loss. Dividend income from financial assets available for sale is recognized in profit or loss within dividend income when the Group's right to receive payments is established.

2.6.6 Fair value estimation
i) Financial assets at fair value through profit or loss
The fair values for financial assets at fair value through profit or loss are generally determined by reference to their quoted market prices, defined as the "bid" price for financial assets and the "ask" price for financial liabilities on the principal securities exchange or market on which such investments are traded as of the close of business on the valuation date, or, in the absence thereof, the last available price quotation from such exchange or market. For further details regarding the valuation of the earn-out refer to Note 9.

ii) Financial assets available for sale
The fair values assigned to financial assets available for sale are based upon available information and do not necessarily represent amounts

which might ultimately be realized. Because of the inherent uncertainty of valuation, these estimated fair values may differ significantly from the values that would have been used had a ready market for the financial assets available for sale existed, and those differences could be material.

The responsibility for determining the fair values available for sale lies exclusively with the Board of Directors. There is no independent external valuation of the financial assets available for sale conducted.

(a) Direct investments and loans
Quoted Investments
The fair value of a quoted investment is generally determined by reference to its quoted market price, defined as the "bid" price on the principal securities exchange or market on which such investments are traded as of the close of business on the valuation date, or in the absence thereof, the last available price quotation from such exchange or market.

Unquoted Investments
In estimating the fair value of an unquoted investment, the Group considers the most appropriate market valuation techniques, including but not limited to the following:

- Cost basis
- Result of multiples analysis
- Result of discounted cash flow analysis
- Reference to transaction prices (including subsequent financing rounds)
- Reference to the valuation of other investors
- Result of operational and environmental assessment

(b) Fund investments
In estimating the fair value of fund investments, the Group considers all appropriate and applicable factors relevant to their value, including but not limited to the following:

- Reference to the fund investment's reporting information
- Reference to transaction prices
- Result of operational and environmental assessment

(c) Other balance sheet positions
All other financial assets and financial liabilities have maturities of less than twelve months. The fair values of such positions, therefore, are deemed to be equal to book value.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash at banks and fixed term deposits with a term of three months or less from the date of acquisition. They are subject to an insignificant risk of change in value and are used by the Group in the management of its short-term commitments.

Cash and cash equivalents are carried at amortized cost in the balance sheet.

2.8 Taxes

Private Equity Holding AG
The Company is taxed as a holding company in the Canton of Zug. Income, including dividend income and capital gains from its participation, is exempt from taxation at the cantonal and communal level. For Swiss federal tax purposes, income tax at an effective tax rate of approximately 7.8% is levied. However, dividend income qualifies for the participation exemption if the related investment represents at least 20% of the other company's share capital or has a value of not less than CHF 2 million. The participation exemption is extended to capital gains on the sale of a substantial participation (i.e. at least 20%), which was held for a minimum holding period of one year and in case the sales price of the participation exceeds its original acquisition cost. The result of the participation exemption pursuant to the aforementioned requirements is that dividend income and capital gains (except recovered depreciations) are almost fully exempt from taxation. Should the Company have an accumulated tax loss at the end of the period, a deferred tax asset, equal to the loss carried forward multiplied by the applicable tax rate, is recorded in the consolidated balance sheet unless it appears unlikely that the Company will realize sufficient future taxable profits to take advantage of the tax loss carried forward. This determination is made annually. Provisions for taxes payable on profits earned in other Group companies are calculated and recorded based on the applicable tax rate in the relevant country, as outlined below.

Cayman Subsidiaries
Profits generated by the Cayman subsidiaries are currently not taxable.

Private Equity Holding (Netherlands) BV
In 2009/2010 dividend and interest income and capital gains realized by the Netherlands subsidiary are generally subject to taxation in the Netherlands at the rate of 20.0% for the first EUR 40.000 of profit, a rate of 23.0% for profit between EUR 40.000 and EUR 200.000 and at a rate of 25.5% thereafter. However, there is no income tax due on dividends and capital gains if the related investment qualifies for the participation exemption.

Private Equity Holding (Luxembourg) SA
Dividend and interest income and capital gains realized by the Luxembourg subsidiary are generally subject to taxation in Luxembourg at the rate of approximately 30%. However, there is no income tax due on dividends and capital gains if the related investment qualifies for the participation exemption. To date, there is no final ruling from the Luxembourg tax authorities regarding the application of the tax relief for dividends and capital gains.

3. Financial risk management

3.1 Introduction and overview

The Group has exposures to the following risks from financial instruments: market risk (including market price risk, interest rate risk, currency risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects of the Group's financial performance.

The investment manager attributes great importance to professional risk management, beginning with careful diversifications, the sourcing of access to premier private equity investment opportunities, proper understanding and negotiation of appropriate terms and conditions, and active monitoring including ongoing interviews with managers, thorough analysis of reports and financial statements and review of investments made. It is also key to structure the proper investment vehicles for the portfolio taking into account issues such as liquidity or tax related issues. The Group has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control the economic impact of these risks. The Group's investment manager provides the Group with investment recommendations that are consistent with the Groups' objectives. The Board of Directors reviews and agrees policies for managing each of these risks as summarized below.

3.2 Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

3.2.1 Market price risk

The Group invests in financial assets to take advantage of their long-term growth. All investments present a risk of loss of capital. The investment manager moderates the risk through a careful selection of financial assets within specified limits. All of the companies in which the Group and its investee funds invest are subject to the risks inherent in their industries. Moreover, established markets do not exist for these holdings, and, therefore, they are considered illiquid.

The Group also invests a significant proportion of its assets in high-technology and biotechnology companies and funds, which represents a concentration of risk in two highly volatile industries. The Group attempts to minimize such risks by engaging in extensive investment due diligence and close monitoring.

The Group invests its liquid assets in accordance with the investment guidelines in the money market or capital market. The development of such investments does not correlate with the private equity markets but rather is subject to the fluctuations and risks of the money market or capital market. Negative developments in such markets resulting in an investment's performance below the Group's expectations or losses on such investments could have a material and adverse effect on the Group's financial results.

If the value of the financial assets available for sale and the earn-out(based on year-end values) had increased or decreased by 37% (2009: 69%) with all other variables held constant, the impact on consolidated equity would have been EUR 66.23 million (2009: EUR 113.4 million).

The Group is exposed to a variety of market risk factors which may change significantly over time. As a result, measurement of such exposure at any given point in time may be difficult given the complexity and limited transparency of the underlying investments. Therefore, a sensitivity analysis is deemed of limited explanatory value or may be misleading.

3.2.2 Interest rate risk

The majority of the Group's financial assets and liabilities are non-interest bearing. As a result, the Group is not subject to a significant amount of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The schedule below summarizes the Group's exposure to interest rate risks. It includes the Group's assets and liabilities at fair values, categorized by the earlier of contractual pricing or maturity dates. As of March 31, 2010, should interest rates have risen or fallen by 87.6. basis points with all other variables remaining constant, the increase or decrease to the consolidated statement of income and shareholders' equity would have amounted to EUR 0.2 million (2009: EUR 0.7 million).
In accordance with the Groups' policy, the investment manager monitors the Group's overall interest sensitivity on a monthly basis and the Board of Directors reviews it on a regular basis.

Interest rate risk as of March 31, 2010	Less than 1 month EUR 1'000	1–3 months EUR 1'000	Non-interest bearing EUR 1'000	Total EUR 1'000
Assets				
Cash and cash equivalents	22,683	—	—	22,683
Financial assets at fair value through profit or loss	—	—	4,533	4,533
Financial assets available for sale	—	—	179,001	179,001
Other current assets	—	—	547	547
Total assets	**22,683**	**—**	**184,081**	**206,764**
Liabilities				
Accounts payable and accrued liabilities	—	—	1,553	1,553
Total liabilities	**—**	**—**	**1,553**	**1,553**

Interest rate risk as of March 31, 2009	Less than 1 month EUR 1'000	1–3 months EUR 1'000	Non-interest bearing EUR 1'000	Total EUR 1'000
Assets				
Cash and cash equivalents	19,723	—	—	19,723
Financial assets at fair value through profit or loss and earn-out	—	—	62,501	62,501
Financial assets available for sale	—	—	103,799	103,799
Other current assets	—	—	574	574
Total assets	**19,723**	**—**	**166,874**	**186,597**
Liabilities				
Accounts payable and accrued liabilities	—	—	4,734	4,734
Total liabilities	**—**	**—**	**4,734**	**4,734**

3.2.3 Currency risk

The Group invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency, which exposes the Group to the risk that the exchange rate of those currencies against the Euro will change in a manner which adversely impacts the Group's consolidated net income and consolidated net assets. The Group's policy is not to enter into any currency hedging transactions. The schedule below summarizes the Group's exposure to currency risks:

Currency risk as of March 31, 2010	USD 1'000	EUR 1'000	CHF 1'000	GBP 1'000	SEK 1'000	Total EUR 1'000
Assets						
Cash and cash equivalents	5,572	17,780	162	738	1,031	22,683
Financial assets at fair value through profit or loss	—	4,533	—	—	—	4,533
Financial assets available for sale	166,540	48,632	855	4,654	2,798	179,001
Other current assets	—	547	—	—	—	547
Total assets	**172,112**	**71,492**	**1,017**	**5,392**	**3,829**	**206,764**
Liabilities						
Accounts payable and accrued expenses	—	1,553	—	—	—	1,553
Total liabilities	**—**	**1,553**	**—**	**—**	**—**	**1,553**
Net exposure	**172,112**	**69,939**	**1,017**	**5,392**	**3,829**	**205,211**

Currency risk as of March 31, 2009	USD 1'000	EUR 1'000	CHF 1'000	GBP 1'000	SEK 1'000	Total EUR 1'000
Assets						
Cash and cash equivalents	1,482	18,513	90	25	—	19,723
Financial assets at fair value through profit or loss and earn-out	—	62,501	—	—	—	62,501
Financial assets available for sale	96,265	26,854	870	3,383	2,429	103,799
Other current assets	—	574	—	—	—	574
Total assets	**97,747**	**108,442**	**960**	**3,408**	**2,429**	**186,597**
Liabilities						
Accounts payable and accrued expenses	—	4,734	—	—	—	4,734
Total liabilities	**—**	**4,734**	**—**	**—**	**—**	**4,734**
Net exposure	**97,747**	**103,708**	**960**	**3,408**	**2,429**	**181,863**

As of March 31, 2010, had the exchange rate between the USD/EUR increased or decreased by 1.7 % (2009: 19.8%) with all other variables held constant, the increase or decrease to profit or loss and shareholders' equity would have amounted to EUR 2.2 million (2009:EUR 12.2 million).

In accordance with the Group's policy, the investment manager monitors the Group's currency position on a monthly basis and the Board of Directors reviews it on a regular basis.

3.3 Credit risk

The Group takes on exposure to credit risk which is the risk that a counterparty will be unable to pay amounts in full when due resulting in a loss for the Group. Impairment provisions are provided for losses that have been incurred by the balance sheet date, if any. The schedule below summarizes the Group's exposure to credit risk.

The Group's main credit risk concentration is from distributions to be received from the private equity investments in which the Group is invested. The Group seeks to mitigate its exposure to credit risk by conducting its contractual transactions with institutions which are reputable and well established.

In accordance with the Group's policy, the investment manager monitors the Group's credit position on a monthly basis and the Board of Directors reviews it on a regular basis.

Credit risk as of March 31, 2010	Fully performing EUR 1'000	Total EUR 1'000	Rating (Moody's)
Cash at Credit Suisse	17,139	17,139	Aa1
Cash Morgan Stanley	547	547	A2
German Treasury Bills	4,997	4,997	Aaa
Receivables and accrued income	547	547	n/a
Total exposure to credit risk	**23,230**	**23,230**	

Credit risk as of March 31, 2009	Fully performing EUR 1'000	Total EUR 1'000	Rating (Moody's)
Cash at Credit Suisse	2,406	2,406	Aa1
Cash at RaBo	12,000	12,000	Aaa
Cash Morgan Stanley	320	320	A1
German Treasury Bills	4,997	4,997	Aaa
Receivables and accrued income	574	574	n/a
Total exposure to credit risk	**20,297**	**20,297**	

No financial assets carried at amoritized cost were past due or impaired either at March 31, 2010 or March 31, 2009.

3.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Group. The Group's policy and the investment manager's approach to managing liquidity is to have sufficient liquidity to meet its liabilities, including estimated capital calls, without incurring undue losses or risking damage to the Group's reputation.

Outstanding commitments can exceed cash and cash equivalents available to the Group. Based on current short-term cash flow projections and barring unforeseen events, the Group expects to be able to honor all capital calls.

The Group has a cash balance at March 31, 2010 of EUR 22.7 million (2009: EUR 19.7 million). The total undrawn amount in respect of commitments made on or before March 31, 2010 is EUR 85.0 million (2009: EUR 99.6 million). Undrawn commitments are off balance sheet and will be drawn over time. They will be financed with the Group's cash position and out of future distributions. In addition the Group has access to a EUR 5 million credit facility.

The majority of the investments which the Group makes are unquoted and subject to specific restrictions on transferability and disposal. Consequently risks exist that the Group might not be able to readily dispose of its holdings in such markets or investments when it chooses and also that the price attained on a disposal is below the amount at which such investments are included in the Group's balance sheet. Only the marketable securities are listed on stock exchange and are thus more liquid. The marketable securities make up 4.7% of the shareholders' equity.

The schedule below analyzes the Group's financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the schedule are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant. In accordance with the Group's policy, the Investment Manager monitors the Groups' liquidity position on a daily basis, and the Board reviews it on a regular basis.

Liquidity risk as of March 31, 2010	**Less than 1 month** EUR 1'000	**1–3 months** EUR 1'000	**No stated Maturity** EUR 1'000	**Total** EUR 1'000
Accounts payables and accrued liabilities	421	884	248	1,553
Accrued taxes	—	—	—	—
Outstanding Commitments	85,047	—	—	85,047
Total current liabilities	**85,468**	**884**	**248**	**86,600**

Liquidity risk as of March 31, 2009	**Less than 1 month** EUR 1'000	**1–3 months** EUR 1'000	**No stated Maturity** EUR 1'000	**Total** EUR 1'000
Accounts payables and accrued liabilities	114	—	4,620	4,734
Accrued taxes	—	—	—	—
Outstanding Commitments	99,647	—	—	99,647
Total current liabilities	**99,761**	**—**	**4,620**	**104,381**

Unfunded commitments may be called at any time. Although not expected in the normal course of business, unfunded commitments are categorized as due within one month.

