

Annual Report 2011 / 2012

Private Equity Holding AG





Table of Contents

Profile	2
Key Figures.	3
Development of Net Asset Value and Share Price	4
Chairman's Letter for the Financial Year 2011/2012	5
Portfolio Report for the Financial Year 2011/2012	7
Selected Investments.	10
Consolidated Financial Statements Private Equity Holding Group	16
Report of the Statutory Auditor on the Consolidated Financial Statements.	47
Financial Statements Private Equity Holding AG	50
Report of the Statutory Auditor on the Financial Statements	58
Corporate Governance	61
Information for Investors.	71
On Private Equity	73
Glossary of Terms	75



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

	31.03.12 EUR	31.03.11 EUR	Change in % ¹	31.03.12 CHF	31.03.11 CHF	Change in % ¹
Net asset value per share, based on fair values	55.85	54.21	3.0%	67.32	70.35	(4.3%)
Price per share (PEHN.S)	36.34	34.68	4.8%	43.80	45.00	(2.7%)

¹ excl. distribution of CHF 2 in September 2011.

Comprehensive Income Statement

	01.04.11-31.03.12 EUR 1,000	01.04.10-31.03.11 EUR 1,000	Change in %
Profit/(loss) for the period	10,557	7,384	n/m ²
Total comprehensive income for the period	10,557	5,969	77%

² The Group early adopted IFRS 9 as of April 1, 2011. See Note 2 to the Consolidated Financial Statements.

Balance Sheet

	31.03.12 EUR 1,000	31.03.11 EUR 1,000	Change in %
Net current assets	2,940	11,893	(75%)
Total non-current assets	202,582	188,848	7%
Non-current liabilities	(4,510)	—	n/m
Total equity	201,012	200,741	—

Asset Allocation

	Fair Value 31.03.12 EUR million	Unfunded Commitments 31.03.12 EUR million	Total Exposure ³ 31.03.12 EUR million	Total Exposure ³ 31.03.12 in %
Buyout funds	94.4	21.4	115.8	47%
Venture funds	53.3	7.9	61.2	25%
Special Situation funds	41.5	15.7	57.2	23%
Total fund investments	189.2	45.0	234.2	95%
Direct investments and loans	13.4	0.1	13.5	5%
Total direct investments and loans	13.4	0.1	13.5	5%
Total funds, direct investments and loans	202.6	45.1	247.7	100%

³ Fair value plus unfunded commitment

	31.03.12	31.03.11	Change in %
Unfunded commitments (EUR million)	45.1	63.8	(29%)
Overcommitment ⁴	22%	27%	(19%)
Net current assets / Unfunded commitments	7%	20%	(65%)

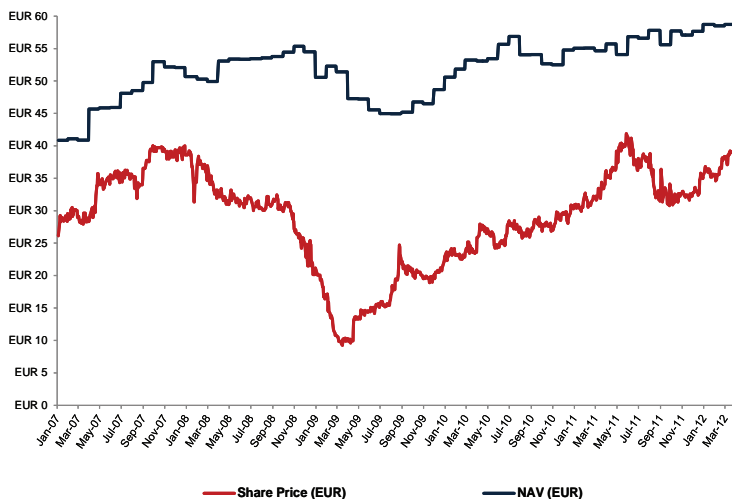
⁴ Overcommitment = (unfunded commitments - net current assets) / (non-current assets - non-current liabilities)



Development of Net Asset Value and Share Price

Share Price and NAV per Share

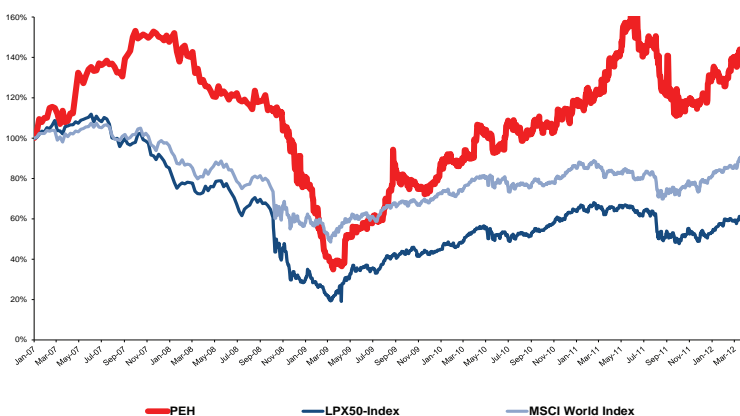
01.01.2007 – 31.03.2012 (incl. distribution)



NAV 01.01.07 - 31.03.12 (in EUR, incl. distribution):	44.9%
NAV 01.01.07 - 31.03.12 (in CHF, incl. distribution):	8.7%
Share price 01.01.07 - 31.03.12 (in EUR, incl. distribution):	51.7%
Share price 01.01.07 - 31.03.12 (in CHF, incl. distribution):	13.8%
Discount to NAV as of 31.03.12:	-34.9%

Relative Performance of PEHN

01.01.2007 – 31.03.2012 (in EUR, incl. distribution)



Outperformance PEHN vs. LPX-50 PE-Index:	85.9%
Outperformance PEHN vs. MSCI World:	56.1%



Chairman's Letter for the Financial Year 2011/2012

Dear Shareholders

I am pleased to present the Annual Report 2011/2012 to you. Private Equity Holding AG ('PEH') reports a total comprehensive income of EUR 10.6m for the financial year 2011/2012. The Net Asset Value (NAV) per share of PEH stood at EUR 55.85 (CHF 67.32) as of March 31, 2012, the end of the financial year 2011/2012. It increased by 6.4 % during the financial year (in EUR, incl. the distribution of CHF 2 per share in September 2011).

Strong Portfolio Performance

Despite the difficult macroeconomic environment, the investment portfolio of PEH has performed quite strongly in the financial year 2011/2012. The fair value of PEH's investments increased by EUR 15.6m, and the portfolio was again cash flow positive with EUR 31.3m being distributed to PEH and EUR 27.0m called for new investments and fund-level expenses. We continue to be particularly satisfied with the portfolio that has been built by our manager, mainly since the re-start of PEH's investment activity in the first quarter of 2007. This investment program successfully rebalanced the portfolio towards buyout and special situation funds and, notwithstanding its relative youth and the financial crisis, has performed well: its total return multiple already stands at 1.30x (in EUR) cost.

Recently, we have also seen a number of high profile realizations from the new portfolio. Among others, Investindustrial IV sold Permasteelisa, a global leader in the field of architectural envelopes and, after the end of the financial year, announced the sale of motorbike manufacturer Ducati to Audi. In May 2012, Milestone 2007 sold its sole investment, Cadum, a company active in the French personal hygiene market, to L'Oréal at approximately 6x its original cost.

Strategic Continuity

PEH's strategy is built on three pillars, which provide the Company with the necessary flexibility to adjust its tactics to changing market environments.

On the basis of a long-term and prudent cash-flow planning, PEH pursues, firstly, a selective investment approach to build and maintain an attractive and diversified portfolio of private equity funds. New investments are a prerequisite for any future growth of the Company.

**Long-Term
Growth**

**Selective
New Investments**

**NAV
Accretion**

**Purchase
of Treasury
Shares**

**Regular
Yield**

**Annual
Distri-
bution**

Sufficient Free Cash Flow

Secondly, PEH utilizes part of its free liquidity to acquire treasury shares in the market, depending on prevailing discount levels and the relative attractiveness of other investment opportunities. In 2011/12, the Company increased its treasury share position by 103'532 shares for a total amount of EUR 3.7m. Since the shares were bought at a discount, this had an accretive effect on the company's NAV per share (EUR 0.51).



Thirdly, PEH implemented a distribution policy in 2010 to provide shareholders with current income in addition to long-term NAV growth. In September 2011, PEH distributed CHF 2 per share, representing a yield of more than 5% at the time of distribution. The Board of Directors wishes to continue the distribution strategy and proposes to the forthcoming Annual General Meeting to approve again a distribution of CHF 2 per share.

Discount The Board of Directors and the manager monitor the development of the discount closely. A further reduction and stabilization of the discount is of eminent importance for the Company and its shareholders. Like a coin, the discount has two sides. For some investors, the discount is the problem. We, however, believe that the discount is more of an opportunity than a problem. The PEH-shares currently trade at a discount of 39% to NAV. We consider this as an attractive buying opportunity for long-term oriented investors. The recent management transactions are a further sign of confidence and underline the long-term attractiveness of an investment in Private Equity Holding AG.

As always, we thank you for your continued trust and support.

Dr. Hans Baumgartner

Chairman of the Board of Directors

June 13, 2012

Portfolio Report for the Financial Year 2011/2012

The Year in Review

For the financial year 2011/2012, Private Equity Holding AG reports a total comprehensive income of EUR 10.6 million.

As of March 31, 2012, the fair value per share stood at EUR 55.85. This represents an increase of EUR 3.44 or 6.4% compared to March 31, 2011 (incl. distribution).

As of March 31, 2012, total long-term assets amount to EUR 202.6 million (March 31, 2011: EUR 188.8 million). The change since March 31, 2011 includes an increase in the fair value of fund investments of EUR 14.4 million and an increase in the fair value of direct investments (incl. loans) of EUR 1.2 million. During the financial year, total distributions of EUR 28.8 million were realized from financial assets at fair value through profit or loss and EUR 2.5 million through directly held quoted securities. Capital calls amounted to EUR 27.0 million. As in the previous financial year, cash flows from the portfolio were positive.