The Group made the following new commitment during the financial year 2009/2010:

	Currency	**Amount 1,000**
Alpha Russia & CIS Secondary	USD	10,000

3.5 Capital management

The Company's capital is represented by ordinary shares with CHF 8.00 par value and carrying one vote each. They are entitled to dividends when declared. The Company has no additional restrictions or specific capital requirements on the issue and re-purchase of ordinary shares. The movements of capital are shown on the statement of changes in equity.

The Group's objectives when managing capital are to safeguard the entity's ability to continue as a going concern and to achieve positive returns in all market environments. The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may return capital to shareholders through capital decreases or repurchases and liquidations of own shares or sell assets to reduce debt. The Group does not intend to pay out any dividends to shareholders.

The share effect of the repurchases and resales as a result of market making activities in 2009/2010 are listed in note 14. NZB Neue Zürcher Bank AG acts as the Company's market maker and will continue to do so in the future.

Neither the Company nor any of its Subsidiaries are subject to externally imposed capital requirements.

4. Critical accounting estimates and judgments

4.1 Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates, will, by definition, seldom equal the related results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques. Private equity investments for which market quotations are not readily available are valued at their fair values by the Board of Directors. If the Board of Directors comes to the conclusion, after applying the valuation methods described in Note 2.6, that the most recent valuation reported by the manager of a fund investment is materially misstated, it will make the necessary adjustments using the results of its own review and analysis. The Board of Directors uses its judgment to select a variety of methods and makes assumptions that are not always supported by observable market prices or rates. The use of valuation techniques requires them to make estimates. Changes in assumptions could affect the reported fair value of the investments. As at March 31, 2010 the level of fair values for unquoted investments for which the Board of Directors made valuation adjustments is as follows:

	2010 EUR 1,000	2009 EUR 1,000
Fair value of financial assets available for sale	179,001	103,799
Fair value of financial assets available for sale whose valuations were adjusted	9,330	13,655
Percentage of total fair value of financial assets available for sale	5.2%	13.2%

If the valuation adjustments had not been made this would have decreased the shareholders' equity by EUR 0.1 million (2009: (1.8) million).

4.2 Critical judgments

Functional currency

The Board of Directors considers the Euro the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Euro is the currency in which the Group measures its performance and reports its results. This determination also considers the competitive environment in which the Group is compared to other investment products.

5. Cash and cash equivalents

	31.03.10 EUR 1,000	31.03.09 EUR 1,000
Cash and demand deposits	17,686	2,726
Call deposits	-	12,000
German Treasury Bills	4,997	4,997
Total cash and cash equivalents	**22,683**	**19,723**

As of March 31, 2010 the total cash and demand deposits are freely available.

6.Loans and receivables

	31.03.10 EUR 1,000	31.03.09 EUR 1,000
Receivables and prepayments	547	574
Total loans and receivables	**547**	**574**

7. Financial assets at fair value through profit or loss

	31.03.10 EUR 1,000	31.03.09 EUR 1,000
Current financial assets (Cost EUR 7,702; 2009: EUR 7,957)	4,533	1,380
Non-current financial assets (=Earn-out)	-	61'121
Total financial assets at fair value through profit or loss	**4,533**	**62,501**

As of March 31, 2010, freely tradable securities are carried at market value and amount to EUR 4.5 million (2009: EUR 1.4 million).

8. Financial assets available for sale

	31.03.10 EUR 1,000	31.03.09 EUR 1,000
Fund Investments	160,681	87,422
Direct Investments	17,857	15,695
Loans	463	682
Total financial assets available for sale	**179,001**	**103,799**

Financial assets available for sale

		Commitments				Book Values						Returns 01.04.09 – 31.03.10	
	Vintage	Original fund currency	Original amount FC 1,000	Paid in 31.03.10 FC 1,000	Unfunded commitments 31.03.10 EUR 1,000	Fair Value 01.04.09 EUR 1,000	Transfer Value Earn-out Funds EUR 1,000	Capital calls, net[1] EUR 1,000	Impairment[2] EUR 1,000	Change in unreal. appr./depr.[3] EUR 1,000	Fair Value 31.03.10 EUR 1,000	Total distributions EUR 1,000	Real. gains/ (losses) EUR 1,000
Buyout Funds													
ABRY Partners VI	2008	USD	7,500	2,841	3,474	1,237	—	893	—	382	2,512	33	33
Alpha CEE II **	2006	EUR	15,000	7,863	7,137	5,042	—	1,725	—	145	6,912	—	—
Apax Europe IV-A*	1999	EUR	50,000	4,623	*	—	4,623	—	—	(124)	4,498	—	—
Apax Germany II*	1997	EUR	10,226	376	*	—	376	—	—	—	376	—	—
Apax UK VI-C*	1997	GBP	3,000	135	*	—	149	—	—	(92)	56	—	—
Avista Capital Partners	2006	USD	10,000	10,256	—	7,908	—	25	—	261	8,195	439	7
Avista Capital Partners II	2008	USD	10,000	2,729	5,421	1,729	—	139	—	835	2,703	13	—
Bridgepoint Europe IV	2008	EUR	10,000	1,375	8,625	632	—	743	—	(310)	1,065	—	—
Capvis Equity III LP	2008	EUR	10,000	3,127	6,873	2,913	—	158	(531)	(893)	1,647	—	—
Clayton, Dubilier & Rice Fund VI*	1998	USD	35,000	9,067	*	—	6,049	—	—	766	6,814	—	—
Doughty Hanson & Co III LP No 12*	1997/98	USD	65,000	44,006	*	—	29,359	—	—	(5,489)	23,870	—	—
Duke Street Capital IV UK No 2*	1999	EUR	28,000	193	*	—	193	—	—	(3)	190	234	234
Europe Capital Partners IV	1999	EUR	4,111	4,111	—	2,078	—	—	—	(407)	1,671	—	—
Francisco Partners	2000	USD	3,222	2,927	220	1,833	—	(5)	—	(86)	1,743	128	111
Industri Kapital 2007 Fund	2007	EUR	10,000	3,105	6,895	2,398	—	716	—	210	3,324	—	—
Investindustrial IV	2008	EUR	10,000	4,332	5,668	1,491	—	2,013	—	421	3,925	—	—
Milestone 2007	2007	EUR	1,310	1,190	120	1,397	—	19	—	472	1,888	—	—
Milestone 2008	2008	EUR	3,690	1,459	2,231	1,080	—	24	—	675	1,779	—	—
Nordic Capital IV*	2000	SEK	120,000	1,586	*	—	150	(97)	—	74	128	100	1
Palamon European Capital Partners*	1999	EUR	10,000	7,421	*	—	7,421	(532)	—	972	7,861	621	89
Procuritas Capital Partners II	1997	SEK	40,000	38,900	113	221	—	—	—	(62)	159	—	—
The Candover 1997 UK No 1*	1997	GBP	28,400	—	*	—	—	—	—	—	—	—	—
The European Private Equity Fund "B"*	1998/99	GBP	15,000	620	*	—	683	—	—	2	685	—	—
Warburg Pincus Private Equity X	2007	USD	15,000	6,681	6,202	2,669	—	1,170	(82)	442	4,199	14	1
					52,979	**32,629**	**49,003**	**6,992**	**(613)**	**(1,810)**	**86,199**	**1,582**	**475**

Minor differences in totals are due to rounding.

1 Increase represents the capital contributed to an investment less the cost component of distributions.

2 Impairment represents a permanent decline in value and is accounted for in the income statement.

3 Unrealized appreciation/(depreciation) represents temporary changes in value and is accounted for in the consolidated equity.

* Fund investments included in the former Earn-out portfolio (see Note 9). These funds are reaching the end of their life and are fully or almost fully paid in. A few earn-out funds could re-call a portion of previous distributions for follow-own investments. However, it is unlikely that this would happen. Future fund expenses, if any, are likely to be deducted from future distributions. Therefore, no unfunded is shown for the former earn-out funds. The column "Paid in 31.03.10" shows the transfer value in fund currency for these funds as of October 1, 2009 and the column "Transfer Value Earn-out Funds" shows the fair values of the earn-out funds in TEUR as of that date.

** Funds managed by Alpha Associates (Cayman) LP. These funds are excluded from the NAV for the purpose of calculating the management fee.

Financial assets available for sale (continued)

	Vintage	Original fund currency	Original amount FC 1,000	Paid in 31.03.10 FC 1,000	Unfunded commit-ments 31.03.10 EUR 1,000	Fair Value 01.04.09 EUR 1,000	Transfer Value Earn-out Funds EUR 1,000	Capital calls, net[1] EUR 1,000	Impair-ment[2] EUR 1,000	Change in unreal. appr./depr.[3] EUR 1,000	Fair Value 31.03.10 EUR 1,000	Total distri-butions EUR 1,000	Real. gains/(losses) EUR 1,000
		Commitments				Book Values						Returns 01.04.09–31.03.10	
Venture Funds													
Banexi Ventures II	1998	EUR	7,622	7,659	—	184	—	—	(114)	(20)	50	76	76
BB BioVentures	1997	USD	625	625	—	102	—	—	(35)	(25)	42	—	—
Boulder Ventures IV	2001	USD	11,250	11,250	—	4,002	—	(25)	—	(592)	3,385	17	(7)
Carmel Software Fund	2000	USD	10,000	10,213	—	4,878	—	121	—	(745)	4,253	2	2
CDC Innovation 2000	2000	EUR	10,002	9,676	326	2,147	—	(103)	(314)	(28)	1,702	217	114
Digital Ventures II	1999	USD	10,000	10,000	—	373	—	(95)	(894)	617	—	80	(15)
European e-Commerce Fund B	2000	USD	7,500	7,507	—	2,782	—	(436)	—	(598)	1,748	1,364	928
Formula Ventures II	2000	USD	5,000	4,842	117	1,034	—	(419)	(1,281)	817	150	328	(91)
Grosvenor Venture Partners III	2000	USD	4,000	4,000	—	—	—	—	—	—	—	16	16
Index Venture I (Jersey)	1999	USD	7,500	7,622	—	1,807	—	—	—	(58)	1,750	—	—
InSight Capital Partners (Cayman) III*	1999	USD	30,000	5,147	*	—	3,434	—	—	717	4,151	—	—
Institutional Venture Partners XI	2004	USD	5,000	5,000	—	3,102	—	—	—	130	3,232	—	—
Institutional Venture Partners XII	2007	USD	5,000	3,250	1,305	1,408	—	461	—	1,165	3,034	340	101
Inventure Inc.	1999	USD	5,050	5,050	—	779	—	—	(949)	310	140	—	—
Kennet III	2007	EUR	5,000	1,988	3,013	1,502	—	163	—	(28)	1,637	—	—
Kiwi I Ventura - Servicos SA	1999	EUR	7,500	7,561	—	186	—	(157)	—	322	351	225	68
Kiwi II Ventura Servicos de Consultaria SA	2000	EUR	14,000	13,925	75	433	—	(204)	—	59	289	630	427
Minicap Technology Investment	1997	CHF	10,967	10,967	—	573	—	—	—	25	598	—	—
NeSBic Converging Technologies	2000	EUR	13,705	12,816	—	—	—	—	—	—	—	90	90
Newbury Ventures Cayman	1998	USD	7,300	7,300	—	1,275	—	(1,709)	(70)	778	275	2,522	813
Newbury Ventures	1998	USD	2,700	2,700	—	486	—	(672)	(11)	298	101	948	276
Partech International Ventures IV*	2000	USD	15,000	8,145	*	—	5,434	—	—	1,081	6,515	—	—
Renaissance Venture	1998	GBP	5,000	5,000	—	2,731	—	—	(906)	234	2,060	—	—
Renaissance Venture (Secondary)	1998	GBP	150	150	—	—	—	166	—	1,379	1,545	—	—
Star Seed Enterprise	1998	USD	5,000	5,000	—	12	—	—	(7)	(5)	—	—	—
Strategic European Technologies NV	1997	EUR	18,151	18,151	—	1,375	—	(294)	—	454	1,536	832	539
SVE Star Venture Enterprises No. VII	1998	USD	5,000	4,950	37	261	—	—	—	(81)	179	—	—
SVE Star Venture Enterprises No. VIIa	1998	USD	500	500	—	82	—	—	(1)	(16)	65	—	—
TAT Investment Fund I	1997	USD	24,000	24,289	—	2,013	—	56	—	801	2,870	—	—
TAT Investment Fund II	1999	USD	15,000	15,001	—	1,871	—	—	(810)	564	1,625	—	—
TVM III (US Fund)	1997	USD	3,675	3,676	—	163	—	—	—	(70)	93	—	—
TVM Techno Venture III GmbH & Co. KG	1997	EUR	5,736	5,737	—	271	—	—	(24)	310	557	—	—
					4,873	**35,831**	**8,868**	**(3,149)**	**(5,415)**	**7,794**	**43,931**	**7,687**	**3,338**
Special Situation Funds													
17 Capital Fund	2008	EUR	5,000	830	4,170	40	—	678	—	(131)	587	3	—
ABRY Advanced Securities Fund	2008	USD	15,000	9,799	3,878	3,164	—	3,164	—	1,640	7,968	1,045	23
Alpha Russia & CIS Secondary **	2010	USD	10,000	—	7,456	—	—	—	—	—	—	—	—
DB Secondary Opportunities Fund A	2007	USD	5,376	4,198	879	3,852	—	(181)	—	(975)	2,697	289	84
DB Secondary Opportunities Fund C	2007	USD	9,288	3,768	4,116	1,811	—	506	—	592	2,909	235	(12)
European Secondary Development Fund	1997	EUR	4,573	4,574	—	297	—	(61)	—	(237)	—	295	234
Klesch Capital Partners	1998	USD	15,000	15,588	—	758	—	—	—	(13)	746	—	—
OCM European Principal Opp. Fund II	2008	EUR	5,000	2,750	2,250	1,422	—	1,000	—	698	3,120	—	—
OCM Opportunities Fund VII	2007	USD	5,000	5,000	—	2,623	—	—	—	1,423	4,046	—	—
OCM Opportunities Fund VIIb	2008	USD	5,000	4,250	559	2,417	—	521	—	1,355	4,292	—	—
WL Ross Recovery Fund IV	2007	USD	10,000	4,785	3,888	2,577	—	538	—	1,072	4,187	160	6
					27,195	**18,962**	**—**	**6,165**	**—**	**5,425**	**30,551**	**2,027**	**335**
Total Fund Investments					**85,047**	**87,422**	**57,871**	**10,008**	**(6,029)**	**11,409**	**160,681**	**11,295**	**4,148**

Minor differences in totals are due to rounding.