Since the beginning of the financial year, April 1, 2011, the Company's net current assets decreased from EUR 11.9 million to EUR 2.9 million. During the same period, unfunded commitments fell from EUR 63.8 million to EUR 45.1 million and the over-commitment ratio improved from 27% to 22%.

Fund Investments

As of March 31, 2012, the fair value of the fund portfolio stood at EUR 189.2 million (March 31, 2011: EUR 175.9 million). The change results from capital calls of EUR 26.1 million, distributions of EUR 27.2 million and positive net value adjustments of EUR 14.4 million.

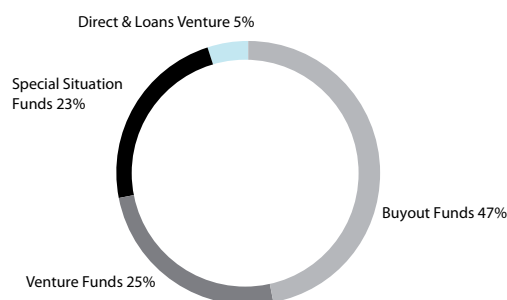
Noteworthy portfolio events in the last quarter* of the financial year 2011/2012 included the following:

ABRY Advanced Securities Fund distributed excess collateral from its total return swap investments following the strengthening of loan markets, income from its total return swap investments and interest income received from its loan investments.

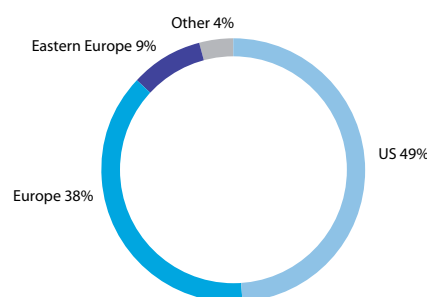
ABRY Partners VI made distributions from dividend payments received by RCN Cable, a digital entertainment provider (digital cable TV, high-speed Internet and phone bundle) and PRO Unlimited Global Solutions, a provider of global contingent workforce management solutions.

Avista Capital Partners made distributions from the sale of BioReliance, the largest provider of outsourcing services focused on the biologics sector of the pharmaceutical industry, to NASDAQ-listed Sigma-Aldrich Corporation. Additional investments in Laramie Energy II, focused on the acquisition and exploitation of unconventional natural gas resources in the Rocky Mountain region, and Manti Exploration, targeting the exploration, development and production of oil and natural gas in the Gulf Coast region, were completed.

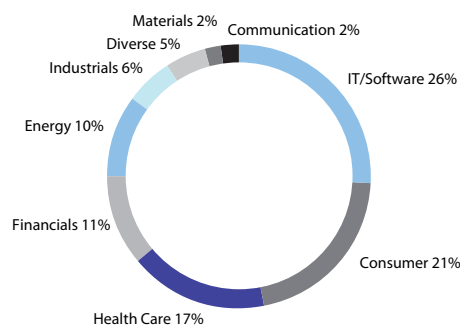
Allocation by Investment Category¹



Allocation by Geography²



Allocation by Industry²



¹ Based on fair values plus unfunded commitments (basis: non-current financial assets at fair value through profit or loss)

² Based on fair values of the underlying companies (basis: non-current financial assets at fair value through profit or loss)

* For portfolio events in the first three quarters of the financial year 2011/2012 please refer to the respective quarterly reports which can be downloaded from the Company's website (www.peh.ch).



Avista Capital Partners II called capital to fund several follow-on investments and distributed proceeds from the sale of Enduring I's remaining assets. Enduring is focused on the acquisition and exploitation of long-lived natural gas assets in domestic onshore basins.

Bridgepoint Europe IV made drawdowns to fund investments in Wiggle, the leading international online retailer of cycling apparel and accessories, Borawind, the largest non-utility owned platform of wind generation plants in Spain, KemFine, a fine chemicals company, and two follow-on investments.

Clayton, Dubilier & Rice Fund VI distributed proceeds in connection with the sale of shares of Euronext Paris listed Rexel, a leading distributor of electrical supplies, and the sale of shares of NASDAQ listed Pendrell Corporation, a fully-integrated intellectual property investment and advisory firm.

The DB Secondaries Opportunities Fund A and *DB Secondaries Opportunities Fund C* distributed proceeds from various underlying private equity funds. Furthermore, Fund C returned unused capital and Fund A called capital to fund additional follow-on investments.

Doughty Hanson & Co III called capital to fund a follow-on investment in LM Wind Power, the world's leading component supplier to the wind turbine industry.

Europe Capital Partners IV distributed proceeds from the realization of Geotea, an Italian waste disposal and treatment business.

Index Growth II called capital to finance an investment in Nasty Gal, an online clothing store dedicated to vintage clothing.

Industri Kapital 2007 called capital to finance several add-on acquisitions in portfolio companies.

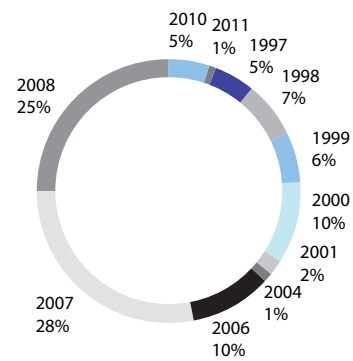
Institutional Venture Partners XI made a distribution from its investment in Synchronoss Technologies, the world's leading provider of automation software and cloud technology solutions.

Institutional Venture Partners XII distributed proceeds from the balance of sales in DeNA, the Japanese (listed on the Tokyo stock exchange) acquirer of portfolio company ngmoco, the leading publisher and developer of social games for the iPhone. Further, the fund called capital to finance new investments.

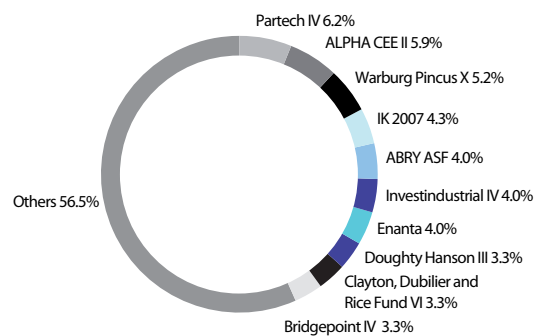
Institutional Venture Partners XIII made drawdowns to finance new investments.

Kennet III called capital to finance a new investment in KEMP Technologies, a company headquartered in New York that offers affordable application delivery and load balancing solutions to SMEs.

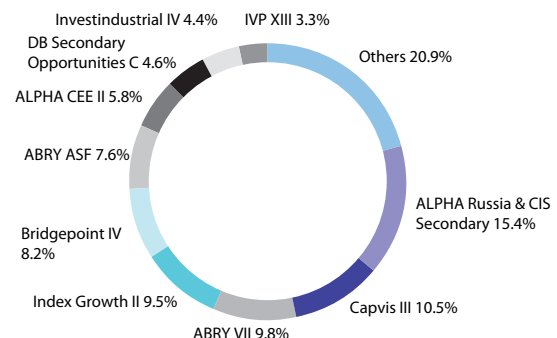
Diversification of the Fund Portfolio by Vintage Year³



10 Largest Exposures by Fair Value



10 Largest Exposures by Unfunded Commitment



³ Based on fair values of the fund investments



The *OCM European Principal Opportunities Fund II* called capital to fund various investments and trades, and the *OCM Opportunities Fund VII* and *OCM Opportunities Fund VIIb* distributed proceeds from various realized investments.

Warburg Pincus Private Equity X called capital to fund (i) an investment in AU Financiers, an asset finance company offering business and personal loans for vehicles and housing, (ii) an investment in EnStorage, a developer of large scale energy storage solutions, (iii) an investment in Harbin Dongfang Zhonghe Food & Beverage, a leading quick service restaurant in Northern China as well as several follow-on investments. The fund also made a distribution resulting from its investment in Nuance Communications, a NASDAQ listed leading worldwide provider of speech-enablement products and imaging solutions.

WL Ross Recovery Fund IV called capital to finance investments in a shipping company, a leading multifamily commercial real estate origination and servicing platform and also made distributions from investments.

Direct Investments

As of March 31, 2012, the fair value of the direct portfolio (incl. loans) stood at EUR 13.4 million (March 31, 2011: EUR 12.9 million). During the financial year 2011/2012, positive net value adjustments of EUR 1.2 million were recorded on the portfolio and EUR 1.6 million were distributed. Capital calls amounted to EUR 0.9 million.

PEH received a distribution from *Cydex* (which was successfully sold by PEH in Jan 2011) from a milestone payment triggered by the new drug application submission by Onyx Pharmaceuticals, a licensee of *Cydex*.



Selected Investments

The ten largest investments by fair value

Together they account for 43.5% of the total fair value of the investment portfolio of the Private Equity Holding Group.



<i>Fund Size:</i>	USD 304 million
<i>Type:</i>	General Venture
<i>Industries:</i>	Information technology
<i>Region:</i>	USA
<i>Fair Value:</i>	EUR 12.6 million 6.2% of PEH portfolio

Partech International Ventures IV

Founded in 1982, Partech International is a leading global venture capital firm with offices in the US, Europe and Israel. 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 19 companies in the portfolio including Invensense, the leading provider of motion sensing solutions for mobile applications, listed on NYSE since November 2011.



<i>Fund Size:</i>	EUR 309 million
<i>Type:</i>	Buyout & Expansion
<i>Industries:</i>	Diverse
<i>Region:</i>	Central & Eastern Europe
<i>Fair Value:</i>	EUR 11.9 million 5.9% of PEH portfolio

ALPHA CEE II

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 82% drawn and has exposure to 154 companies.

WARBURG PINCUS

<i>Fund Size:</i>	USD 15 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Global
<i>Fair Value:</i>	EUR 10.6 million 5.2% of PEH portfolio

Warburg Pincus Private Equity X

Warburg Pincus was founded in 1966 and is one of the most established private equity firms in the world. It has a team of more than 160 professionals with headquarters in New York and further 11 offices in 9 countries. Warburg Pincus Private Equity X focuses on growth investments. The activity includes conceiving and creating venture capital opportunities, providing expansion capital, and investing in leveraged buyouts. The fund is 94% drawn and has 85 companies in its portfolio.



<i>Fund Size:</i>	EUR 1.7 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Fair Value:</i>	EUR 8.6 million 4.3% of PEH portfolio

Industri Kapital 2007 Fund

The fund is managed by IK Investment Partners, formerly known as Industri Kapital, a European private equity firm with Nordic roots managing EUR 5.7 billion in fund commitments. The firm has 29 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 91% drawn and has 13 investments in its portfolio.



<i>Fund Size:</i>	USD 700 million
<i>Type:</i>	Special Situations
<i>Industries:</i>	Media
<i>Region:</i>	USA
<i>Fair Value:</i>	EUR 8.1 million 4.0% of PEH portfolio

ABRY Advanced Securities Fund

ABRY is one of the most experienced investment firms in North America focusing on media, communications, business and information services. Founded in 1989, ABRY Partners has invested over USD 27 billion in high quality companies and partnered with management to help build their businesses. This includes leveraged transactions and other private equity, mezzanine or preferred equity placements, representing investments in approximately 450 properties. 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 more than 150 media companies in the US. The fund is 82% drawn.



Investindustrial

<i>Fund Size:</i>	EUR 1 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Fair Value:</i>	EUR 8.1 million 4.0% of PEH portfolio



<i>Type:</i>	Early-stage Venture
<i>Industries:</i>	Healthcare
<i>Region:</i>	USA
<i>Fair Value:</i>	EUR 8.0 million 4.0% of PEH portfolio



<i>Fund Size:</i>	USD 2.7 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Fair Value:</i>	EUR 6.7 million 3.3% of PEH portfolio



<i>Fund Size:</i>	USD 3.4 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	USA
<i>Fair Value:</i>	EUR 6.7 million 3.3% of PEH portfolio

Bridgepoint

<i>Fund Size:</i>	EUR 4.8 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Fair Value:</i>	EUR 6.6 million 3.3% of PEH portfolio

Investindustrial IV

Investindustrial is one of the premier Southern European buyout groups with an experienced team of more than 50 professionals and offices in Milan, London, Barcelona, Madrid, Luxembourg and Shanghai. 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 80% drawn and has 9 companies in its portfolio.

Enanta Pharmaceuticals, Inc.

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. Enanta received a USD 57 million up-front payment from Abbott consisting of a cash license payment and an equity investment. In October 2011, Enanta Pharmaceuticals was awarded a contract from the National Institute of Allergy and Infectious Diseases (NIAID), worth up to USD 42.7 million over five years. And in February 2012, the company entered into a strategic collaboration with Novartis for the worldwide development.

Doughty Hanson & Co. III

Doughty Hanson is one of Europe's largest independent private equity firms with a 25 year track record of buying and growing market-leading businesses across Europe. 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 is one company remaining in the portfolio: LM Wind Power, which 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 5,800 people and operates factories located on three continents in eleven locations in addition to headquarters in Kolding, Denmark, and a global business office in Amsterdam, the Netherlands.

Clayton, Dubilier & Rice Fund VI

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. Clayton, Dubilier & Rice Fund VI invests primarily within the United States, is fully drawn and has 3 companies remaining in the portfolio including Euronext Paris listed Rexel, the leading global distributor of electrical supplies.

Bridgepoint Europe IV

Bridgepoint is one of the leading private equity investment firms in Europe with a team of over 80 investment professionals and over 30 partners. Having invested successfully for over 25 years, Bridgepoint has proven its ability to finance businesses and grow 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. The fund is 63% drawn and the portfolio consists of 15 companies.



The ten largest fund investments by unfunded commitment.

Together they account for 79.1% of the total unfunded commitments of the Private Equity Holding Group.

alpha

<i>Fund Size:</i>	USD 107 million
<i>Type:</i>	Secondary
<i>Industries:</i>	Diverse
<i>Region:</i>	Russia & CIS
<i>Unfunded Commitment:</i>	EUR 6.9 million (15.4% of total unfunded)

ALPHA Russia & CIS Secondary

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 that are restructuring their portfolios. The fund also makes selective primary commitments to leading funds in the region as well as direct co-investments. As of December 31, 2011, the portfolio consists of 10 secondary positions, 2 primary commitments and 3 direct co-investments.

capvis

<i>Fund Size:</i>	EUR 600 million
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Unfunded Commitment:</i>	EUR 4.7 million (10.5% of total unfunded)

Capvis Equity III

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 9 partners and 5 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 53% drawn and has 4 investments in its portfolio.

ABRY PARTNERS

<i>Fund Size:</i>	USD 1.6 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Media
<i>Region:</i>	USA
<i>Unfunded Commitment:</i>	EUR 4.4 million (9.8% of total unfunded)

ABRY Partners VII

ABRY is one of the most experienced investment firms in North America focusing on media, communications, business and information services. Founded in 1989, ABRY Partners has invested over USD 27 billion in high quality companies and partnered with management to help build their businesses. This includes leveraged transactions and other private equity, mezzanine or preferred equity placements, representing investments in approximately 450 properties. The fund is 20% drawn and has 4 investments in its portfolio.

Index Ventures

<i>Fund Size:</i>	EUR 500 million
<i>Type:</i>	Growth capital
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Unfunded Commitment:</i>	EUR 4.3 million (9.5% of total unfunded)

Index Growth II

Index Ventures is a leading global venture capital firm active in technology and biotechnology venture investing since 1996. The firm has offices in London, Geneva, Jersey and San Francisco and focuses on investments from seed through to growth stage companies. Since inception Index Ventures has raised six early stage funds and in 2008 Index Ventures raised its first growth fund to invest in later stage companies. The second growth fund is Index' biggest fund to date. Index Growth II will continue to execute its predecessor fund's strategy of growth equity and late stage venture investments within Europe, Israel and the US, predominantly in the IT sector with a limited focus on the Life Science space.

Bridgepoint

<i>Fund Size:</i>	EUR 4.8 billion
<i>Type:</i>	Buyout
<i>Industries:</i>	Diverse
<i>Region:</i>	Europe
<i>Unfunded Commitment:</i>	EUR 3.7 million (8.2% of total unfunded)

Bridgepoint Europe IV

Bridgepoint is one of the leading private equity investment firms in Europe with a team of over 80 investment professionals and over 30 partners. Having invested successfully for more than 25 years, Bridgepoint has proven its ability to finance businesses and grow 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. The fund is 63% drawn and the portfolio consists of 15 companies.



Fund Size: USD 700 million
Type: Special Situations
Industries: Media
Region: USA
Unfunded Commitment: EUR 3.4 million (7.6% of total unfunded)



Fund Size: EUR 309 million
Type: Buyout & Expansion
Industries: Diverse
Region: Central & Eastern Europe
Unfunded Commitment: EUR 2.6 million (5.8% of total unfunded)

Deutsche Bank Group DB Private Equity

Fund Size: USD 239 million
Type: Secondary
Industries: Diverse
Region: USA
Unfunded Commitment: EUR 2.0 million (4.6% of total unfunded)

Investindustrial

Fund Size: EUR 1 billion
Type: Buyout
Industries: Diverse
Region: Europe
Unfunded Commitment: USD 1.9 million (4.4% of total unfunded)



Fund Size: USD 750 million
Type: Growth capital
Industries: Information technology
Region: USA
Unfunded Commitment: EUR 1.5 million (3.3% of total unfunded)

ABRY Advanced Securities Fund

ABRY is one of the most experienced investment firms in North America focusing on media, communications, business and information services. Founded in 1989, ABRY Partners has invested over USD 27 billion in high quality companies and partnered with management to help build their businesses. This includes leveraged transactions and other private equity, mezzanine or preferred equity placements, representing investments in approximately 450 properties. 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 more than 150 media companies in the US. The fund is 82% drawn.

ALPHA CEE II

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 82% drawn and has exposure to 154 companies.

DB Secondary Opportunities Fund C

The fund is managed by DB Private Equity, a private equity funds of funds business within Deutsche Bank's Asset Management division. DB Private Equity was established following the closing of the Sal. Oppenheim Group acquisition, and combines three existing businesses: The Private Equity Group of Deutsche Bank Private Wealth Management, the Secondaries Private Equity Team of RREEF and Sal. Oppenheim Private Equity Partners. The group manages approximately EUR 6 billion of client assets. DB Secondary Opportunities Fund C acquires investors' stakes in private equity funds, makes co-investments in secondary transactions as well as selective minority co-investments. The fund is 70% drawn.

Investindustrial IV

Investindustrial is one of the premier Southern European buyout groups with an experienced team of more than 50 professionals and offices in Milan, London, Barcelona, Madrid, Luxembourg and Shanghai. 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 80% drawn and has 9 companies in its portfolio.

Institutional Venture Partners XIII

Since its founding in 1980, IVP has successfully invested in early-stage and later-stage venture capital investments, primarily focusing on information technology, and today has USD 3.0b of committed capital. IVP XIII focuses on later-stage venture capital investments in high growth, market leading information technology companies in the US. The main subsectors covered are communications and wireless, enterprise IT as well as internet and digital media. The fund is 65% drawn and has 19 companies in its portfolio.