1 Increase represents the capital contributed to an investment less the cost component of distributions.

2 Impairment represents a permanent decline in value and is accounted for in the income statement.

3 Unrealized appreciation/(depreciation) represents temporary changes in value and is accounted for in the consolidated equity.

* Fund investments included in the former Earn-out portfolio (see Note 9). These funds are reaching the end of their life and are fully or almost fully paid in. A few earn-out funds could re-call a portion of previous distributions for follow-own investments. However, it is unlikely that this would happen. Future fund expenses, if any, are likely to be deducted from future distributions. Therefore, no unfunded is shown for the former earn-out funds. The column "Paid in 31.03.10" shows the transfer value in fund currency for these funds as of October 1, 2009 and the column "Transfer Value Earn-out Funds" shows the fair values of the earn-out funds in TEUR as of that date.

** Funds management by Alpha Associates (Cayman) LP. These funds are excluded from the NAV for the purpose of calculating the management fee.

Financial assets available for sale (continued)

Direct Investments	Original currency	Original amount FC 1,000	Unfunded commit-ments 31.03.10 EUR 1,000	Book Values: Fair Value 01.04.09 EUR 1,000	Transfer Value Earn-out Funds EUR 1,000	Capital calls, net[1] EUR 1,000	Impair-ment[2] EUR 1,000	Change in unreal. appr./depr.[3] EUR 1,000	Fair Value 31.03.10 EUR 1,000	Returns 01.04.09–31.03.10: Total distri-butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Actano	EUR	528	—	264	—	—	—	—	264	—	—
Applied Spectral Imag. (Tintanic)	USD	4,047	—	1,535	—	—	—	(26)	1,509	—	—
Avecia	GBP	7,073	—	925	—	(234)	—	192	883	794	559
CEGID (formerly CCMX)	EUR	6,791	—	1,066	—	—	—	1,628	2,694	—	—
CyDex	USD	3,000	—	1,259	—	—	—	(21)	1,238	—	—
Develogen	EUR	250	—	296	—	—	—	—	296	—	—
Enanta Pharmaceuticals	USD	6,384	—	8,095	—	—	—	(136)	7,959	—	—
EpiCept Corporation	USD	4,000	—	1,584	—	—	—	414	1,997	—	—
Neurotech	EUR	556	—	421	—	170	—	11	602	—	—
Wilex Biotechnology	EUR	892	—	251	—	—	—	165	416	—	—
Total Direct Investments			**—**	**15,695**	**—**	**(65)**	**—**	**2,227**	**17,857**	**794**	**559**

Loans	Original currency	Original amount FC 1,000	Unfunded commit-ments 31.03.10 EUR 1,000	Book Values: Fair Value 01.04.09 EUR 1,000	Transfer Value Earn-out Funds EUR 1,000	Capital calls, net1 EUR 1,000	Impair-ment2 EUR 1,000	Change in unreal. appr./depr.3 EUR 1,000	Fair Value 31.03.10 EUR 1,000	Returns 01.04.09–31.03.10: Total distri-butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Actano	EUR	90	—	90	—	—	—	—	90	—	—
Oscient Pharmaceuticals	USD	500	—	23	—	—	(23)	—	—	11	—
Epicept Corp.	USD	750	—	569	—	(194)	—	(2)	373	218	(15)
Total Loans			**—**	**682**	**—**	**(194)**	**(23)**	**(2)**	**463**	**229**	**(15)**
Total financial assets available for sale			**85,047**	**103,799**	**57,871**	**9,749**	**(6,052)**	**13,634**	**179,001**	**12,318**	**4,692**

Minor differences in totals are due to rounding.
[1] Increase represents the capital contributed to an investment less the cost component of distributions.
[2] Impairment represents a permanent decline in value and is accounted for in the income statement.
[3] Unrealized appreciation/(depreciation) represents temporary changes in value and is accounted for in the consolidated equity.

The following table shows the aging of the underlying reports as provided by the fund managers which served as a basis for the year end valuations:

Date of underlying Report	Number of Reports	Fair value	Percentage % of Fair Value
March 31, 2010	1	23,870	14.9
December 31, 2009 and older	57	129,140	80.4
September 30, 2009 and older	7	6,925	4.2
Other	2	746	0.5
Total fund investments	**67**	**160,681**	**100.0**

9. Earn-out

With regard to certain fund interests which were sold to a fund managed by a subsidiary of Credit Suisse on June 18, 2003 (unadjusted fair value EUR 171.4 million, unfunded commitments EUR 45.7 million), Private Equity Holding was entitled to receive incremental returns as follows 50% (75%, 100% respectively) of net distributions from such interests, after Credit Suisse has received priority distributions equal to 1.15x (1.3x, 1.5x respectively) the sum of the aggregate fair values plus unfunded commitments as of March 31, 2003, plus a carrying charge.

On December 2, 2009, Credit Suisse and Private Equity Holding agreed to terminate the Earn-out agreement with effect from October 1, 2009.

					Values as of 31.3.2003 in EUR m	
Earn-out portfolio	Vintage	Fund Currency	Original Commitment (in FC m)	Stated Exchange Rate to EUR	Fair Value	Unfunded Commitments
Doughty Hanson & Co III LP No 12	1997/98	USD	65.00	1.0903	57.993	6.067
Clayton, Dubilier & Rice Fund VI	1998	USD	35.00	1.0903	9.636	12.362
The Candover 1997 UK No 1	1997	GBP	28.40	0.6906	22.065	0.216
The European Private Equity Fund "B"	1998/99	GBP	15.00	0.6906	17.084	1.961
Duke Street Capital IV UK No 2	1999	EUR	28.00	1.0000	14.720	3.662
Nordic Capital IV	2000	SEK	120.00	9.1556	7.550	2.188
Apax Europe IV-A	1999	EUR	50.00	1.0000	19.488	6.750
Palamon European Capital Partners	1999	EUR	10.00	1.0000	4.214	4.184
Apax Germany II	1997	EUR	10.23	1.0000	3.920	—
Apax UK VI-C	1997	GBP	3.00	0.6906	0.924	—
Partech International Ventures IV	2000	USD	15.00	1.0903	2.496	7.836
InSight Capital Partners (Cayman) III	1999	USD	30.00	1.0903	11.352	0.436
					171.443	**45.662**

Earn-out hurdles	< 1.15x	1.15–1.30x	1.30–1.50x	> 1.50x
Actual Hurdles as of March 31, 2009 (EUR m)		259.226	292.412	336.661
PEH’s Earn-out Participation	—	50%	75%	100%
Earn-out Participation between Hurdles (EUR m)		16.593	33.187	unlimited

Key data for the calculation of the Earn-out	EUR m
Fair Value of the Earn-out Portfolio as of March 31, 2003	171.443
Capital Calls Funded since April 1, 2003	49.802
Deduction for preferred return paid by CS to Swiss Life	4.794
Total Distributions received by CS until June 30, 2009	326.341
Aggregate Fair Value of Earn-out Portfolio as of June 30, 2009	71.135
Earn-out Payments January 1, 2007 - March 31, 2009	(44.414)
Earn-out Payments April 1, 2009 - December 31, 2009	(16.074)
Total Earn-out payments/payable (January 1, 2007 - December 31, 2009)	**(60.488)**

Earn-out		Book Values				
	Original currency	Fair Value 01.04.09 EUR 1,000	Transfer Value Earn-out Funds EUR 1,000	Real. gains EUR 1,000	Distributions EUR 1,000	Fair Value 31.12.09 EUR 1,000
Earn-out	**EUR**	**61,121**	**(57,871)**	**12,824**	**(16,074)**	—

	Closing Date	30.09.09	30.06.09	31.03.09	31.12.08	30.06.08
Total value of Earn-out (EUR m)	118.359	109.594	102.985	105.535	110.851	111.606
Earn-out Payments received (cumulative)	(60.488)	(45.387)	(45.005)	(44.414)	(44.414)	(40.962)
Balance Sheet Value of Remaining Earn-out	— [1]	64.207	57.980	61.121	66.437	70.644
Increase / Decrease in Value during Reporting Quarter	8,765	6.609	(2.550)	(5.317)	(4.912)	(612)

1 Earn-out EUR 57.871m transferred from 'Earn-out' to 'Financial assets available for sale'.

The 12 fund interests in the former Earn-out portfolio were transferred to a subsidiary of Private Equity Holding with effect from October 1, 2009. As of that date, Private Equity Holding pays directly all required underlying capital contributions and is entitled to receive directly all underlying distributions in the respective fund currencies.

In the Transfer Agreement dated December 2, 2009, the Credit Suisse parties and Private Equity Holding agreed on a settlement payment in the amount of EUR 15.1 million in order to compensate Private Equity Holding for the value of the FX component inherent in the Earn-out right. As of December 31, 2009 the full amount of EUR 15.1 million was collected.

As from October 1, 2009, the bought back investments of the former Earn-out portfolio are treated as financial assets available for sale according to IAS 39 and disclosed separately in the corresponding investment table (see Note 8).

10. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided by Alpha Associates to the Board of Directors.

The Group has four reportable segments, as described below. For each of them, the Board of Directors receives internal management reports on at least a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Fund investments: Includes primary and secondary commitments/investments in funds.
- Direct investments and Loans: Includes purchases of equity stakes in companies and the granting of loans to companies with high growth potential.
- Earn-out: The Group was entitled to receive incremental returns with regard to certain fund interests, which were sold to Credit Suisse in 2003. See Note 9 for further details.
- Other: Includes all balance sheet items other than the three categories described above.

The reportable operating segments derive their revenue primarily by seeking investments to achieve an attractive return in relation with the risk being taken. The return consists of interest, dividends and/or capital gains.

The amounts provided to the Board of Directors with respect to total assets are measured in a manner consistent with that of the financial statements. The assessment of the performance of the operating segments is based on measures consistent with IFRS.

Due to the early termination of the Earn-out agreement (see Note 9 for further details), the corresponding investments with a fair value of EUR 57.9 million were classified in the "Funds" segment as from October 1, 2009.

There have been no other transactions between the reportable segments.

The amounts provided to the Board of Directors with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are not considered to be segment liabilities but rather managed at corporate level.

The segment information provided to the Board of Directors for the reportable segments for the year ended March 31, 2010 is as follows:

EUR 1.000	Funds	Directs & Loans	Earn-out	Other	**Total**
Realized gains/(losses)	4,148	544	—	—	**4,692**
Gains/(losses) on Earn-out and Other	—	—	12,824*	3,409	**16,233**
Dividend income	572	—	—	—	**572**
Interest income	115	17	—	32	**164**
Other income	—	—	—	9	**9**
Impairment	(6,029)	(23)	—	—	**(6,052)**
Administration expense	—	—	—	(5,688)	**(5,688)**
Corporate and transaction expense	—	—	—	(645)	**(645)**
Other	—	—	—	63	**63**
Profit/(Loss) from operations	**(1,194)**	**538**	**12,824**	**(2,820)**	**9,348**
Total assets	160,681	18,320	—	27,763	**206,764**
Total liabilities	—	—	—	(1,553)	**(1,553)**
Total assets include:					
Financial assets available for sale	160,681	18,320	—	—	**179,001**
Earn-out	—	—	—	—	**—**
Others	—	—	—	27,763	**27,763**

* Unrealised gains/(losses) on Earn-out for the period April 1, 2009 to December 31, 2009.

The segment information provided to the Board of Directors for the reportable segments for the period ended March 31, 2009 is as follows:

EUR 1.000	Funds	Directs & Loans	Earn-out	Other	**Total**
Realized gains/(losses)	1,658	(835)	—	—	**823**
Unrealized gains/(losses)	—	—	(6,683)	(6,595)	**(13,278)**
Dividend income	64	—	—	—	**64**
Interest income	231	—	—	1,040	**1,271**
Other income	—	—	—	3,579	**3,579**
Impairment	(13,475)	(19,016)	—	—	**(32,491)**
Administration expense	—	—	—	(959)	**(959)**
Corporate and transaction expense	—	—	—	(719)	**(719)**
Other	—	—	—	(475)	**(475)**
Profit/(Loss) from operations	**(11,522)**	**(19,851)**	**(6,683)**	**(4,129)**	**(42,185)**
Total assets	87,422	16,377	61,121	21,677	**186,597**
Total liabilities	—	—	—	(4,734)	**(4,734)**
Total assets include:					
Financial assets available for sale	87,422	16,377	—	—	**103,799**
Earn-out	—	—	61,121	—	**61,121**
Others	—	—	—	21,677	**21,677**

11. Disclosures about fair value of financial instruments

The Group measures fair values using the following fair value hierarchy in IFRS 7 that reflects the significance of the inputs used in making the measurements:

Level I – Fair value is measured using quoted market prices (unadjusted) in an active market for identical financial instruments.

Level II – Fair value is measured using inputs other than quoted prices included within Level I that are observable for the financial instrument, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level III - Fair value is measured using inputs for the financial instrument that are not based on observable market data (unobservable inputs).

In determining the fair value of its unquoted private equity investments ('unlisted investments'), The Group relies on the valuation as reported in the latest available financial statements and/or capital account statements provided by the Fund Manager, unless the Investment Manager or the Board of Directors are aware of reasons that such a valuation may not be the best approximation of fair value. In such cases the Group reserves the right to assign a fair value to such investment which differs from the one reported by the Fund Manager.