FINANCIAL INFORMATION

Private Equity Holding Group

Consolidated Financial Statements March 31, 201216

Report of the Statutory Auditor
on the Consolidated Financial Statements.47

Private Equity Holding AG

Financial Statements March 31, 2012.50

Report of the Statutory Auditor
on the Financial Statements58



Consolidated Financial Statements

	Page
Consolidated Statement of Comprehensive Income	17
Consolidated Balance Sheet	18
Consolidated Statement of Changes in Equity	19
Consolidated Statement of Cash Flows	20
1. Reporting entity	21
2. Basis of preparation	21
3. Significant accounting policies	22
4. Financial risk management	26
5. Critical accounting estimates and assumptions	31
6. Cash and cash equivalents	31
7. Loans and receivables	31
8. Financial assets	31
9. Net gain from financial assets at fair value through profit or loss	36
10. Segment information	36
11. Disclosures about fair value of financial instruments	38
12. Financial liabilities measured at amortized cost	40
13. Shareholders' equity and movements in treasury shares	41
14. Fair value reserve	43
15. Expenses	43
16. Contingent liabilities and commitments	43
17. Related party transactions	44
18. Tax expenses	45
19. Subsequent events	45



Consolidated Statement of Comprehensive Income

EUR 1,000	Notes	01.04.11- 31.03.12	01.04.10- 31.03.11
Income			
Net gain from financial assets at fair value through profit or loss ¹	9	15,549	706
Gains on financial assets available for sale		—	15,812
Interest income		8	1,018
Dividend income		—	308
Foreign exchange gains/(losses)		(400)	(278)
Other income		731	—
Total income		15,888	17,566
Expenses			
Impairment of financial assets available for sale		—	3,966
Administration expenses	15, 17	3,937	5,178
Corporate expenses	15	1,084	1,024
Transaction expenses	15	176	14
Interest expenses on bank borrowing	15	134	—
Total expenses		5,331	10,182
Profit/(loss) from operations		10,557	7,384
Income tax expenses	18	—	—
Profit/(loss) for the period attributable to equity holders of the company		10,557	7,384
Other comprehensive income			
Net change in fair value of financial assets available for sale ¹		—	(1,415)
Other comprehensive income/(loss) for the period, net of income tax		—	(1,415)
Total comprehensive income for the period attributable to equity holders of the company		10,557	5,969

	01.04.11- 31.03.12	01.04.10- 31.12.11
Weighted average number of shares outstanding during period	3,629,356	3,806,600
Basic earnings per share (EUR)	2.91	1.94
Diluted earnings per share (EUR)	2.91	1.94
Comprehensive earnings per share (EUR)	2.91	1.57

Minor differences in totals are due to rounding.

The accompanying notes are an integral part of these consolidated financial statements.

¹ The Group early adopted IFRS 9 Financial Instruments as of April 1, 2011. Since that date, all (un)realized gains/(losses) on investments are booked directly in profit or loss and are presented in the line item "Net gain from financial assets at fair value through profit or loss" in the consolidated statement of comprehensive income. The prior year figures have not been restated.



Consolidated Balance Sheet

EUR 1,000	Notes	31.03.12	31.03.11
Assets			
Current assets			
Cash and cash equivalents	6	2,834	9,823
Financial assets at fair value through profit or loss	8.1	—	2,601
Receivables and prepayments		563	371
Total current assets		3,397	12,795
Non-current assets			
Financial assets at fair value through profit or loss ¹	8.2	202,582	—
Financial assets available for sale		—	188,848
Total non-current assets		202,582	188,848
Total assets		205,979	201,643
Liabilities and equity			
Current liabilities			
Payables and other accrued expenses	12	457	902
Total current liabilities		457	902
Non-current liabilities			
Bank borrowings	12	4,510	—
Total non-current liabilities		4,510	—
Total liabilities		4,967	902
Equity			
Share capital		14,248	15,034
Share premium		105,061	115,253
Treasury shares	13	(6,301)	(8,993)
Fair value reserve ¹	14	—	13,561
Retained earnings		88,004	65,886
Total equity		201,012	200,741
Total liabilities and equity		205,979	201,643

	31.03.12	31.03.11
Total number of shares as of period end	3,800,000	4,009,500
Number of treasury shares as of period end	(200,805)	(306,773)
Number of shares outstanding as of period end	3,599,195	3,702,727
Net asset value per share (EUR)	55.85	54.21

Minor differences in totals are due to rounding.
The accompanying notes are an integral part of these consolidated financial statements.

¹ The Group early adopted IFRS 9 Financial Instruments as of April 1, 2011. Since that date, all (un)realized gains/(losses) on investments are booked directly in profit or loss and are presented in the line item "Net gain from financial assets at fair value through profit or loss" in the consolidated statement of comprehensive income. The prior year figures have not been restated.



Consolidated Statement of Changes in Equity

EUR 1,000	Share capital	Share premium	Treasury shares	Fair value reserve	Retained earnings	Total equity
Opening as of 01.04.10	20,247	116,540	(6,079)	14,976	59,527	205,211
Profit/(loss) for the period	—	—	—	—	7,384	7,384
Change in fair value reserve	—	—	—	(1,415)	—	(1,415)
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	(1,415)	—	(1,415)
Total comprehensive income/(loss) for the period	—	—	—	(1,415)	7,384	5,969
Purchase of treasury shares	—	—	(8,277)	—	—	(8,277)
Sale of treasury shares	—	(285)	3,853	—	—	3,568
Cancellation of treasury shares	(202)	(1,002)	1,204	—	—	—
Par value reduction	(5,011)	—	306	—	(1,025)	(5,730)
Total as of 31.03.11	15,034	115,253	(8,993)	13,561	65,886	200,741

EUR 1,000	Share capital	Share premium	Treasury shares	Fair value reserve	Retained earnings	Total equity
Opening as of 01.04.11	15,034	115,253	(8,993)	13,561	65,886	200,741
Reclassification of fair value reserve to retained earnings ¹	—	—	—	(13,561)	13,561	—
Restated balance as of 01.04.11	15,034	115,253	(8,993)	—	79,447	200,741
Profit/(loss) for the period	—	—	—	—	10,557	10,557
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	—	—	—
Total comprehensive income/(loss) for the period	—	—	—	—	10,557	10,557
Purchase of treasury shares	—	—	(4,976)	—	—	(4,976)
Sale of treasury shares	—	108	1,104	—	—	1,212
Cancellation of treasury shares ²	(786)	(5,778)	6,564	—	—	—
Repayment of share premium ²	—	(4,522)	—	—	(2,000)	(6,522)
Total as of 31.03.12	14,248	105,061	(6,301)	—	88,004	201,012

Minor differences in totals are due to rounding.

The accompanying notes are an integral part of these consolidated financial statements.

¹ The Group early adopted IFRS 9 Financial Instruments as of April 1, 2011. Since that date, all (un)realized gains/(losses) on investments are booked directly in profit or loss and are presented in the line item "Net gain from financial assets at fair value through profit or loss" in the consolidated statement of comprehensive income. The prior year figures have not been restated.

² The Annual General Meeting held on June 14, 2011 decided to reduce the share capital by cancelling 209,500 treasury shares. The capital reduction was effective in the commercial register as of August 24, 2011. The Annual General Meeting decided further on a repayment of share premium (paid-in capital) in the amount of CHF 2.00 per outstanding share (no repayment of share premium (paid-in capital) was made on treasury shares). The repayment of share premium (paid-in capital) was made with value date September 15, 2011.



Consolidated Statement of Cash Flows

EUR 1,000	Notes	01.04.11- 31.03.12	01.04.10- 31.03.11 ¹
Cash flow from operating activities			
Capital contributed to investments		(27,044)	(37,091)
Distributions received from investments		28,686	38,981
Quoted securities sold	8.1	2,543	2,639
Interest received		8	18
Administration expenses paid		(3,767)	(5,178)
Corporate expenses paid		(575)	(1,024)
Transaction expenses paid		(126)	(14)
Change in other working capital items		457	(475)
Net cash (used)/provided by operating activities		182	(2,144)
Cash flow from financing activities			
Purchase of treasury shares		(5,551)	(8,277)
Sale of treasury shares		1,251	3,464
Repayment of share premium		(6,522)	—
Par value reduction		—	(5,730)
Bank borrowings drawn	12	4,510	—
Interest paid on bank borrowings		(73)	—
Commitment fee and arrangement fee on bank borrowings		(278)	—
Net cash (used)/provided by financing activities		(6,663)	(10,543)
Net increase/(decrease) in cash and cash equivalents		(6,481)	(12,687)
Cash and cash equivalents at the beginning of the period		9,823	22,683
Effects of exchange rate changes on cash and cash equivalents		(508)	(173)
Cash and cash equivalents at the end of the period		2,834	9,823

Minor differences in totals are due to rounding.

The accompanying notes are an integral part of these consolidated financial statements.

¹ Prior year figures have been restated to be in line with the current year's presentation (see Note 2).



Notes to the Consolidated Financial Statements

1. Reporting entity

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 17.

The Group has no employees.

2. Basis of preparation

a) Statement of compliance

The consolidated financial statements of the Group as at and for the year ended March 31, 2012 have been prepared in accordance with International Financial Reporting Standards (IFRSs). They comply with Swiss law and Article 14 of the Directive on Financial Reporting issued by the SIX Swiss Exchange.

These consolidated financial statements were authorized for issue on June 13, 2012 by the Board of Directors.

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

c) Functional and presentation currency

These consolidated financial statements are presented in EUR, which is the Company's functional currency.

d) Changes in accounting policies

Financial instruments

As of April 1, 2011, the Group has, in advance of its effective date, adopted IFRS 9 Financial Instruments ("IFRS 9") (as issued in November 2009 and revised in October 2010) and the related consequential amendments. The Group applies IFRS 9 prospectively. Comparative amounts have not been restated.

■ Financial assets

IFRS 9 introduces new classification and measurement requirements for financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). Specifically, IFRS 9 requires all financial assets to be classified and subsequently measured at either amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. As required by IFRS 9, debt instruments (loans and receivables) are measured at amortized cost only if (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. If either of the two criteria is not met, the debt instruments (loans and receivables) are classified as at fair value through profit or loss ("FVTPL").

However, the Group may choose at initial recognition to designate a debt instrument that meets the amortized cost criteria as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch. Investments in equity instruments (i.e. private equity fund and direct investments) are classified and measured as at FVTPL except when the equity investment is not held for trading and is designated by the Group as at fair value through other comprehensive income (FVTOCI). If the equity investment is designated as at FVTOCI, all gains and losses, except for dividend income that is generally recognized in profit or loss in accordance with IAS 18 Revenue, are recognized in other comprehensive income and are not subsequently reclassified to profit or loss.

As at April 1, 2011, the Board of Directors reviewed and assessed the Group's existing financial assets. The initial application of IFRS 9 has had an impact on the following financial assets of the Group:



The Group's private equity fund investments, direct investments and loans that were classified as available-for-sale financial assets under IAS 39 have been classified as financial assets at fair value through profit or loss because they do not meet the criteria to be classified as at amortized cost.

EUR 1,000	At April 1, 2011			
	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Fund investments, Direct investments and Loans	Available for sale	Fair value through profit or loss	188,848	188,848

The impact of the application of IFRS 9 is that the cumulative fair value gains in relation to the Group's private equity fund investments, direct investments and loans have been reclassified from the fair value reserve to retained earnings as of April 1, 2011 (see Note 14).

Refer to Note 8 for the Group's financial assets in more detail.

■ Financial liabilities

According to IFRS 9, an entity shall classify all financial liabilities as subsequently measured at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss, such as derivatives. The IASB also added the requirements of IAS 39 in relation to the derecognition of financial assets and financial liabilities to IFRS 9.

The initial application of IFRS 9 has had no impact on the financial liabilities of the Group.

Statement of cash flows

The presentation of the statement of cash flows has been changed from the indirect method to the direct method. Prior year figures have been restated.

3. Significant accounting policies

a) Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. 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 consolidated 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% (prior year: unchanged), 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	14,248
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 Fund Finance	Grand Cayman, Cayman Islands	100%	8,677
Private Equity Direct Finance	Grand Cayman, Cayman Islands	100%	124,984
Private Equity Co-Finance	Grand Cayman, Cayman Islands	100%	46,869
Private Equity Holdings LP	Grand Cayman, Cayman Islands	100%	29,353 ¹
Private Equity Parallel Holdings LP	Grand Cayman, Cayman Islands	100%	7,045 ¹
U.S. Ventures LP	Grand Cayman, Cayman Islands	n/a	— ²

¹Limited Partners capital as of March 31, 2012.

²U.S. Ventures LP was liquidated as of December 30, 2011.

As of March 31, 2012, the Group holds ownership interests of 50% or more in the following fund investments:

- Newbury Ventures Cayman;
- TAT Investment Fund I.

According to the limited partnership agreements of these funds, the Group has neither significant influence nor the power to govern the financial and operating policies of the funds. Therefore, no equity accounting is applied or consolidation is performed.

b) 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.

c) Net asset value per share

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

d) Foreign currency translation

Transactions in foreign currencies are translated into EUR at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into EUR at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into EUR at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognized in profit or loss as net foreign exchange gain/(loss), except for those arising on financial assets at fair value through profit or loss, which are recognized as a component of net gain/(loss) from financial instruments at fair value through profit or loss.

The following currency exchange rates were applied as of March 31, 2012 and March 31, 2011 for the retranslation of monetary assets and liabilities into EUR:

Currency	31.03.12	31.03.11
EUR/USD	1.3302	1.4129
EUR/CHF	1.2054	1.2977
EUR/GBP	0.8335	0.8793

e) Financial assets and financial liabilities

Recognition and initial measurement

Financial assets and liabilities at fair value through profit or loss are recognized initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognized on the date they are originated. Financial assets and financial liabilities at fair value through profit or loss are recognized initially at fair value, with transaction costs recognized in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognized initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification

The Group classifies financial assets and financial liabilities into the following categories:

Financial assets at fair value through profit or loss:

- Designated as at fair value through profit or loss - fund investments, direct investments, loans and traded securities.



Financial assets at amortized cost:

- Loans and receivables - Other receivables;
- Cash and cash equivalents.

Financial liabilities at amortized cost:

- Other liabilities - Payables and other accrued expenses;
- Bank borrowings.

Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

The fair value of quoted direct investments is determined by reference to their quoted market prices, defined as the "bid" price on the principal securities exchange or market on which such investments are traded as of close of business on the valuation date, or in the absence thereof, the last available price quotation from such exchange or market.

In estimating the fair value of unquoted direct investments and loans, the Group considers the most appropriate market valuation techniques, using a maximum of observable inputs.

These include but are not limited to the following:

- Cost basis;
- Result of multiple analysis;
- Result of discounted cash flow analysis;
- Reference to transaction prices, including subsequent financing rounds;
- Reference to the valuation of the lead investor or other investors;
- Result of operational and environmental assessment.

In estimating the fair value of unquoted 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.

The valuation of unquoted fund investments is generally based on the latest available net asset value ("NAV") of the fund reported by the corresponding fund manager provided that the NAV has been appropriately determined by using proper fair value principles. In general, NAV is adjusted by capital calls and distributions falling between the date of the latest NAV of the fund and the reporting date of the Group. In addition, the valuations of listed underlying investee companies which are valued mark-to-market by the fund manager are adjusted to reflect the current share price on their primary stock exchange as of the reporting date of the Group. Other reasons for adjustments include but are not limited to the following:

- The Group becoming aware of subsequent changes in the fair values of underlying investee companies;
- Market changes or economic conditions changing to impact the value of the fund's portfolio;
- Materially different valuations by fund managers for common companies and identical securities;
- NAV reported by the fund has not been appropriately determined by using proper fair value principles.

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of owner-

ship of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest on such transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized), and consideration received (including any new asset obtained less any new liability assumed) is recognized in profit or loss. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

f) Net gain from financial assets at fair value through profit or loss

Net gain from financial assets at fair value through profit or loss includes all realized and unrealized fair value changes and foreign exchange differences.

g) Interest and dividend income

Interest income and expenses, including interest income from non-derivative financial assets at fair value through profit or loss, are recognized in profit or loss, using the effective interest method.

Dividend income is recognized in profit or loss on the date that the right to receive payment is established.

h) Administration expenses and other expenses

Administration expenses and other expenses are recognized in profit or loss as the related services are performed.

i) Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with original maturities of three months or less that are subject to an insignificant risk of changes in their value.

j) 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 10% of the other company's share capital or has a value of not less than CHF 1 million. The participation exemption is extended to capital gains on the sale of a substantial participation (i.e. at least 10%), 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

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% for the first EUR 200,000 of profit, and 25% for the profit above EUR 200,000. 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.



k) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2011, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the measurement of the amounts recognized in the financial statements of the Group except:

- IFRS 10 Consolidated Financial Statements (effective from January 1, 2013): IFRS 10 replaces the consolidation requirements in SIC-12 Consolidation - Special Purpose Entities and IAS 27 Consolidated and Separate Financial Statements;
- IFRS 12 Disclosure of Interest in Other Entities (effective from January 1, 2013): IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities;
- IFRS 13 Fair Value Measurement (effective from January 1, 2013): IFRS 13 replaces existing guidance on fair value measurement in different IFRSs with a single definition of fair value, a framework for measuring fair values and disclosures about fair value measurements;
- Amendments to IFRS 7 Financial Instruments: Disclosures and IAS 32: Financial Instruments: Presentation (effective from January 1, 2013 and January 1, 2014 respectively): Offsetting Financial Assets and Financial Liabilities.

The Group is currently in the process to assess the potential impact of these standards and amendments to standards.

4. Financial risk management

4.1 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 process focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects of the Group's financial performance.

The Board of Directors and Management attribute great importance to professional risk management, beginning with careful diversification, 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 fund managers, thorough analysis of reports and financial statements and ongoing 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. Management provides the Board of Directors with investment recommendations that are consistent with the Group's objectives. The Board of Directors reviews and agrees policies for managing each of these risks as summarized below.

4.2 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.

a) 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.

If the value of the investments (based on year-end values) had increased or decreased by 7% (change in LPX Indirect Index between April 1, 2011 and March 31, 2012) with all other variables held constant, the impact on consolidated equity would have been EUR 14.2 million (2010/2011: 33%, EUR 62.3 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.

b) Interest rate risk

The schedule below summarizes the Group's exposure to interest rate risks. It includes the Group's assets and liabilities, categorized by the earlier of contractual pricing or maturity dates.



The only interest bearing financial assets as of March 31, 2012, are cash and cash equivalents of EUR 2.8 million, all with variable interest rates (March 31, 2011: EUR 9.8 million). The only interest bearing financial liability is a bank borrowing of currently EUR 4.5 million (there were no interest bearing financial liabilities as of March 31, 2011). The interest paid on the bank borrowing is in substance variable due to its short re-pricing period. As a result, the Group's exposure to fluctuations in the prevailing levels of market interest rates is limited.

Interest rate risk as of March 31, 2012

EUR '000	Less than 1 month	1-3 months	More than 3 months	Non-interest bearing	Total
Assets					
Cash	2,834	—	—	—	2,834
Financial assets at fair value through profit or loss	—	—	—	202,582	202,582
Other current assets	—	—	—	563	563
Total assets	2,834	—	—	203,145	205,979
Liabilities					
Payables and other accrued expenses	—	—	—	457	457
Bank borrowings	—	—	4,510	—	4,510
Total liabilities	—	—	4,510	457	4,967

Interest rate risk as of March 31, 2011

EUR '000	Less than 1 month	1-3 months	More than 3 months	Non-interest bearing	Total
Assets					
Cash	9,823	—	—	—	9,823
Financial assets at fair value through profit or loss	—	—	—	2,601	2,601
Financial assets available for sale	—	—	—	188,848	188,848
Other current assets	—	—	—	371	371
Total assets	9,823	—	—	191,820	201,643
Liabilities					
Payables and other accrued expenses	—	—	—	902	902
Bank borrowings	—	—	—	—	—
Total liabilities	—	—	—	902	902

As of March 31, 2012, should interest rates have risen or fallen by 55.4 basis points (change in 1 month EUR-LIBOR rate between April 1, 2011 and March 31, 2012) with all other variables remaining constant, the increase or decrease to the consolidated statement of income and shareholder's equity would have amounted to EUR 0.02 million (2010/2011: 53.7 basis points, EUR 0.1 million).

In accordance with the Group's policy, Management monitors the Group's overall interest sensitivity on a monthly basis and the Board of Directors reviews it on a regular basis.



c) Currency risk

The Group holds assets (other than financial assets at fair value through profit or loss) and liabilities in currencies other than its functional currency, which exposes the Group to the risk that the exchange rate of those currencies against the EUR will change in a manner which adversely impacts the Group's consolidated net income and consolidated equity. Foreign exchange differences on financial assets at fair value through profit or loss are included in the line item "Net gain from financial assets at fair value through profit or loss" in the consolidated statement of comprehensive income.