The following table analyses the Group's investments measured at fair value as March 31, 2010 by the level in the fair value hierarchy into which the fair value measurement is categorized:

As of March 31, 2010 EUR 1.000	Level I	Level II	Level III	Total
Financial assets at fair value through profit or loss				
Quoted securities	4,533	—	—	4,533
Earn-out	—	—	—	—
Total	**4,533**	**—**	**—**	**4,533**
Financial assets available for sale				
Fund Investments	—	—	160,681	160,681
Direct Investments	5,107		12,750	17,857
Loans	—	—	463	463
Total	**5,107**	**—**	**173,894**	**179,001**
Total financial assets measured at fair value	**9,640**	**—**	**173,894**	**183,534**

The Group has determined that unquoted private equity investments ('unlisted investments') as detailed in Note 8 fall into the category Level III according to IFRS 7 while investments in listed Private equity companies ('listed investments') fall into the category Level I. The financial statements as of March 31, 2010 include Level III financial assets in the amount of EUR 173.9 million, representing approximately 84.74% of equity.

The changes in investments measured at fair value for which the Company has used Level III inputs to determine fair value as of March 31, 2010, are as follows:

As of March 31, 2010 EUR 1.000	Fund Investments	Earn-out	Direct Investments	Loans	Total
Fair Value of Level III Investments at the beginning of the period	87,422	61,121	12,794	682	162,019
Total purchases of Level III Investments, net	10,008	(16,074)	(65)	(194)	(6,325)
Total gains or losses:					
in profit or loss	(6,029)	12,824	—	(23)	6,772
in other comprehensive income	11,409	—	21	(2)	11,428
Transfer Earn-out	57,871	(57,871)	—	—	—
Fair value of Level III investments at the end of the period	**160,681**	**—**	**12,750**	**463**	**173,894**

In the above table total gains or losses included in profit or loss for the period are shown as "Impairment of financial assets available for sale" and gains/ losses on earn-out and are fully related to assets held at the end of the reporting period.

12. Financial liabilities measured at amortized cost

	31.03.10 EUR 1,000	31.03.09 EUR 1,000
Payables to third parties	143	114
Payables to related party (performance fee payable)	884	4,009
Other accrued expenses	526	611
Total financial liabilities measured at amortized cost	**1,553**	**4,734**

13. Short-term borrowings

	31.03.10 EUR 1,000	31.03.09 EUR 1,000
Short-term Bank borrowings	—	—

On July 7, 2008, the Company entered into a EUR 5.0 million framework agreement for a credit facility with Credit Suisse AG. The credit facility, if and when drawn, is secured by the Company's ownership interest in Private Equity Holding Cayman. The consolidated equity of this ownership interest as of March 31, 2010 amounts to EUR 233.8 million.

The credit facility can either be used in the form of a current account loan or a fixed advance. The rate of interest is LIBOR plus 2%.

Financial covenants under the terms of the framework agreement include the following:
The total outstanding amount must not exceed the lower of
a) at least 10% of the market capitalization of the Company at the SIX Swiss Exchange in Zurich, and
b) the fair value per share of the Company multiplied by the number of shares outstanding.

The framework agreement expires on June 30, 2011.

14. Shareholders' equity and movements in treasury shares

The Group regards shareholders' equity as the capital that it manages. Shareholders' equity amounts to EUR 205.2 million as of March 31, 2010 (2009: EUR 181.9 million).

Share capital and earnings/(loss) per share	31.03.10	31.03.09
Number of shares authorized and issued	4,050,000	4,050,000
Par value per share (CHF)	8.00	8.00
Par value per share (EUR)*	5.00	5.00

* converted at historical foreign exchange rate

All shares have equal rights to vote and to receive dividends, as well as to share in the distribution of the net assets of the Company upon liquidation.

Reconciliation of number of shares outstanding	31.03.10	31.03.09
Number of shares outstanding net of treasury shares at beginning of year	3,846,910	3,932,843
Sale of treasury shares (see next page)	97,183	-
Purchase of treasury shares (see next page)	(78,964)	(85,933)
Number of shares outstanding net of treasury shares at the end of year	**3,865,129**	**3,846,910**

Per share data	31.03.10	31.03.09
Weighted average of total number of shares (1,000)	3,869	3,880
Basic profit/(loss) (EUR 1,000)	9,348	(42,185)
Comprehensive income/(loss) (EUR 1,000)	22,982	(24,397)
Basic profit/(loss) per share (EUR)	2.42	(10.87)
Comprehensive income/(loss) per share (EUR)	5.94	(6.29)
Fair value per share (EUR)	53.09	47.28
Book value per share (EUR)	**53.09**	**47.28**

As of March 31, 2010 and 2009 there are no items with a potentially dilutive effect. As such, basic and diluted gain per share are the same.

Shareholders with shares and voting rights of 3% and more	Number of Shares 31.03.10	Participation 31.03.10
Alpha Associates Group[1]	429,949	10.6%
Pensionskasse der SBB	200,000	4.9%
Versicherungseinrichtung des Flugpersonals der Swissair	179,161	4.4%
Dr. Hans Baumgartner	135,834	3.4%

[1] The Alpha Associates Group is represented by ALPHA Associates AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber.

Net changes in treasury shares		Number of Shares	Average Cost Base EUR	Total Cost Base EUR 1,000
April 1, 2009		203,090	31.73	6,445
April	Sales	(1,906)	12.07	(23)
May	Sales	(1,264)	15.82	(20)
June	Sales	(1,670)	15.57	(26)
July	Sales	(2,109)	16.21	(34)
August	Sales	(39,271)	22.89	(899)
September	Purchase	5,397	21.12	114
October	Purchase	2,140	20.09	43
November	Purchase	570	19.30	11
December	Purchase	7,946	22.28	177
January	Purchase	3,315	23.23	77
February	Purchase	1,055	21.80	23
March	Purchase	7,578	25.20	191
March 31, 2010		184,871	**32.88**	**6,079**

15. Fair value reserve

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Balance brought forward	1,342	(16,446)
Net gains from changes in fair value of financial assets available for sale[1] (Note 8)	13,634	17,788
Balance as of 31.03.2010	**14,976**	**1,342**

[1] In 2009/2010, these amounts include EUR 6.1 million transferred to profit or loss due to impairment of financial assets available for sale (2008/2009: EUR 32.5 million).

16. Gains/(Losses) on financial assets available for sale, net

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Realized gains/(losses) on disposal of fund investments, net	4,148	1,658
Realized gains/(losses) on disposal of direct investments, net	559	(818)
Realized gains/(losses) on repayment of loans, net	(15)	(17)
Total Gains/(Losses) on Financial assets available for sale, net	**4,692**	**823**

17. Gains/(Losses) on financial assets through profit or loss, net (excluding earn-out)

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Realized gains	72	315
Realized losses	(15)	—
Total realized gains/(losses), net	57	315
Unrealized gains	3,990	385
Unrealized losses	(638)	(7,295)
Total unrealized gains/(losses) net	3,352	(6,910)
Total Gains/(Losses) on financial assets through profit or loss, net	**3,409**	**(6,595)**

18. Other income/(Loss)

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Settlement of a legal case	—	2,750
Recovery of legal costs, previously expensed	—	828
Other Income	9	1
Total Other Income	**9**	**3,579**

19. Impairment

The Group applies the following impairment policies:

a) Fund investments:
The Group categorizes its fund investments into three sub-portfolios based on the actual amount of capital called. Sub-portfolio 1 investments have a draw down rate of less than 30%. Any negative difference between exit value and net acquisition costs is considered a temporary difference and no impairment is booked. The exit value is an estimated realizable value based on quarterly discussions with the fund managers. No discounting of cash flows is made due to the uncertainty involved in the realization horizon.
Sub-portfolio 2 investments show a draw down rate of between 30% and 70%, on which the Group takes 50% impairment on any negative difference between exit value and net acquisition costs. Sub-portfolio 3 investments are those with a draw down rate of more than 70%. In such cases a 100% impairment on any negative difference between exit value and net acquisition costs is taken.
The above policy properly mirrors the special characteristics of a fund's cash flow pattern (J-curve). In the early years of a fund's life net cash outflows usually occur. As the portfolio matures, net cash inflows, in the form of realizations, are generally experienced.

b) Direct investments and loans
Direct investments and loans are reviewed on a quarterly basis. Any negative difference between fair value and net acquisition costs is considered as impairment.

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Fund investments	(6,029)	(13,475)
Direct investments	—	(18,391)
Loans	(23)	(625)
Total impairment	**(6,052)**	**(32,491)**

20. Expenses

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Administration expenses (Note 22)	(5,688)	(959)
Corporate expenses	(645)	(719)
Transaction expenses	(3)	(456)
Total expenses	**(6,336)**	**(2,134)**

Administration expenses include administration, management and performance fees paid to the administrator and manager. Corporate expenses relate to corporate matters of the Group and include Board of Directors' fees, professional third party fees and travel expenses.

21. Contingent liabilities and commitments

Contingent liabilities

According to an amendment to the Management Agreement between the Group and ALPHA Associates (Cayman), LP, effective as of January 1, 2007, the term of the Management Agreement ends on March 31, 2012. If the agreement is terminated prior to March 31, 2012 for a reason other than a default of the manager or a distribution exceeding 5% of the Group's total net asset value is made in any one financial year, the Group shall pay the manager the respective amount of fees which the manager would otherwise have earned in the period from the date of termination or excess distribution to March 31, 2012. In case of termination of the agreement for a reason other than a default on the part of the manager, the manager shall have the right, for a period of 10 years from the date of termination, to receive payment of any performance fee that would have been payable to the manager following the date of termination on the portfolio held as of the date of termination, had the agreement not been terminated.

Commitments

Except for the commitments to invest as disclosed in Note 8 no further contingent liabilities exist as of March 31, 2010. In certain circumstances capital calls can exceed total commitment mainly due to payment of management fees to investee fund managers, short-term borrowings or reinvestment by investee funds.

Legal proceedings

As of March 31, 2010, the Group was not engaged in any litigation proceedings which could have a material adverse effect on the financial situation of the Group.
In connection with the capital increase in March 2000, the Group is engaged in two separate proceedings:
First, as a damaged party in a criminal case against Hans-Peter Bachmann and Dr. Jörg Fischer, two former members of the senior management of Private Equity Holding AG and Bank Vontobel, for their alleged breach of Swiss criminal law when transferring newly issued PEH-shares that could not be placed by Bank Vontobel to Private Equity Holding Cayman. The court of first instance found the defendants to be not guilty, but the state prosecutor has appealed.
Second, in a civil case against Bank Vontobel, for the breach of mandatory Swiss company law relating to the same event. A financing agreement with Allianz regarding the coverage of legal expenses has been concluded.

Pledges

In connection with a standard banking relationship with Credit Suisse AG, the Group signed a general pledge agreement in favor of the bank. The credit facility, if and when drawn, of the Company is secured by the Company's ownership interest in Private Equity Holding Cayman. For details, please refer to Note 13.

Tax legislation

The management of the Group is not aware of any situations that might be challenged by the tax authorities in the countries of incorporation of the Group's entities.

22. Related party transactions

The following parties are considered related to the Group as of March 31, 2010 and March 31, 2009:
– ALPHA Associates AG, Zurich,
– ALPHA Associates (Cayman), LP,
– Members of the Board of Directors of the Company,
– Credit Suisse Group*

* Credit Suisse Group ceased to be a related party following the disposal by CSFB Strategic Partners III LP of its significant stake in the Company on March 25/26, 2010.

Pursuant to a Management Agreement dated April 1, 2004, as amended effective January 1, 2007, and an Administrative Agreement dated April 1, 2004, as amended effective April 1, 2006, ALPHA Group renders investment management, corporate management and administration services to Private Equity Holding Group for an administration fee of CHF 500'000 p.a. and a management fee of 1.5% p.a. of total fair value (adjusted for certain items) plus 1.0% p.a. of the fair value of the direct portfolio. The performance fee is 10% of the increase in shareholders' equity subject to a 6% hurdle rate (compounded annually).

The term of the Management Agreement ends on March 31, 2012. If the agreement is terminated prior to March 31, 2012 for a reason other than a default of the manager or a distribution exceeding 5% of the Group's total net asset value is made in any one financial year, the Group shall pay the manager the respective amount of fees which the manager would otherwise have earned in the period from the date of termination or excess distribution to March 31, 2012. In case of termination of the agreement for a reason other than a default on the part of the manager, the manager shall have the right, for a period of 10 years from the date of termination, to receive payment of any performance fee that would have been payable to the manager following the date of termination on the portfolio held as of the date of termination, had the agreement not been terminated.

	01.4.09-31.03.10 EUR 1,000	01.4.08-31.03.09 EUR 1,000
Management and administration fees	3,375	3,670
Performance fees	2,313	(2,711)
Total	**5,688**	**959**

Total management and administration fees andperformance fees payable as of year end amount to EUR 0.9m (2009: EUR 4.0m).

Private Equity Holding Group currently has a credit facility agreement (see Note 13)as well as cash and call deposits held in custody with Credit Suisse AG (see Note 3.3). In addition, Private Equity Holding Group had entered into an earn-out transaction with CSFB Strategic Partners II LP, which was terminated with effect from October 1, 2009 (see Note 9).

Total compensation of the Board of Directors amounts to TEUR 124 (2009: TEUR 119).

Baumgartner Mächler, the law firm where Dr. Hans Baumgartner, the Company's Chairman, is a partner, provides certain legal services to the Company, mainly in connection with the Vontobel case (see Note 21).

23. Tax expenses

Reconciliation of income tax calculated with the applicable tax rate:

	01.04.09-31.03.10 EUR 1,000	01.04.08-31.03.09 EUR 1,000
Profit/(loss) for the year	9,348	(42,185)
Applicable tax rate	7.8%	7.8%
Expected income tax expense	729	—
Effect from non-taxable income	(729)	—
Total income tax for the year	—	—

24. Subsequent events

The following amounts have been called (received) under existing commitments made to investee funds or in connection with new investments from April 1, 2010, up to the date of authorization for issue of these financial statements by the Board of Directors on June 2, 2010. These amounts are due and payable after March 31, 2010, and are therefore not reflected in the consolidated balance sheet as of March 31, 2010.

	Amount EUR 1,000	Original Due Date
OCM Opportunities Fund VII (distribution)	(363)	13.04.2010
OCM Opportunities Fund VIIb (net drawdown)	185	14.04.2010
TVM III (distribution)	(53)	14.04.2010
Warburg Pincus Private Equity X (net drawdown)	156	14.04.2010
ABRY Partners VI (drawdown)	404	16.04.2010
Avista Capital Partners II (net drawdown)	1,071	19.04.2010
Avista Capital Partners (net drawdown)	163	28.04.2010
ABRY Advanced Securities Fund (drawdown)	238	29.04.2010
Francisco Partners (distribution)	(415)	23.04.2010
WL Ross Recovery Fund IV (distribution)	(98)	30.04.2010
Bridgepoint Europe IV (net drawdown)	653	07.05.2010
Capvis Equity III (net drawdown)	901	23.05.2010

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Report of the Statutory Auditor on the Consolidated Financial Statements to the General Meeting of Shareholders of

Private Equity Holding AG, Zug

As statutory auditor, we have audited the consolidated financial statements of Private Equity Holding AG, which are presented on pages 16 to 41 and comprise the statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes for the year ended March 31, 2010. The consolidated financial statements of the prior period have been audited by another Auditor. The other Auditor issued its unqualified audit opinion on May 27, 2009.

Board of Directors' Responsibility
The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), the Additional Rules for the Listing of Investment Companies issued by the SIX Swiss Exchange and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements for the year ended March 31, 2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with the accounting principles of the Additional Rules for the Listing of Investment Companies issued by the SIX Swiss Exchange and with Swiss law.

KPMG

__Private Equity Holding AG, Zug__
Report of the Statutory Auditor
on the Consolidated Financial Statements
to the General Meeting

Without qualifying our opinion and according to paragraph 20 of the Additional Rules for the Listing of Investment Companies issued by the SIX Swiss Exchange, we draw attention to notes 8 and 11 to the consolidated financial statements. As described in note 11 to the consolidated financial statements, unquoted investments amounting to EUR 173.9 million (84.1% of consolidated assets) have been recorded at fair value in the balance sheet as of March 31, 2010 (EUR 162.0 million (86.8% of consolidated assets) as of March 31, 2009). Due to the inherent uncertainty in valuing such investments and in the absence of a liquid market, fair values could differ from net realisable values whereas the difference may be material. These fair values have been determined by the Investment Manager and approved by the Board of Directors. We have reviewed the procedures applied in valuing such investments and have inspected underlying documentation; while in the circumstances the procedures appear to be reasonable and the documentation appropriate, determination of fair values involves subjective judgement which is not susceptible to independent verification procedures.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Christoph Gröbli	Daniel Senn
Licensed Audit Expert	*Licensed Audit Expert*
Auditor in Charge	

Zurich, June 2, 2010

FINANCIAL STATEMENTS MARCH 31, 2010

CHF 1'000	Notes	01.04.09–31.03.10 (audited)	01.04.08–31.03.09 (audited)
Income			
Reversed impairment	4	163,849	—
Capital gains on investments		36	258
Capital gains/(losses) on treasury shares		3,232	(6,848)
Interest income		214	487
Total Income		**167,331**	**(6,103)**
Expenses			
Administration expense		503	502
Impairment	4	—	1,035
Corporate expense		792	829
Transaction expense		5	—
Provision for guarantee to subsidiary	1, 6	45,737	—
Interest expense		326	992
Foreign exchange losses, net		15,625	5,287
Total Expenses		**62,988**	**8,645**
Net Profit/(Loss)		**104,343**	**(14,748)**

The accompanying notes on pages 49 to 51 are an integral part of these financial statements.

CHF 1'000	Notes	31.03.10 (audited)	31.03.09 (audited)
Assets			
Current assets			
Cash and cash equivalents		183	114
Treasury shares	3	6,079	3,127
Receivables from group companies		12,298	12,781
Receivables from third parties		7	8
Prepayments and accrued income		193	187
Total current assets		**18,760**	**16,217**
Long-term assets			
Investments	1	335,557	190,110
Total long-term assets		**335,557**	**190,110**
Total Assets		**354,317**	**206,327**
Liabilities and Shareholders' Equity			
Current liabilities			
Payables to third parties		248	38
Payables to group companies		11,999	12,177
Provision for guarantee to subsidiary	1, 6	43,593	—
Accrued expenses		149	127
Total current liabilities		**55,989**	**12,342**
Total liabilities		**55,989**	**12,342**
Shareholders' equity			
Share capital paid in	2	32,400	32,400
Share capital premium		166,775	166,225
Reserve for treasury shares		9,558	10,108
Retained earnings/(accumulated deficit)		89,595	(14,748)
Total shareholders' equity		**298,328**	**193,985**
Total Liabilities and Shareholders' Equity		**354,317**	**206,327**

Share capital premium			
allocated to general reserve		166,225	166,225
allocated to free reserve		550	—

The accompanying notes on pages 49 to 51 are an integral part of these financial statements.

Statement of Changes in Shareholder's Equity

CHF 1,000	Share capital	Share capital premium paid in	Reserve for treasury shares	Retained earnings/ (Accumulated deficit)	Total
Opening as of 01.04.08	**32,400**	**170,102**	**6,231**	—	**208,733**
Net loss	—	—	—	**(14,748)**	**(14,748)**
Change in reserve for treasury shares	—	**(3,877)**	**3,877**	—	—
Total as of 31.03.09	**32,400**	**166,225**	**10,108**	**(14,748)**	**193,985**

CHF 1,000	Share capital	Share capital premium paid in	Reserve for treasury shares	Retained earnings/ (Accumulated deficit)	Total
Opening as of 01.04.09	**32,400**	**166,225**	**10,108**	**(14,748)**	**193,985**
Net profit	—	—	—	**104,343**	**104,343**
Change in reserve for treasury shares	—	**550**	**(550)**	—	—
Total as of 31.03.10	**32,400**	**166,775**	**9,558**	**89,595**	**298,328**

The accompanying notes on pages 49 to 51 are an integral part of these financial statements.

1. Investments

	Percentage of Capital Held	Nominal Value CHF 1,000	Book Value 31.03.10 CHF 1,000	Book Value 31.03.09 CHF 1,000
Private Equity Holding Cayman, Cayman Islands	100%	1,100,000	334,701	189,241
Private Equity Holding (Luxembourg) SA, Luxembourg	100%	14,483	—*	—
MiniCap Technology Investment AG, Switzerland	11%	9,882	856	869
Total			**335,557**	**190,110**

All of the above companies are investment companies.

* The consolidated equity of Private Equity Holding (Luxembourg) SA is negative as of March 31, 2010. Private Equity Holding AG issued a guarantee in favor of Private Equity Holding (Netherlands) BV, a wholly owned subsidiary of Private Equity Holding (Luxembourg) SA, which shall put Private Equity Holding (Netherlands) BV into a position to honor its intercompany liabilities to Private Equity Holding Cayman if and when due. Private Equity Holding AG shows an expense of CHF 45.7 million in the income statement for the financial year 2009/2010 and a provision for this guarantee in the amount of CHF 43.6 million in the balance sheet as of March 31, 2010.

2. Share capital

	31.03.10	31.03.09
Number of shares authorized and issued	4,050,000	4,050,000
Par value per share (CHF)	8.00	8.00

All shares have equal rights to vote and to receive dividends, as well as to share in the distribution of the net assets of the Company upon liquidation.

The Company's authorized capital amounts to CHF 16 million, divided into 2'000'000 registered shares with a nominal value of CHF 8 per share. The authorized capital expires on June 24, 2011.
The Company does not have a conditional capital.

3. Treasury shares

	Number of Shares	Book Value 31.03.10 CHF 1,000
Balance brought forward	203,090	3,127
Change	(18,219)	2,952
Balance as of 31.03.10	184,871	6,079

For additional disclosures in respect to treasury shares refer to Note 14 of the Consolidated Financial Statements.

4. Impairment

	31.03.10 CHF 1,000	31.03.09 CHF 1,000
Total impairment/(reversal)	(163,849)	1,035

During the year under review, the Company reversed impairments on its investment in Private Equity Holding Cayman in the amount of CHF 163.8 million.

5. Shareholders with shares and voting rights of 3% and more

	Number of Shares 31.03.10	Participation[2] 31.03.10
Alpha Associates Group[1]	429,949	10.6%
Pensionskasse der SBB	200,000	4.9%
Versicherungseinrichtung des Flugpersonals der Swissair	179,161	4.4%
Dr. Hans Baumgartner	135,834	3.4%

[1] The Alpha Associates Group is represented by ALPHA Associates AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber.

[2] In % of total shares issued.

6. Pledged assets and guarantees

Pledged assets
The Group entered into a EUR 5 million framework agreement for a credit facility with Credit Suisse AG. The credit facility, if and when drawn, is secured by
the Company's ownership interest in Private Equity Holding Cayman. As of March 31, 2010 the credit facility was not used (March 31, 2009: EUR nil).

Guarantees
As of March 23, 2010, Private Equity Holdng AG issued a guarantee in favour of Private Equity Holding (Netherlands) BV, a wholly owned subsidiary of Private Equity Holding (Luxembourg) SA for all its current and future liabilities (see Note 1).

7. Management compensation in accordance with art. 663b Swiss Code of Obligation

2009/2010	Base Compensation (Cash) CHF 1,000	Base Compensation (Shares) CHF 1,000	Other Compensation (Social security) CHF 1,000	Total CHF 1,000
Board of Directors				
Dr. Hans Baumgartner (Chairman)	37,500	37,500	4,538	79,538
Dr. Hans Christoph Tanner	25,000	25,000	3,025	53,025
Stuart D. Frankel	50,000	—	3,025	53,025
Total	**112,500**	**62,500**	**10,588**	**185,588**

2008/2009	Base Compensation (Cash) CHF 1,000	Base Compensation (Shares) CHF 1,000	Other Compensation (Social security) CHF 1,000	Total CHF 1,000
Board of Directors				
Dr. Hans Baumgartner (Chairman)	37,500	37,500	4,538	79,538
Dr. Hans Christoph Tanner	25,000	25,000	3,025	53,025
Stuart D. Frankel	50,000	—	3,025	53,025
Total	**112,500**	**62,500**	**10,588**	**185,588**

No guarantees, loans, advances or credits were granted to any member of the Board of Directors in the period under review (prior period: none).
Private Equity Holding AG does not have an Advisory Board.

The Company's share of social security contributions are shown under other compensation.

During the period under review, Private Equity Holding AG did not pay direct or indirect compensation or allocate any shares or options to former members of governing bodies (prior period: none).

During the period under review, no compensations that are not customary in the market were paid directly or indirectly to persons, who are close to members of governing bodies or close to former members of governing bodies (prior period: none).

8. Management share ownership in accordance with art. 663c Swiss Code of Obligation

31.03.2010	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman)	135,834	—	135,834
Dr. Hans Christoph Tanner	3,868	—	3,868
Stuart D. Frankel	—	—	—
Total	**139,702**	—	**139,702**
Manager			
Dr. Peter Derendinger	96,986	—	96,986
Dr. Petra Salesny	37,384	—	37,384
Petr Rojicek	37,199	—	37,199
Christoph Huber	37,044	—	37,044
Alpha Associates AG	221,336	—	221,336
Total	**429,949**	—	**429,949**

31.03.2009	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman)	35,500	—	35,500
Dr. Hans Christoph Tanner	3,110	—	3,110
Stuart D. Frankel	—	—	—
Total	**38,610**	—	**38,610**
Manager			
Dr. Peter Derendinger	76,986	—	76,986
Dr. Petra Salesny	37,384	—	37,384
Petr Rojicek	37,199	—	37,199
Christoph Huber	37,044	—	37,044
Alpha Associates AG	221,336	—	221,336
Total	**409,949**	—	**409,949**

9. Risk assessment

Private Equity Holding AG runs a centralized risk management system which separates strategic risks from operative ones. This risk schedule is the objective of an annual detailed discussion process in the group's Board of Directors. The permanent observation and control of the risks is a management objective.

For identified risks, which arise from the accounting and financial reporting, a risk assessment is performed. Throughout the Internal Control System framework on financial reporting relevant control measures are defined, which reduce the financial risk. Remaining risks are categorized depending on their possible impact (low, average, high) and appropriately monitored.

10. Appropriation of available earnings

	CHF 1,000
Profit for the year	104,343
Accumulated deficit	(14,748)
Available earnings	**89,595**

According to the Board of Directors, the available earnings are to be appropriated as follows:

Allocation to general legal reserve	-
To be carried forward	89,595

The Board of Directors will propose a capital reduction to the General Meeting of Shareholders to be held on June 24, 2010.

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Report of the Statutory Auditor on the Financial Statements to the General Meeting of Shareholders of

Private Equity Holding AG, Zug

As statutory auditor, we have audited the financial statements of Private Equity Holding AG, which are presented on pages 46 to 51 and comprise the income statement, balance sheet, statement of changes in shareholders' equity and notes for the year ended March 31, 2010. The financial statements of the prior period have been audited by another Auditor. The other Auditor issued its unqualified audit opinion on May 27, 2009.

Board of Directors' Responsibility
The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements for the year ended March 31, 2010 comply with Swiss law and the company's articles of incorporation.