The table below summarizes the Group's exposure to currency risks:

Currency risk as of March 31, 2012

	USD 1,000	CHF 1,000	GBP 1,000
Assets			
Cash and cash equivalents	1,818	90	3
Other current assets	527	144	1
Total current assets	2,345	234	4
Liabilities			
Payables and other accrued expenses	81	89	—
Bank borrowings	6,000	—	—
Total liabilities	6,081	89	—
Net exposure	(3,736)	145	4

Currency risk as of March 31, 2011

	USD 1,000	CHF 1,000	GBP 1,000
Assets			
Cash and cash equivalents	4,071	340	1,099
Other current assets	—	—	—
Total current assets	4,071	340	1,099
Liabilities			
Payables and other accrued expenses	—	—	—
Bank borrowings	—	—	—
Total liabilities	—	—	—
Net exposure	4,071	340	1,099

As of March 31, 2012, had the exchange rate between the USD/EUR increased or decreased by 6.2% (change in USD/EUR rate between April 1, 2011 and March 31, 2012) with all other variables held constant, the increase or decrease to profit or loss and shareholders' equity would have amounted to EUR 0.2 million (2010/2011: 5.1%, EUR 0.2 million).

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

4.3 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 summarises the Group's exposure to credit risk.

In accordance with the Group's policy, Management 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, 2012

EUR 1,000	Fully performing	Total	Rating (Moody's)
Cash at Credit Suisse	2,259	2,259	Aa2
Cash at UBS	575	575	Aa3
Receivables and prepayments	563	563	n/a
Total exposure to credit risk	3,397	3,397	

Credit risk as of March 31, 2011

EUR 1,000	Fully performing	Total	Rating (Moody's)
Cash at Credit Suisse	8,708	8,708	Aa2
Cash at Morgan Stanley	1,115	1,115	A2
Receivables and prepayments	371	371	n/a
Total exposure to credit risk	10,194	10,194	

No financial assets carried at amortized cost were past due or impaired either at March 31, 2012 or March 31, 2011.

4.4 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.

Unfunded commitments are irrevocable and 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, 2012 of EUR 2.8 million (March 31, 2011: EUR 9.8 million). The total undrawn amount in respect of commitments made on or before March 31, 2012 is EUR 45.1 million (March 31, 2011: EUR 63.8 million). Unfunded commitments are off balance sheet items 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 20.0 million credit facility (see also Note 12). The majority of the investments which the Group makes are unquoted and subject to specific restrictions on transferability and disposal. Consequently, the risk exists 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.

The schedule below analyses 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, Management monitors the Group's liquidity position on a daily basis, and the Board of Directors reviews it on a regular basis.



Liquidity risk as of March 31, 2012

EUR 1,000	Less than 1 month	1-3 months	More than 3 months	No stated maturity	Total
Payables and other accrued expenses	226	231	—	—	457
Accrued taxes	—	—	—	—	—
Bank borrowings	—	—	4,510	—	4,510
Total liabilities (on balance sheet)	226	231	4,510	—	4,967
Unfunded commitments (off balance sheet)	45,116	—	—	—	45,116
Total	45,342	231	4,510	—	50,083

Liquidity risk as of March 31, 2011

EUR 1,000	Less than 1 month	1-3 months	More than 3 months	No stated maturity	Total
Payables and other accrued expenses	654	—	—	248	902
Accrued taxes	—	—	—	—	—
Bank borrowings	—	—	—	—	—
Total liabilities (on balance sheet)	654	—	—	248	902
Unfunded commitments (off balance sheet)	63,814	—	—	—	63,814
Total	64,468	—	—	248	64,716

Unfunded commitments are irrevocable and 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 2011/2012:

	Currency	Amount 1,000
ABRY Partners VII	USD	7,500

4.5 Capital management

The Company's capital is represented by ordinary shares with CHF 6.00 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 tax efficient repayments of paid-in capital, share capital reductions or repurchases and cancellation of own shares.

The effects of the repurchases and resales of treasury shares as a result of market making activities in 2011/2012 are listed in Note 13. NZB Neue Zürcher Bank AG acted as the Company's market maker until April 30, 2011. Since May 1, 2011, market making is done by Neue Helvetische Bank AG, Zurich. The corresponding agreement was signed on April 20, 2011.

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

5. Critical accounting estimates and judgements

5.1 Critical accounting estimates and assumptions

The preparation of the financial statements in accordance with IFRS requires to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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 values assigned to financial assets at fair value through profit or loss are based upon available information and do not necessarily represent amounts which might ultimately be realised. 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 at fair value through profit or loss existed, and those differences could be material.

5.2 Critical judgements

Functional currency

The Board of Directors considers the EUR the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The EUR 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.

6. Cash and cash equivalents

EUR 1,000	31.03.12	31.03.11
Cash at banks	2,834	9,823
Total cash and cash equivalents	2,834	9,823

As of March 31, 2012, cash and cash equivalents are freely available.

7. Loans and receivables

EUR 1,000	31.03.12	31.03.11
Receivables	481	202
Total loans and receivables	481	202

8. Financial assets

8.1 Financial assets at fair value through profit or loss – current assets

EUR 1,000	Fair value 01.04.2011	Purchases	Sales (Cost)	Change in unrealised gains/ (losses)	Fair value 31.03.12	Total proceeds	Realized gains/ (losses)
Castle Private Equity	2,601	—	(2,799)	198	—	2,543	(256)
DeNA Co ¹	—	—	—	—	—	38	38
Total	2,601	—	(2,799)	198	—	2,581	(218)

¹ Distribution in kind from Institutional Venture Partners XII.

The quoted securities are mandatorily measured at fair value in accordance with IFRS 9.



8.2 Financial assets at fair value through profit or loss – non-current assets

	Vintage	Original fund currency	Commitments			Book Values				Returns 01.04.11 - 31.03.12		
			Original amount FC 1,000	Paid in 31.03.12 FC 1,000	Unfunded commitments 31.03.12 EUR 1,000	Fair value 01.04.11 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealized gains/(losses) EUR 1,000	Fair value 31.03.12 EUR 1,000	Total distributions EUR 1,000	Real. gains/(losses) EUR 1,000
Buyout Funds												
ABRY Partners VI	2008	USD	7,500	7,044	343	4,926	420	768	383	4,961	897	(31)
ABRY Partners VII	2011	USD	7,500	1,612	4,427	—	1,136	—	45	1,181	—	—
ALPHA CEE II **	2006	EUR	15,000	12,363	2,637	8,622	3,000	—	334	11,956	—	—
Apax Europe IV *	1999	EUR	50,000	4,623	*	2,564	—	63	(1,582)	918	555	492
Apax Germany II *	1997	EUR	10,226	376	*	17	—	—	—	17	—	—
Apax UK VI-C *	1997	GBP	3,000	135	*	79	—	149	70	—	75	(74)
Avista Capital Partners	2006	USD	10,000	10,757	—	7,084	169	902	(309)	6,043	2,213	1,262
Avista Capital Partners II	2008	USD	10,000	9,700	226	4,024	1,896	722	871	6,069	797	76
Bridgepoint Europe I B *	1998	GBP	15,000	620	*	693	—	63	(134)	497	541	292
Bridgepoint Europe IV	2008	EUR	10,000	6,300	3,700	2,611	3,388	—	625	6,625	—	—
Candover 1997*	1997	GBP	28,400	—	*	—	—	—	—	—	2	—
Capvis Equity III	2008	EUR	10,000	5,263	4,737	4,001	—	—	941	4,942	—	—
Clayton, Dubilier and Rice Fund VI *	1998	USD	35,000	9,413	*	6,983	267	919	357	6,689	1,510	591
Doughty Hanson & Co. III No. 12 *	1997	USD	65,000	46,037	*	13,729	1,404	—	(8,439)	6,694	—	—
Europe Capital Partners IV	1999	EUR	4,111	4,111	—	1,221	—	—	(737)	483	1,141	1,141
Francisco Partners	2000	USD	3,222	2,928	221	1,277	—	—	128	1,404	—	—
Industri Kapital 2007 Fund	2007	EUR	10,000	9,123	877	7,441	1,866	556	(105)	8,646	1,098	314
Investindustrial IV	2008	EUR	10,000	8,015	1,985	6,466	2,217	1,056	526	8,153	2,060	1,004
Milestone 2007	2007	EUR	1,310	1,233	77	2,338	19	—	688	3,045	—	—
Milestone 2008	2008	EUR	3,690	2,233	1,457	1,674	10	—	(264)	1,420	40	—
Nordic Capital IV *	2000	SEK	120,000	1,587	*	167	—	—	1	169	—	—
Palamon European Capital Partners *	1999	EUR	10,000	7,745	*	5,075	22	2,505	1,272	3,864	1,935	(598)
Procuritas Capital Partners II	1997	SEK	40,000	38,900	124	11	—	—	(3)	8	—	—
Warburg Pincus Private Equity X	2007	USD	15,000	14,166	627	7,268	2,533	126	929	10,604	195	69
					21,438	88,270	18,346	7,827	(4,403)	94,387	13,057	4,536

Minor differences in totals are due to rounding.

* Fund investments included in the former Earn-out portfolio. 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-on investments. Future fund expenses, if any, are likely to be deducted from future distributions. Therefore, no unfunded commitment is shown for the former earn-out funds.