KPMG

Private Equity Holding AG, Zug
Report of the Statutory Auditor
on the Financial Statements
to the General Meeting

Without qualifying our opinion and according to paragraph 20 of the Additional Rules for the Listing of Investment Companies issued by the SIX Swiss Exchange, we draw attention to note 1 to the financial statements, describing the Company's investment in its wholly-owned subsidiaries Private Equity Holding Cayman and Private Equity Holding (Luxembourg) SA with a carrying amount of CHF 334.7 million. The Company's and the subsidiaries' unquoted investments, measured at fair value, amounted to EUR 173.9 million as of March 31, 2010 and to EUR 162.0 million as of March 31, 2009 and accounted for 84.1% and 86.8%, respectively, of the Group's consolidated assets. Due to the inherent uncertainty in valuing such investments and in the absence of a liquid market, fair values could differ from net realisable values whereas the difference may be material. These fair values have been determined by the Investment Manager and approved by the Board of Directors and form a significant component of the Company's consolidated shareholders' equity (Net Asset Value) of approximately EUR 205.2 million as of March 31, 2010. We have reviewed the procedures applied in valuing such investments and have inspected underlying documentation; while in the circumstances the procedures appear to be reasonable and the documentation appropriate, determination of fair values involves subjective judgement which is not susceptible to independent verification procedures.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Christoph Gröbli
Licensed Audit Expert
Auditor in Charge

Daniel Senn
Licensed Audit Expert

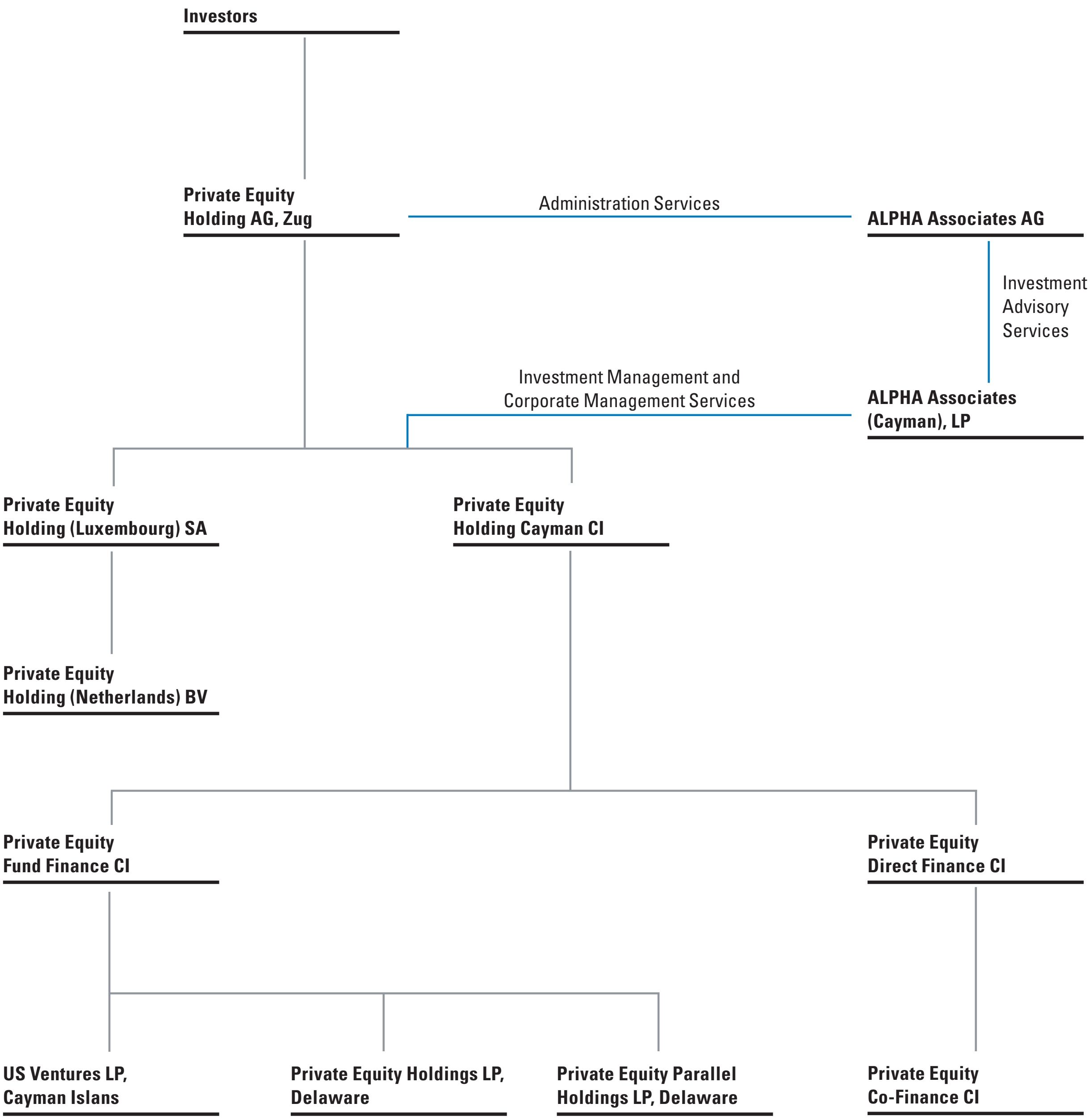
Zurich, June 2, 2010

Private Equity Holding AG (the "Company") is committed to good corporate governance and transparency and accountability to its shareholders. The following disclosure follows the structure and is in accordance with the latest Directive on Information relating to Corporate Governance of the SIX Swiss Exchange of October 29, 2008 (in force since July 1, 2009).

1. Group structure and shareholders

1.1 Group structure

1.1.1. Operational Group Structure
The structure of Private Equity Holding AG ("PEH" or the "Company"), its subsidiaries (together the "Group") and service providers as of March 31, 2010 is depicted in the following diagram:



1.1.2. Listed company
The only listed company in the Group is Private Equity Holding AG. PEH is a stock company incorporated under Swiss law with its registered office at Innere Güterstrasse 4, 6300 Zug. The Company is listed on the SIX Swiss Exchange under Swiss security number 608 992 as well as the ISIN code CH 000 608 9921 (short code PEHN).

The market capitalization of the Company as of March 31, 2010 is EUR 100 million (CHF 143 million).

As of March 31, 2010, PEH held 184,871 of its shares in treasury (4.56% of the total issued share capital). The subsidiaries do not hold any shares in the parent company.

1.1.2. Non-listed companies in the Group
All subsidiaries of the Company are non-listed holding companies owned 100%, either directly or indirectly, by the Company. For the names of the subsidiaries, their domiciles and their share capital, please see Note 2.2 to the Consolidated Financial Statements of the this Annual Report, Principles of Consolidation.

1.2 Significant shareholders
As of March 31, 2010, the Company has five shareholders holding more than 3% of the voting rights in Private Equity Holding AG, namely (1) Alpha Associates Group (8022 Zurich) with 429,949 shares (10.62%), (2) Pensionskasse der SBB (3007 Bern) with 200,000 shares (4.94%), Private Equity Holding AG (6300 Zug) with 184,871 shares (4.56%; registered without voting rights), (3) Versicherungseinrichtung des Flugpersonals der Swissair (8048 Zürich) with 179,161 shares (4.42%), and (5) Dr. Hans Baumgartner (8134 Adliswil) with 135,834 shares (3.35%). In aggregate, the five largest shareholders hold 27.90% of the issued share capital as of March 31, 2010. There are no shareholders agreements in place.

During the financial year 2009/2010, the following changes in the Company's shareholder base were reported and disclosed in accordance with Art. 9 and Art. 21 of the Stock Exchange Ordinance-FINMA (SESTO-FINMA) (dates refer to disclosure date):

April 22, 2009: Private Equity Holding AG (6300 Zug) disclosed that its position of its own shares had fallen under the 5% hurdle and now amounts to 202,037 shares or 4.99%.

April 30, 2009: Schroders plc (London EC2V 7QA) disclosed that its share position had fallen below the 3% hurdle.

August 14, 2009: Dr. Hans Baumgartner (8134 Adliswil) disclosed his position of shares held directly and indirectly through Multina AG to be above the 3% hurdle with 3.00%.

September 2, 2009: Various entities controlled by Credit Suisse disclosed that their position of shares had fallen below the 25% hurdle to 24.96%.

October 8, 2009: Various entities controlled by Credit Suisse disclosed that their position of shares had fallen below the 20% hurdle to 17.26%.

October 14, 2009: Various entities controlled by Credit Suisse disclosed that their position of shares had fallen below the 15% hurdle to 14.34%.

March 31, 2010: Various entities controlled by Credit Suisse disclosed that their position of shares had fallen below the 5% and 10% hurdle to 3.18%. On the same day, these entities reported that the combined shareholding fell below the 3% hurdle.

1.3 Cross-shareholdings
There are no cross-shareholdings.

2. Capital structure

2.1 Capital
Private Equity Holding AG has an issued ordinary share capital of CHF 32.4 million, divided into 4,050,000 registered shares with a nominal value of CHF 8 per share. All shares are fully paid-in.

The Company's authorized capital amounts to CHF 16 million, divided into 2,000,000 registered shares with a nominal value of CHF 8 per share. As of March 31, 2010 no shares were issued from the Company's authorized capital. The Company does not have a conditional capital.

2.2 Authorized capital in particular
The Company's authorized capital has the following features:

Maximum number of authorized shares:	2,000,000 registered shares
Maximum authorized share capital:	CHF 16 million
Expiry date:	June 24, 2011

The terms of the Company's authorized capital are stated in Art. 3a of the Company's Articles of Association. Art. 3a is quoted in section 2.3 below.

2.3 Changes in capital since March 31, 2007
At the 2007 Annual General Meeting, the shareholders approved the creation of an authorized capital.

Following the expiry of the 2007 authorized capital, the 2009 Annual General Meeting approved the creation of a new authorized capital, thereby giving the Company the flexibility to react quickly at any time in the next two years to raise additional equity in the market if conditions are favorable. The main purpose of any increase in capital would be to further diversify the current portfolio. The 2009 Annual General Meeting approved the following Art. 3a of the Company's Articles of Association:

1 The Board of Directors is hereby authorized to increase the company's share capital pursuant to Art. 3 of the Articles of Association by a maximum of CHF 16,000,000 through the issuance of a maximum of 2,000,000 shares of CHF 8 nominal value each, all to be fully paid up, such authorization to be effective until June 24, 2011. The increases may be underwritten or may be effected in partial amounts. The subscription price, the date on which the shares will rank for dividends and the kind of contribution shall be determined by the Board of Directors.
2 The Board of Directors is entitled to waive the preemptive rights of the shareholders and to allocate subscription rights to third parties, if the new registered shares are to be used by the company or a group company to acquire companies, company divisions or private equity portfolios. If, in connection with corporate acquisitions, the company assumes any obligations to convert warrants or convertible bonds into shares, then the Board of Directors is entitled to issue new shares waiving the preemptive rights of the shareholders in order to meet such obligations. Apart from these exceptions shareholders shall have preemptive rights.
3 Registered shares for which subscription rights have been granted but not exercised shall be sold in the market at current prices.

Since March 31, 2007, the Company's and the Group's equity capital have developed as follows:

	31.03.2007	*31.03.2008*	*31.03.2009*	*31.03.2010*
Share Capital (CHF 1,000)	32,400	32,400	32,400	32,400
Total Equity PEH (CHF 1,000)	218,426	208,733	193,985	298,328
Total Equity Group (EUR 1,000)	183,092	208,742	181,863	205,211

Please refer also to the Statement of Changes in Equity on page 19 (consolidated) and page 48 (parent company) of this Annual Report.

2.4 Shares and participation certificates
Private Equity Holding AG has an issued share capital of CHF 32.4 million (EUR 20.2million), divided into 4,050,000 fully paid-up registered shares with a par value of CHF 8 each. Each share, if and when registered in the Company's register of shareholders, carries one vote and all shares enjoy the same dividend rights in accordance with Swiss law. There are no preferential rights of any nature attached to any of the shares.

The Company has not issued any participation certificates.

2.5 Dividend-right certificates
The Company has not issued any profit sharing certificates (Genussscheine).

2.6 Limitations on transferability and nominee registrations
There are no transfer restrictions whatsoever. There are no restrictions on nominee registrations.

2.7 Convertible bonds and warrants/options
No convertible bonds, warrants or options to purchase shares have been issued by the Company or any of its subsidiaries. The Group has no employees, and no employee stock option plan is in place.

3. Board of Directors

3.1 Members
Pursuant to the Company's Articles of Association, the Board of Directors consists of one or more members. At the end of the financial year 2009/2010, the Board of Directors was composed as follows:

Dr. Hans Baumgartner, Chairman, 1954, Swiss citizen
Dr. Hans Baumgartner is an attorney-at-law in Zurich. He graduated from the University of Zurich in 1978 with a degree in law and obtained a PhD in 1990. He also holds an LL.M. from the European Institute of the University of Zurich in banking and insurance law. From 1981 until 1992, Dr. Hans Baumgartner was district attorney in Zurich, from 1986 he specialized in economic crime. In 1992 he became judge at the District Court of Zurich. Since 1994, Dr. Hans Baumgartner works as an independent attorney-at-law in Zurich. He is Senior Partner at the law office Baumgartner Mächler. In addition, he has been a judge at the Military Court of Appeals from 1988 to 2004. He also serves as Chairman of Miniswys AG, a technology company in Biel, and is a director of several other private companies.

Dr. Hans Christoph Tanner, Member, 1951, Swiss citizen
Dr. Hans Christoph Tanner is CFO and a member of the Board of Directors of SIX-listed Cosmo Pharmaceuticals SpA, Lainate,Italy, and on the advisory board of Joimax GmbH, Karlsruhe, a med tech company involved in minimally invasive back surgery. He is a senior advisor to Millenium Associates. He graduated from the University of St. Gallen in 1975 with a degree in economics and completed his PhD in 1979. Dr. Chris Tanner joined UBS in 1977, where he worked on different assignments in Zurich, Madrid and Los Angeles. In 1987 he became a member of the Global Credit Committee and in 1988 Head of Corporate Banking for Australia, Asia and Africa and subsequently Southern Europe. In 1992 he became Head of Corporate Finance & Capital Markets in Zurich and in 1996 additionally Head of the UBS European Investment Banking Origination and Industry Teams in London. From 1999 to 2002 Dr. Chris Tanner was a Managing Partner at A&A Investment Management. He founded and managed Active Investor AG. He also co-founded and was an active board member of 20 Minuten Holding AG and 20 Minuten Schweiz AG.

Stuart D. Frankel, Member, 1947, American citizen
Stuart D. Frankel is responsible for capital formation at Columbia Capital and a former Managing Partner of the diversified private equity firm Grotech Capital Group, domiciled in Maryland, USA. He graduated from the University of Southern California with a degree in telecommunications. Prior to joining Grotech, he held leading positions at CBS Television, Westinghouse Broadcasting and S&F Communications and can look back on many years of experience in the telecommunications sector. He has been a member of the Board of Directors of Private Equity Holding from 2001 until June 2006 and was re-elected on December 7, 2006.

The Members of the Board of Directors of Private Equity Holding AG are independent and non-executive. They contribute a range of international experience and knowledge from various fields and industries. None of the members of the Board of Directors has any significant business connections with the Company or any of its subsidiaries, except for the Chairman, whose law firm provides certain legal services to the Group, mainly regarding litigation matters. All such services are provided strictly at arm's length.

None of the members of the Board of Directors has previously worked in an executive function for the Company or any of its subsidiaries.

3.2 Other activities and vested interests
Please refer to the CVs in section 3.1 above.

3.3 Elections and terms of office
According to Art. 17 of the Company's Articles of Association, the members of the Board of Directors are elected by the shareholders of the Company for a term of one year. Directors may be re-elected for one or more subsequent periods. Directors may be dismissed by shareholders' vote or resign before the end of their term.

The terms of office of the Board of Directors are as follows:

Name	Function	Date of first election to Board	Expiration of term
Dr. Hans Baumgartner	Chairman	7.12.2006	AGM 2010
Dr. Hans Christoph Tanner	Member	7.12.2006	AGM 2010
Stuart D. Frankel	Member	7.12.2006[1]	AGM 2010

[1] Mr. Stuart D. Frankel was first elected to the Company's Board of Directors in 2001. He resigned on June 28, 2006, and stood for re-election on December 7, 2006. He is not standing for re-election at the AGM 2010.

This Board of Directors has been re-elected in globo at the Annual General Meeting of Private Equity Holding AG on June 25, 2009.

3.4 Internal organisational structure
The tasks within the Board of Directors are allocated as follows

Name	Function	Tasks and Main Focus
Dr. Hans Baumgartner	Chairman	Day-to-day contact with Manager
Dr. Hans Christoph Tanner	Member	Regular contact with Alpha's CFO
Stuart D. Frankel	Member	Private equity specialist

The Board is responsible for the ultimate direction, supervision and control of the Company and the Group's investment manager and administrator. The core tasks of the Board of Directors according to the Swiss Code of Obligations ("CO") and the regulations of Private Equity Holding AG are:

– Organizational regulations
– Investment strategy and asset allocation
– Strategic & financial planning
– Overall supervision
– Relationship with shareholders

The Board of Directors convenes whenever business requires, but at least four times a year, and resolves all matters by majority vote in the presence of a majority of its members. In the financial year 2009/2010, the Board of Directors held six meetings.

Meetings are convened by the Chairman or upon the request of a member of the Board. Board members may participate in person or by telephone. Unless a member of the Board requests otherwise, decisions may be taken by circular resolution. Matters resolved by circular resolution require unanimity.

The Board of Directors has not created any committees.

The Board of Directors delegated the administration and management of PEH and the Group to Alpha Associates AG ("ALPHA") and Alpha Associates Cayman, LP ("ALPHAC"), which in turn is advised by ALPHA's private equity specialists in Zurich ("ALPHA", together "ALPHA Group"). ALPHA Group prepares all matters to be handled by the Board and implements the Board's resolutions. The Board of Directors retains its primary, inalienable and non-transferable responsibilities according to Art. 716a CO and monitors all financial and operational matters of the Company, thereby maintaining a close working relationship with ALPHA.

The competencies of the Board of Directors, ALPHA and ALPHAC are set forth in the Organizational Regulations issued by the Board of Directors.

3.5 Definition of areas of responsibility
The Board of Directors is responsible for all tasks allocated to it by Swiss Law, but has delegated certain matters to ALPHA and ALPHAC, respectively (as described in section 3.4 above).

3.6 Information and control instruments vis-à-vis the management
The management of ALPHA works closely with the Chairman of the Board of Directors, who meets with ALPHA's senior staff as business requires discussing corporate and portfolio matters. The management team of ALPHA is in attendance at all meetings of the Board of Directors. ALPHA further issues monthly reports to the Board of Directors of the Company including balance sheet, income statement, cash-flow planning and fair value development per investment. Detailed investment, financial and performance data is recorded and maintained by ALPHA Group, as manager, in a customized IT database and monitoring tool. Extracts are made available to the Board of Directors on a regular basis.

4. Management

4.1 Management Board
The Company has no employees and no Management Board.

4.2 Other activities and vested interests
Not applicable, as the Company has no employees and no Management Board.

4.3 Management Contracts
Since April 1, 2004, ALPHA Group provides administration services to the Company and acts as investment manager and advisor of the Group.

4.3.1 Administration Services
ALPHA provides comprehensive administration services to PEH for an annual fee of CHF 500,000. Administration services include accounting, corporate, legal and regulatory services and investor relations.

4.3.2 Investment Management and Corporate Management Services
Investment management and corporate management services are performed by ALPHAC in the Cayman Islands and include asset allocation, investment advice, the selection, execution and divestment of private equity fund and direct investments in accordance with the Company's investment strategy, cash management, arrangement of banking services, and all administrative and financial tasks of the Cayman Islands companies of the Group.

ALPHA provides investment advisory services to ALPHAC. Such services include research, the identification and evaluation of investment opportunities, the monitoring of portfolio investments and the evaluation and presentation to the investment manager of potential exit strategies from investments.

For the terms of the management agreement between PEH and its subsidiaries and ALPHA Group, please refer to Note 22 (Related Party Transactions) to the Consolidated Financial Statements of this Annual Report.

4.3.3 Description of ALPHA Group
ALPHAC is a Cayman Islands limited partnership controlled by ALPHA and employs local professionals with knowledge and experience in accounting, financial management and investment management. ALPHA is a company incorporated under Swiss law with its registered office in Zurich. ALPHA is a fully independent private equity manager owned by the senior members of its team. The ALPHA Group manages and advises various private equity investment programs including 5E Holding Group, an investment company investing in private equity funds and companies in Central and Eastern Europe, its successor funds ALPHA CEE II L.P. and ALPHA CEE II (Ins.) L.P., ALPHA 2001, L.P., a fund-of-funds investing worldwide in a diversified private equity fund portfolio, ALPHA Russia & CIS Secondary L.P., a fund-of-funds investing in secondary opportunities in Russia and other former CIS countries and Private Equity Holding AG.

ALPHA's Management Team is composed as follows:

Dr. Peter Derendinger, Partner, Chairman & CEO; Dr. iur., LL.M., attorney-at-law; 13-year career at Credit Suisse as General Counsel, Head Corporate Center and CFO Private Banking; led the restructuring of Private Equity Holding AG in 2003; member of the Board of Directors of EGL AG, Bank Sarasin & Cie. AG and a number of non-listed financial institutions.

Christoph Huber, Partner, CFO; CPA; career as auditor and chief financial officer of a publicly listed real estate investment company; strong background in finance, controlling & audit; instrumental in the development of SIROS, ALPHA's proprietary in-house MIS & reporting software tool.

Petr Rojicek, Partner, CIO; Dipl.Ing., MBA; career in engineering and corporate finance, at UBS and Bank Vontobel; worked on corporate finance transactions since 1995; led, negotiated and executed many private equity investments in Western Europe, the US and Eastern Europe; serves on many advisory boards of private equity funds and as director of portfolio companies; strong relationship network in the industry.

Dr. Petra Salesny, Partner, COO; Dr. iur, LL.M., admitted to the NY bar; career in law and M&A; active in private equity investing since 2001; due diligence, negotiation, structuring and execution of fund and direct investments and secondary acquisitions; structuring, launch and marketing of new products and programs.

For further information on ALPHA and its key staff please consult their website at www.alpha-associates.ch.

5. Compensation, shareholdings and loans

5.1 Content and method of determining the compensation and share-ownership programs
The directors' remuneration is fixed by the Board of Directors at its discretion. Currently, the Director's fee is CHF 50,000 p.a. for a member and CHF 75,000 p.a. for the Chairman. The Directors may elect, in advance, to receive up to 100% of their fee in shares of the Company. The costs regarding AHV/ALV (employer's share) are borne by the Company. Except for the reimbursement of out-of-pocket expenses, the members of the Board of Directors do not have any further rights of compensation for their services rendered to the Company; in particular, the Company does not grant any loans to or guarantee any liabilities of the members of the Board of Directors. None of the Directors is entitled to any special compensation upon departure.

For further information regarding the disclosure of compensation paid to the members of the Board of Directors for the financial years 2009/2010 and 2008/2009, please refer to note 7 (Management compensation) on page 50 of this Annual Report.

The management, administration and performance fee arrangements between the Company and its subsidiaries and ALPHA Group are set forth in an administrative services agreement and an investment management agreement, respectively; the calculation of the fees follows industry standards and is audited by the Group's auditors.

For further information regarding the disclosure of administration, management and performance fees under the administration and management agreements between the Company and its subsidiaries with ALPHA and ALPHAC, please refer to note 22 (Related party transactions) on page 40 seq. of this Annual Report.

5.2 Share ownership
As of March 31, 2010, the members of the Board of Directors of the Company hold in aggregate 139,702 shares of the Company. ALPHA and the members of its management team own 429,949 shares of the Company.

Neither the members of the Board of Directors nor ALPHA or its affiliates hold any options to purchase shares of Private Equity Holding AG.

For details, please refer to note 8 (Management share ownership) on page 50 seq. of this Annual Report.

6. Shareholders' participation rights

6.1 Voting-rights and representation restrictions
There are no voting rights or representation restrictions in the Company's Articles of Association. Each shareholder whose shares are registered in the Company's register of shareholders is entitled to participate in the Company's General Meetings and vote his or her shares at his or her discretion.

Instead of attending a meeting in person, a registered shareholder may appoint a proxy, who needs not be a shareholder. Shareholders may be represented by a Company representative ("Organvertreter"), a specially designated independent shareholders' representative ("unabhängiger Stimmrechtsvertreter") or by a depository institution ("Depotvertreter"). Proxies must be in writing.

6.2 Statutory quorums
There are no statutory quorums in the Company's Articles of Association. Except as provided for a limited number of important decisions as set forth in Art. 704 CO, which require a qualified majority, the General Meeting adopts all resolutions with a majority of the votes represented at the meeting. Voting is secret if so requested by one or more shareholders representing 5% of the represented shares or upon direction of the chairman of the meeting.

6.3 Convocation of the General Meeting of shareholders
In accordance with Swiss company law and the Articles of Association, General Meetings of shareholders are convened by the Board of Directors or, if necessary, by the auditors of the Company. Ordinary general meetings are convened annually within 6 months after financial year-end. Extraordinary General Meetings are convened upon resolution of the shareholders or the Board of Directors, upon request of the auditors, or upon written request to the Board of Directors by one or more shareholders holding an aggregate of at least 10% of the Company's share capital.

Notice of General Meetings is given to the registered shareholders by letter at least 20 days prior to such meeting by the Board of Directors. The notice states the place and time of the meeting, the items on the agenda and the proposals of the Board of Directors with respect to each item and any items and proposals placed on the agenda by shareholders, the type of proof of ownership of shares and notice that the business report and auditors' report are available for inspection by the shareholders at the registered office of the Company.

6.4 Inclusion of item on the agenda
Shareholders holding shares with an aggregate nominal value of at least CHF 1 million have the right to request in writing that a specific item be put on the agenda. Such requests have to be received by the Board of Directors prior to the dispatch of the invitation to the General Meeting. Proposals regarding items not included in the agenda may be admitted for discussion by shareholder resolution, but may be voted on only at the following General Meeting, except a motion for the calling of an extraordinary General Meeting or a motion for a special audit. Proposals regarding items on the agenda may be made without prior request.

6.5 Inscriptions into the share register
Following the purchase of PEH-shares on or off-exchange, the purchaser (normally through its bank) may request that his or her shares shall be registered in the Company's register of shareholders. The Company recognizes only one holder per share. The register contains, i.a., the name and address of the registered shareholders.

Only shareholders registered in the stock ledger as of the cut-off date are entitled to attend and vote at General Meetings. The cut-off date for each meeting is the date on which the invitation for the General Meeting is mailed to the shareholders (Art. 6.2 of the Company's Articles of Association) and is also stated in the invitation. The dates of the Company's General Meetings and the meeting invitations are published on its website for ease of reference.

7. Change of control and defense measures

7.1 Duty to make an offer
According to Art. 32 of the Swiss Stock Exchange Act any person, whether acting directly, indirectly or in concert with third parties, acquiring shares in a company established and listed in Switzerland, which shares when added to any shares already owned by such person exceed the threshold of 33 1/3% of the voting rights of the company, must offer to acquire all listed shares of the company. This obligation does not apply if the shares have been acquired as a result of donation, succession or partition of an estate, by operation of matrimonial property law or through execution of a judgment.

The Articles of Association of Private Equity Holding AG do not provide for any statutory "opting out" or "opting up" according to Art. 22 of the Swiss Stock Exchange Act.

7.2 Clauses on changes of control
There are no specific clauses on change of control in the Company's Articles of Association. In particular, neither the members of the Board of Directors nor ALPHA Group are entitled to any additional compensation specifically as a result of any person acquiring control over the Company.

8. Auditors

8.1 Duration of the mandate and term of office of the auditors
The auditors of the Company and the Group are KPMG AG, Zurich ("KPMG"). KPMG have been acting as statutory auditors and auditors of the consolidated accounts of the Company since June 25, 2009. The lead auditor (since June 25, 2009) on the mandate is Mr. Christoph Gröbli, Swiss Certified Accountant.

KPMG were elected as auditors by the 2009 Annual General Meeting and replaced PricewaterhouseCoopers AG, Zurich ("PWC"), which had acted as auditors of the Company and the Group since its inception. The Board of Directors had proposed to change the audit firm because it felt that after 12 years a change was advisable (rotation principle). KPMG was selected in an evaluation process; an important criterion was that KPMG and the lead auditor could demonstrate long-standing relevant experience with the audit of another SIX-listed private equity investment company.

The Auditors are elected by the General Meeting for the term of one year, which ends with the date of the next AGM. Re-election is possible (Art. 27 of the Company's Articles of Association).

8.2 Audit fees
Total audit fees to KPMG in the financial year ending March 31, 2010 amounted to CHF 130,000 for the audit of the statutory and consolidated financial statements of the Company.

8.3 Additional fees
The Company paid to KPMG additional fees for audit-related services (advisory services) on accountig standards in connection with the quarterly financial statements of CHF 15'000 in the financial year 2009/2010.

8.4 Supervisory and control instruments pertaining to the audit
The Board of Directors and ALPHA provide the auditors with all the necessary information in connection with the audit and the financial statements, which are prepared by ALPHA and ALPHAC, respectively.

The auditors are updated on the decisions that have been taken in the Meetings of the Board of Directors and review the relevant documents on a regular basis. The auditors also keep the Board of Directors regularly informed about the audit process. Information is exchanged, as the case may be, by way of written communication, telephone conferences or in private sessions.