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



8.2 Financial assets at fair value through profit or loss – non-current assets (continued)

	Commitments					Book Values			Returns 01.04.11 - 31.03.12			
	Vin- tage	Original fund currency	Original amount FC 1,000	Paid in 31.03.12 FC 1,000	Unfunded commit- ments 31.03.12 EUR 1,000	Fair value 01.04.11 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unreal- ized gains/ (losses) EUR 1,000	Fair value 31.03.12 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Venture Funds												
Banexi Ventures II	1998	EUR	7,622	7,659	—	29	—	—	2	31	—	—
BB BioVentures	1997	USD	625	625	—	65	—	—	—	65	—	—
Boulder Ventures IV	2001	USD	11,250	11,340	—	3,332	66	181	856	4,073	116	(66)
Carmel Software Fund	2000	USD	10,000	10,293	—	4,090	—	—	(280)	3,811	—	—
CDC Innovation 2000	2000	EUR	10,002	9,676	326	1,644	—	370	8	1,281	707	337
European E-Commerce Fund B	2000	USD	7,500	7,507	—	862	—	—	(635)	227	—	—
Index Growth II	2011	EUR	5,000	729	4,271	—	729	—	(38)	690	—	—
Index Venture I (Jersey)	1999	USD	7,500	7,695	—	1,371	9	15	(1,184)	182	822	807
InSight Capital Partners (Cayman) III *	1999	USD	30,000	5,147	*	4,206	—	—	736	4,942	—	—
Institutional Venture Partners XI	2004	USD	5,000	5,000	—	3,418	—	208	(377)	2,832	546	338
Institutional Venture Partners XII	2007	USD	5,000	4,750	188	4,106	546	182	2,126	6,596	846	665
Institutional Venture Partners XIII	2010	USD	5,000	3,000	1,504	863	1,293	—	203	2,359	—	—
Inventure Inc.	1999	USD	5,050	5,050	—	121	—	203	81	—	37	(165)
Kennet III	2007	EUR	5,000	4,075	925	2,580	1,150	—	533	4,264	—	—
Kiwi I Ventura Servicos - SA	1999	EUR	7,500	7,561	—	654	—	—	(654)	—	463	463
Kiwi II Ventura Servicos - SA	2000	EUR	14,000	13,925	—	279	—	—	(279)	—	276	276
Minicap Technology Investment	1997	CHF	10,967	10,967	—	450	—	—	(135)	315	—	—
Newbury Ventures	1998	USD	2,700	2,700	—	2	—	—	(2)	—	25	25
Newbury Ventures Cayman	1998	USD	7,300	7,300	—	6	—	—	(3)	3	52	52
Partech International Ventures IV *	2000	USD	15,000	8,145	*	8,337	—	1,024	5,293	12,607	1,125	102
Renaissance Venture	1998	GBP	5,486	5,162	389	2,375	—	—	140	2,515	—	—
Renaissance Venture (Secondary)	1998	GBP	514	271	292	1,781	—	—	105	1,886	—	—
Star Seed Enterprise	1998	USD	5,000	5,000	—	210	—	15	(32)	163	54	39
Strategic European Technologies N.V.	1997	EUR	18,151	18,151	—	2,440	—	798	(920)	722	2,958	2,161
SVE Star Venture Enterprises VII	1998	USD	5,000	4,950	38	528	—	—	(30)	498	64	64
SVE Star Ventures Enterprises VIIa	1998	USD	500	500	—	59	—	—	1	61	—	—
TAT Investments I	1997	USD	24,000	24,289	—	1,104	—	—	(169)	935	—	—
TAT Investments II	1999	USD	15,000	15,001	—	1,506	—	—	(115)	1,391	—	—
Trefoil Euro Fund	1999	USD	18,500	20,469	—	—	—	—	—	—	141	141
TVM III GmbH & Co. KG	1997	EUR	5,736	5,737	—	805	—	—	(2)	803	—	—
					7,931	47,224	3,792	2,995	5,229	53,250	8,231	5,236

Minor differences in totals are due to rounding.

* Fund investments included in the former Earn-out portfolio. 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-on investments. Future fund expenses, if any, are likely to be deducted from future distributions. Therefore, no unfunded commitment is shown for the former earn-out funds.



8.2 Financial assets at fair value through profit or loss – non-current asset (continued)

	Commitments				Book Values				Returns 01.04.11 - 31.03.12			
	Vin- tage	Original fund cur- rency	Original amount FC 1,000	Paid in 31.03.12 FC 1,000	Unfunded commit- ments 31.03.12 EUR 1,000	Fair value 01.04.11 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in Unreal- ized Gains/ (Losses) EUR 1,000	Fair value 31.03.12 EUR 1,000	Total distrib- utions EUR 1,000	Real. gains/ (losses) EUR 1,000
Special Situation Funds												
17 Capital Fund	2008	EUR	5,000	4,647	353	1,592	2,791	341	299	4,341	326	(15)
ABRY Advanced Securities Fund	2008	USD	15,000	10,457	3,416	9,607	(1,133)	54	(255)	8,165	534	255
ALPHA Russia & CIS Secondary **	2010	USD	15,000	5,780	6,932	7,433	(573)	342	(201)	6,318	567	127
DB Secondary Opportunities Fund A	2007	USD	5,376	4,327	789	2,097	97	373	(388)	1,433	798	398
DB Secondary Opportunities Fund C	2007	USD	9,288	6,533	2,071	4,438	365	547	1,229	5,484	801	96
OCM European Principal Opportunities Fund II	2007	EUR	5,000	4,750	250	4,198	750	—	(50)	4,898	—	—
OCM Opportunities Fund VII	2007	USD	5,000	5,000	—	2,957	—	517	40	2,480	718	201
OCM Opportunities Fund VIIb	2008	USD	5,000	4,500	376	3,907	—	1,157	(389)	2,361	1,784	627
WL Ross Recovery Fund IV	2007	USD	10,000	8,045	1,470	4,191	1,739	55	155	6,030	467	118
					15,656	40,419	4,035	3,386	441	41,509	5,995	1,807
Total fund investments					45,025	175,913	26,173	14,208	1,267	189,146	27,283	11,579

Minor differences in totals are due to rounding.

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



8.2 Financial assets at fair value through profit or loss – non-current assets (continued)

	Commitments		Book Values				Returns 01.04.11 - 31.03.12			
	Original fund currency	Original amount FC 1,000	Unfunded commit- ments 31.03.12 EUR 1,000	Fair value 01.04.11 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealized gains/ (losses) EUR 1,000	Fair value 31.03.12 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Direct investments										
Actano Holding AG	CHF	699	—	307	246	—	27	580	—	—
Applied Spectral Imaging (formerly Tintanic)	USD	4,081	—	1,433	25	—	64	1,522	—	—
CEGID (formerly CCMX)	EUR	6,791	—	—	—	—	—	—	76	76
CyDex	USD	3,000	—	637	—	157	(405)	75	898	741
Earnix	USD	201	—	142	—	—	9	151	—	—
Enanta Pharmaceuticals	USD	6,348	—	7,556	—	—	470	8,026	—	—
EpiCept Corporation	USD	7,300	—	146	—	360	214	—	126	(234)
Evotec (formerly Develogen)	EUR	250	—	348	—	—	4	353	—	—
Neurotech	USD	866	—	1,437	—	—	89	1,527	—	—
Wilex Biotechnology	EUR	892	—	362	—	—	16	378	—	—
Total direct investments			—	12,369	271	517	488	12,611	1,100	583

Minor differences in totals are due to rounding.



8.2 Financial assets at fair value through profit or loss – non-current assets (continued)

	Commitments		Book Values				Returns 01.04.11 - 31.03.12			
	Original fund currency	Original amount FC 1,000	Unfunded commitments 31.03.12 EUR 1,000	Fair value 01.04.11 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealized gains/(losses) EUR 1,000	Fair value 31.03.12 EUR 1,000	Total distributions EUR 1,000	Real. gains/(losses) EUR 1,000
Loan investments										
Actano Holding AG	EUR	600	—	—	600	—	—	600	—	—
EpiCept Corp.	USD	750	—	354	—	387	33	—	429	(40)
Oscient (formerly Genesoft)	USD	500	—	—	—	—	—	—	23	—
TAT Capital	USD	500	91	212	—	—	13	225	—	—
Total loan investments			91	566	600	387	46	825	451	(40)
Total			45,116	188,848	27,044	15,112	1,801	202,582	28,834	12,122

Minor differences in totals are due to rounding.

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 EUR 1,000	Percentage % of fair value
December 31, 2011 and older	52	188,171	99.5%
September 30, 2011 and older	5	975	0.5%
Total fund investments	57	189,146	100.0%

9. Net gain from financial assets at fair value through profit or loss

EUR 1,000	01.04.11- 31.03.12	01.04.10- 31.03.11
Change in unrealized gains/(losses) from quoted securities	198	2,780
Realised gains/(losses) from quoted securities	(218)	(2,074)
Change in unrealized gains/(losses) from non-current financial assets	1,801	—
Realised gains/(losses) from non-current financial assets	12,122	—
Interest income from financial assets at fair value through profit or loss	942	—
Dividend income from financial assets at fair value through profit or loss	704	—
Total net gain from financial assets at fair value through profit or loss	15,549	706

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 two 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.



Balance sheet and income and expense items which cannot be clearly allocated to one of the segments are shown in the column "Unallocated" in the following tables.

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.

There have been no transactions between the reportable segments during the business year 2011/2012.

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, 2012 is as follows:

EUR 1,000	Fund investments	Direct investments & Loans	Total operating segments	Un-allocated	Total
Net gain/(loss) from financial assets at fair value through profit or loss	14,341	1,228	15,569	(20)	15,549
Interest income	—	—	—	8	8
Administration expense	—	—	—	(3,937)	(3,937)
Corporate and transaction expense	—	—	—	(1,260)	(1,260)
Interest expense	—	—	—	(134)	(134)
Other	—	—	—	331	331
Profit/(loss) from operations	14,341	1,228	15,569	(5,012)	10,557
Total assets	189,146	13,436	202,582	3,397	205,979
Total liabilities	—	—	—	(4,967)	(4,967)
Total assets include:					
Financial assets at fair value through profit or loss	189,146	13,436	202,582	—	202,582
Others	—	—	—	3,397	3,397



The segment information provided to the Board of Directors for the reportable segments for the period ended March 31, 2011 is as follows:

EUR 1,000	Fund investments	Direct investments & Loans	Total operating segments	Un- allocated	Total
Realised gains/(losses)	12,856	4,264	17,120	—	17,120
Other	—	—	—	706	706
Interest income	—	—	—	18	18
Other income	—	—	—	—	—
Impairment	(3,633)	(333)	(3,966)	—	(3,966)
Administration expense	—	—	—	(5,178)	(5,178)
Corporate and transaction expense	—	—	—	(1,024)	(1,024)
Other	—	—	—	(292)	(292)
Profit/(loss) from operations	9,223	3,931	13,154	(5,770)	7,384
Total assets	175,913	12,935	188,848	12,795	201,643
Total liabilities	—	—	—	(902)	(902)
Total assets include:					
Financial assets available for sale	175,913	12,935	188,848	—	188,848
Others	—	—	—	12,795	12,795

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 - Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.