The Board of Directors and the auditors meet at least once a year to discuss the audit services provided by the auditors during the year as well as the annual financial statements. The Board of Directors also assesses the adequacy of the auditors' fees by examining the fees of the previous year and the expected fees for the current business year. Moreover, it assesses the independence of the auditors as well as the audit plan for the next audit period.

The auditors inform the Board of Directors once a year about their findings regarding the Company's and ALPHA's Internal Control System.

9. Information policy

The Group reports on its financial performance on a quarterly basis. The Company's financial year ends on March 31. The annual result is stated both on a consolidated basis and for the Company as a stand-alone entity. The year-end figures are audited.

The Group prepares quarterly reports and publishes them in full on the Company's website. Financial information is also sent, on a quarterly basis, to the Company's shareholders registered in the Company's register of shareholders.

The net asset value per PEH-share is published on a monthly basis, normally within 4 working days of the end of each month.

In between the quarterly report publications, all relevant information (including information subject to ad-hoc publicity according to sec. 72 of the listing rules) is published in the form of news releases, which are available on the Company's website.

Information about the actual and historical prices of the Company's shares, which are listed under short code PEHN on the SIX Swiss Exchange, can be obtained free of charge under the following links:

http://www.six-swiss-exchange.com
or http://www.peh.ch

Shareholders and other interested parties may subscribe to press releases at www.peh.ch to receive information upon publication automatically by e-mail. For further information Investor Relations can be contacted at +41 41 726 79 80 or peter.wolfers@peh.ch.

On page 62 of this Annual Report, in the section Information for Investors, the upcoming events and publications are set forth.

The registered shares of Private Equity Holding AG are traded on the SIX Swiss Exchange since January 18, 1999.

Stock Exchange Listing

Telekurs ticker symbol	PEHN
Swiss security no.	608 992
ISIN code	CH 000 608 9921
German security no.	906 781

Share Data

	31.03.10	31.03.09
Number of registered shares	4,050,000	4,050,000
Number of shares outstanding	3,865,129	3,846,910
Nominal value per share (CHF)	8	8
Comprehensive net gain/(loss) per share (EUR)	5.94	(6.29)

Share Price (per share)

	09/10 CHF	08/09 CHF
High (24.08.09/08.04.08)	37.45	54.00
Low (08.04.09/16.03.09)	14.50	14.00
Year-end (31.3.)	37.00	15.40

Market Capitalization

	09/10[1] CHF million	08/09[1] CHF million
High (24.08.09/08.04.08)	145	208
Low (08.04.09/16.03.09)	56	54
Year-end (31.3.)	143	59

Calendar

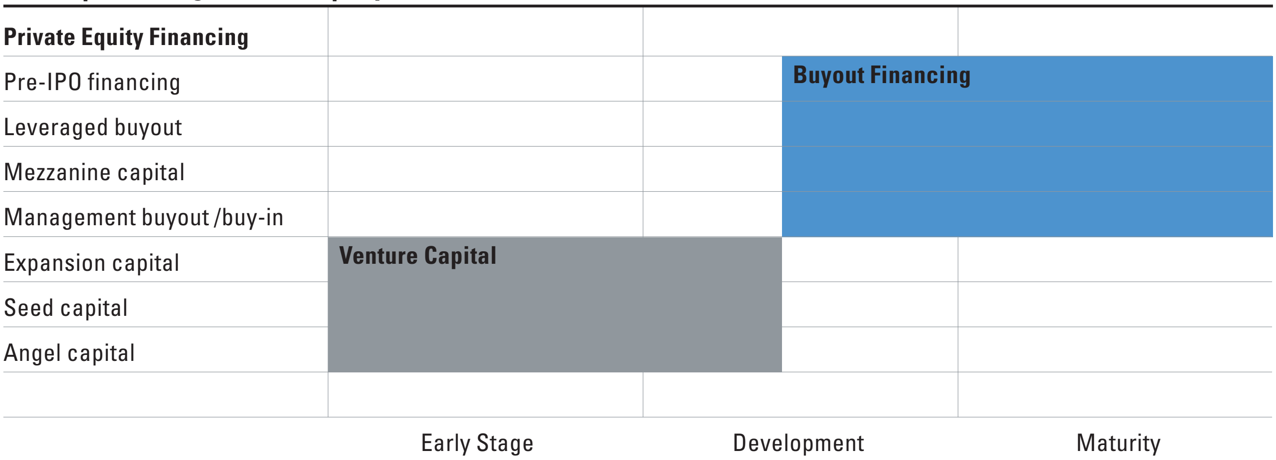
June 24, 2010	Annual General Meeting
July 23, 2010	Quarterly Report as of June 30, 2010
October 29, 2010	Half-Year Report as of September 30, 2010
February 2011	9-Month Report as of December 31, 2010
April 2011	Estimated NAV as of March 31, 2011
June 2011	Annual Report 2010/2011

Fair Value

Publication as of the end of every month on www.peh.ch

[1] Basis: Number of shares outstanding (3,865,129)

Development stages of a company



What is Private Equity?

Over the last decade, private equity has emerged as a major asset class in the alternative investment sector. Private equity refers to the holding of equity securities in companies that are not publicly listed on a stock exchange, i.e. privately held companies. Private equity investments can be categorized by the development stage of a company at which financing is provided:

Venture capital refers to the financing of relatively small, rapidly growing, young companies that do not have access to public markets or debt financing. Such investments obviously entail a greater risk but also offer significant potential for above-average returns. Angel capital provides backing to very early-stage businesses or business concepts. Seed capital is the financing of a very early-stage company with a business venture or an idea that has not yet reached market maturity. Expansion capital is provided to companies with marketable products that need financing to fund further growth.

Buyout financing describes the acquisition of the majority of an existing company by the incumbent management and/or an external investor. The term 'leveraged buyout' refers to the acquisition of a company using debt combined with equity to finance the purchase. Mezzanine capital shares characteristics of both debt and equity financing, with preferential liquidation rights to shareholders and interest payments on the one hand and subordination to senior debt on the other. Pre-IPO financing satisfies the capital needs of a company prior to a stock market listing.

How to Invest in Private Equity

There are different ways of investing in private equity: the investor can either invest directly in a company, in a private equity fund which itself invests in companies, or in a private equity fund-of-funds which invests in a selection of private equity funds.

The "fund-of-funds" approach, i.e. investing indirectly in privately held companies by investing in a number of private equity funds, allows for maximum diversification of a private equity investment. Compared to investing in a single private equity fund, the fund-of-funds investor achieves increased diversification of risk via exposure to more than one manager, strategy and investment style. A fund-of-funds offers the opportunity to capture the returns and strategies offered by alternative investments without the significant capital needed for a properly diversified portfolio or investment in a fund.

Private equity funds are typically structured in the form of a limited partnership with several limited partners (investors such as Private Equity Holding AG) and one general partner. The general partner manages the fund and its investments in all respects, but most importantly, the general partner sources, selects, acquires, monitors, develops and sells companies on behalf of the fund. Therefore, the investor in a private equity fund focuses his due diligence on the competence and experience of the general partners and their investment strategies.

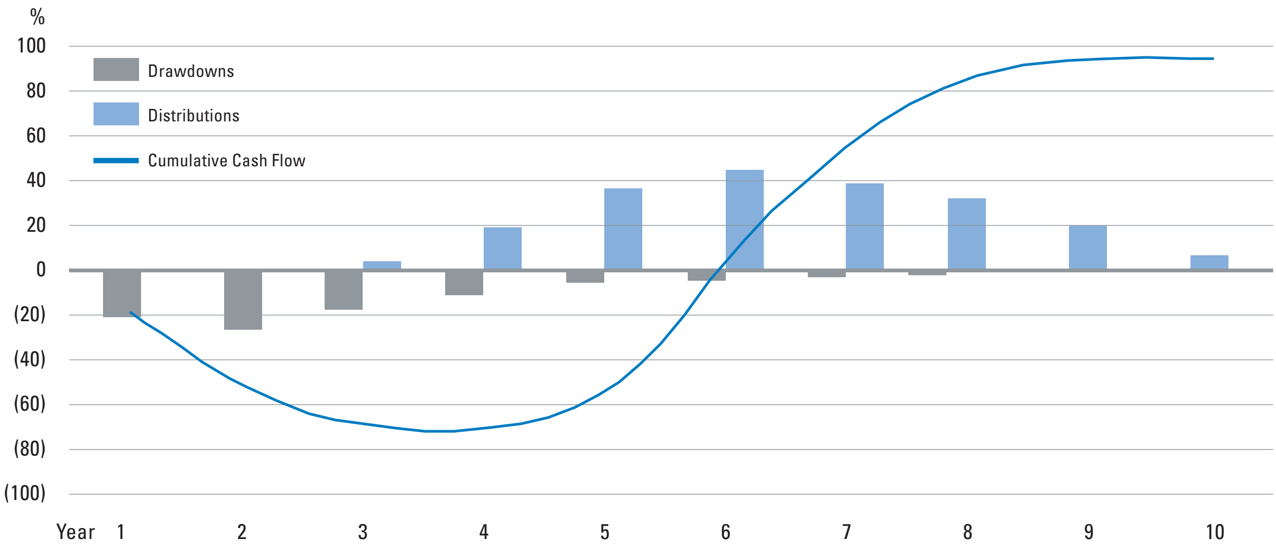
Private Equity is a Long-Term Investment

Private equity is a long-term investment requiring a long-term perspective. The investor provides capital to a private equity investment vehicle to finance the underlying investments in companies and to cover the vehicle's management fees and other expenses. Only when the underlying investments are successfully exited, i.e. when the investee companies are sold or floated on the public stock market, are the proceeds distributed back to the investors.

Each limited partner commits himself to provide a certain amount of capital to a private equity fund. This committed amount is drawn and invested by the fund over several (typically five) years, as attractive investment opportunities arise. Generally, after three to seven years, the private equity fund exits the investment via a sale to a trade buyer or financial investor or an IPO of the company. Following a successful exit of the investment, the proceeds either in cash or listed securities in the case of an IPO are distributed by the fund to the limited partners.

Due to the long-term nature of private equity investments, limited partnership contracts have a duration of typically up to 10 years. During that period, the contracting parties cannot withdraw from their obligations as defined in the agreements.

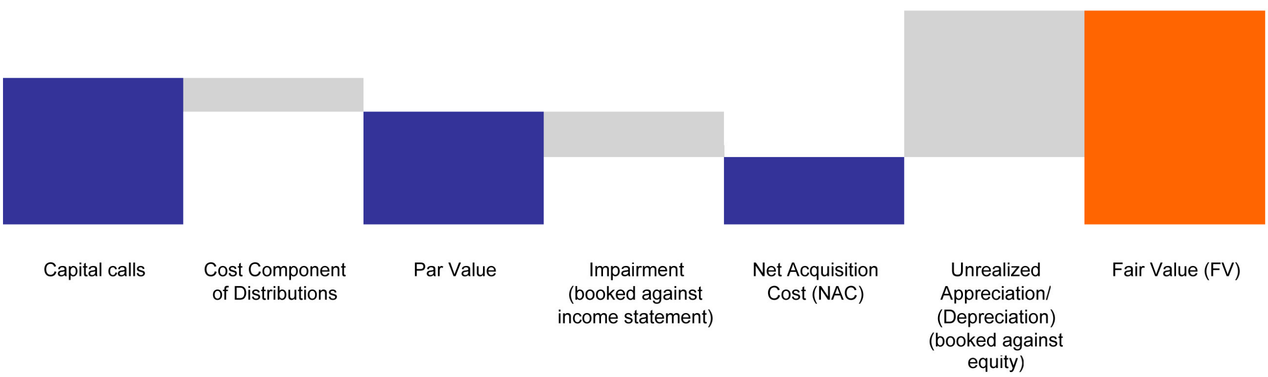
Single Fund Annual Cash Flows to Investors



This Glossary defines certain terms used in this report for the convenience of the readers.

Capital Calls	Amount of capital called from the Group by a private equity fund. Each transaction is translated into EUR by using the foreign exchange rate as of the transaction date.
Capital Contributed (Invested)	Amount of capital contributed (invested) by the Group to direct or indirect investments since inception. Each transaction is translated into EUR by using the foreign exchange rate as of the transaction date.
Capital Gain/(Loss)	Difference between total distribution and the cost component of distribution of a specific investment.
Commitment	Amount that the Group has committed to make available to a private equity fund or direct investment. In accordance with IFRS, this amount is not recorded in the balance sheet. The translation into EUR is made by using the foreign exchange rate as of the relevant reporting date.
Comprehensive Net Gain/(Loss)	The sum of "Net Gain/(Loss)" as per income statement and the change in "Unrealized Appreciation/(Depreciation)", which is credited/(debited) to shareholders' equity. Comprehensive Net Gain/(Loss) shows the change in fair value for a given period of time and can also be derived from the statement of changes in shareholders' equity.
Distribution	Amount of net proceeds (including cost component, capital gains and interest/dividends) received by the Group. Each transaction is translated into EUR by using the foreign exchange rate as of the transaction date.
Cost Component of Distribution	Portion of distribution which reflects the contributed capital.
Fair Value (FV)	The price at which an investment would change hands between a willing buyer and a willing seller, neither being under a compulsion to buy or sell and both having a reasonable knowledge of relevant facts. Fair value of a private equity fund, i.e. fair value of assets minus liabilities. The translation into EUR is made by using the foreign exchange rate as of the relevant reporting date.
Gross/Total Commitment	The sum of net acquisition cost and unfunded commitment.
Impairment	Permanent decline in value of an investment. Write-downs (as opposed to unrealized appreciation and depreciation) are recorded in the income statement. Difference between the par value and the net acquisition cost of an investment.
Net Acquisition Cost (NAC)	Capital contributed minus cost component of distribution minus write-downs.
Par Value	Capital contributed minus cost component of distribution.
Unfunded/Outstanding Commitment	Amount that the Group has not yet contributed to a private equity fund. Difference between original commitment and contributed capital.
Unrealized Appreciation/(Depreciation)	Temporary increase or decrease in value of a fund or direct investment. For example, currency fluctuations are recorded as unrealized appreciation or depreciation. Unrealized appreciation and depreciation are booked against the shareholders' equity without effect on the income statement. Equal to the difference between the fair value of an investment and the net acquisition cost.
Vintage Year	Year in which a private equity fund has made its first Capital Call for investment purposes. In general, this coincides with the first year of a private equity fund's term.

Composition of Fair Value



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