Level III - Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments' valuation. This category includes instruments that are valued based on quoted prices for similar instruments for significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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 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 analyzes the Group's investments measured at fair value as March 31, 2012 and 2011 by the level in the fair value hierarchy into which the fair value measurement is categorized:

As of March 31, 2012				
EUR 1,000	Level I	Level II	Level III	Total
Financial assets at fair value through profit or loss				
Quoted securities	—	—	—	—
Fund investments	—	—	189,146	189,146
Direct investments	731	—	11,880	12,611
Loans	—	—	825	825
Total	731	—	201,851	202,582
Total financial assets measured at fair value	731	—	201,851	202,582
As of March 31, 2011				
EUR 1,000	Level I	Level II	Level III	Total
Financial assets at fair value through profit or loss				
Quoted securities	2,601	—	—	2,601
Total	2,601	—	—	2,601
Financial assets available for sale				
Fund investments	—	—	175,913	175,913
Direct investments	856	—	11,513	12,369
Loans	—	—	566	566
Total	856	—	187,992	188,848
Total financial assets measured at fair value	3,457	—	187,992	191,449

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, 2012 include Level III financial assets in the amount of EUR 201.9 million, representing approximately 100.00% of equity (March 31, 2011 EUR 188.0 million, 93.65%).



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, 2012 and 2011, are as follows:

As of March 31, 2012				
EUR 1,000	Fund investments	Direct investments	Loans	Total
Fair value of Level III investments at the beginning of the period	175,913	11,513	566	187,992
Total capital calls from Level III investments	26,174	271	600	27,045
Total distributions from Level III investments	(27,282)	(898)	(452)	(28,632)
Total gains or losses:				
in profit or loss	14,341	994	111	15,446
in other comprehensive income	—	—	—	—
Fair value of Level III investments at the end of the period	189,146	11,880	825	201,851

In the above table, total gains or losses in profit or loss for the period are included in the line items "Net gain from financial assets at fair value through profit or loss". Thereof EUR 15,467k are related to assets held at the end of the reporting period.

As of March 31, 2011				
EUR 1,000	Fund investments	Direct investments	Loans	Total
Fair value of Level III investments at the beginning of the period	160,681	12,750	463	173,894
Total capital calls from Level III investments	35,768	544	778	37,090
Total distributions from Level III investments	(30,112)	(4,489)	(661)	(35,262)
Total gains or losses:				
in profit or loss	9,222	2,075	25	11,322
in other comprehensive income	354	633	(39)	948
Fair value of Level III investments at the end of the period	175,913	11,513	566	187,992

In the above table, total gains or losses in profit or loss for the period are included in the line items "Impairment of financial assets available for sale" and "Gains on financial assets available for sale" and are fully related to assets held at the end of the reporting period.

12. Financial liabilities measured at amortized cost

EUR 1,000	31.03.12	31.03.11
Payables to third parties	152	19
Payables to related parties	163	—
Accrued expenses	142	883
Bank borrowings	4,510	—
Total financial liabilities measured at amortized cost	4,967	902

On February 2, 2011, the Company signed an agreement with Investkredit Bank AG, Austria, for an EUR 20.0 million revolving credit facility. This facility allows the Company to bridge cash shortfalls if capital calls in respect of unfunded commitments (EUR 45.1m as of March 31, 2012) were to exceed distributions from the invested portfolio and enhances the Company's flexibility to selectively make new investments, including investments in its own stock.

The applicable interest rate on any amounts outstanding under the facility is EURIBOR plus 350 basis points or, if amounts are drawn in USD, USD-LIBOR plus 375 basis points; if the coverage ratio (net asset value divided by outstanding amount) was to fall below 6 and the net asset value of the company was to fall below EUR 120.0 million, the margin would increase in accordance with a margin grid to a maximum of 500 basis points for EUR loans and 525 basis points for USD loans.

The Company is obliged to pay a quarterly commitment fee of 0.375% on the undrawn amount. The arrangement fee for the credit facility was EUR 300k payable in three installments. As of March 31, 2012, EUR 75k are outstanding and payable on June 30, 2012.



The Company is not restricted in its investment activities and distribution policy as long as the net asset value does not fall below EUR 120.0 million. Any amounts outstanding under the facility would need to be repaid, if the Company's net asset value were to fall below EUR 80.0 million.

Interest expenses on the bank borrowings amounted to EUR 134k for the business year 2011/2012. Commitment fee amounted to EUR 257k for the business year 2011/2012 (included in corporate expenses in the consolidated statement of comprehensive income).

13. Shareholders' equity and movements in treasury shares

The Group regards shareholders' equity as the capital that it manages. Shareholders' equity amounts to EUR 201.0 million as of March 31, 2012 (2011: EUR 200.7 million).

Share capital and earnings/(loss) per share	31.03.12	31.03.11
Number of shares authorized and issued	3,800,000	4,009,500
Par value per share (CHF)	6.00	6.00
Par value per share (EUR)*	3.75	3.75

* converted at historical foreign exchange rate.

The Annual General Meeting held on June 14, 2011 decided to reduce the share capital by cancelling 209,500 treasury shares. The capital reduction was effective in the commercial register as of August 24, 2011. The Annual General Meeting decided further on a repayment of share premium (paid-in capital) in the amount of CHF 2.00 per outstanding share. The repayment of share premium (paid-in capital) was made with value date September 15, 2011.

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	31.03.12	31.03.11
Number of shares outstanding net of treasury shares at the beginning of the year	3,702,727	3,865,129
Purchase of treasury shares	(139,131)	(332,073)
Sale of treasury shares	35,599	169,671
Number of shares outstanding net of treasury shares at the end of the year	3,599,195	3,702,727

Per share data	31.03.12	31.03.11
Weighted average of total number of shares (1,000)	3,629	3,807
Profit (EUR 1,000)	10,557	7,384
Comprehensive income (EUR 1,000)	10,557	5,969
Profit per share (EUR)	2.91	1.94
Comprehensive income per share (EUR)	2.91	1.57
Net asset value per share (EUR)	55.85	54.21
Book value per share (EUR)	55.85	54.21



Shareholders with shares and voting rights of 3% and more

As of March 31, 2012 and 2011, the following major shareholders were known by the Company:

Holding in % of share capital	31.03.12	31.03.11
Between 3% and 5%	Versicherungseinrichtung des Flugpersonals der Swissair (Zurich)	Pensionskasse der SBB (Berne)
	National Custodian Service (Melbourne, Australia) indirectly via Barwon Investment Partners	Versicherungseinrichtung des Flugpersonals der Swissair (Zurich) Dr. Hans Baumgartner (Adliswil) National Custodian Service (Melbourne, Australia) indirectly via Barwon Investment Partners
Between 5% and 10%	Pensionskasse der SBB (Berne)	Private Equity Holding AG (Zug, registered without voting rights)
	Dr. Hans Baumgartner (Adliswil)	Mantra Investissement / Wyser - Pratte Group (Paris, France / New York, USA)
	Private Equity Holding AG (Zug, registered without voting rights)	
	Mantra Investissement (Paris, France) Ironsides Partners Opportunity Master Fund (Grand Cayman, Cayman Islands)	
Between 10% and 15%	—	ALPHA Associates Group (Zurich) ¹
Between 15% and 20%	ALPHA Associates Group (Zurich) ¹	—

¹ The ALPHA Associates Group is represented by ALPHA Associates AG, C+E Investment 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, 2011	306,773	29.31	8,993
April	10,911	29.52	384
May	29,948	30.46	1,213
June	30,966	31.16	1,206
July	8,319	31.29	309
August	3,449	31.33	126
September	2,039	31.31	60
September (cancellation)	(209,500)	31.33	(6,564)
October	2,175	31.28	62
November	2,724	31.23	76
December	6,696	31.23	208
January	4,909	31.26	161
February	643	31.31	30
March	753	31.38	37
March 31, 2012	200,805	31.38	6,301



14. Fair value reserve

EUR 1,000	01.04.11- 31.03.12	01.04.10- 31.03.11
Balance brought forward	13,561	14,976
Reclassification to retained earnings ¹	(13,561)	—
Fair value movements	—	10,430
Reclassifications to profit or loss	—	(11,845)
Total fair value reserve	—	13,561

¹ The Group early adopted IFRS 9 Financial Instruments as of April 1, 2011 (see Note 2).

15. Expenses

EUR 1,000	01.04.11- 31.03.12	01.04.10- 31.03.11
Administration expenses (Note 17)	3,937	5,178
Corporate expenses	1,084	1,024
Transaction expenses	176	14
Interest expenses on bank borrowings	134	—
Total expenses	5,331	6,216

16. Contingent liabilities and commitments

Contingent liabilities

On December 9, 2010, the Group prolonged the management agreement with ALPHA Associates (Cayman), L.P. The new agreement came into force on April 1, 2012 (refer to Note 17). The management agreement 2012 can be terminated as of March 31, 2015. If the agreement was to be terminated prior to March 31, 2015 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, 2015. 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, 2012. 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, 2012, the Group was not engaged in any litigation proceedings which could have a material adverse effect on the financial situation of the Group.

At the end of June 2011, the public prosecutor of Zurich dropped the appeal against the decision to acquit two former members of the management board of Bank Vontobel with respect to the capital increase of the Company in March 2000. As a result of new insights emerging from the files of the criminal proceedings, the Company had brought a civil claim against Bank Vontobel in the Commercial Court of Zurich. This claim addressed complex legal questions, leading the Company to insure the cost risk associated with the claim. In August 2011, after a detailed cost benefit analysis, the Company agreed to drop the claim as part of a court settlement in return for a single payment of CHF 1 million. After deduction of insurance and legal cost, the net outcome for the Company amounted to CHF 342k (EUR 280k, included in other income in the consolidated statement of comprehensive income).



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 with Investkredit Bank AG, if and when drawn, is secured by the Company's ownership interest in Private Equity Holding Cayman, by 181,000 pledged treasury shares as well as a pledge on a cash deposit by ALPHA Associates AG in the amount of 2.5% of the drawn amount (refer to Note 12).

Tax legislation

The Board of Directors and the Management of the Group are not aware of any situations that might be challenged by the tax authorities in the countries of incorporation of the Group's entities.

17. Related party transactions

The following parties are considered related to the Group as of March 31, 2012 and March 31, 2011:

- ALPHA Associates AG, Zurich;
- ALPHA Associates (Cayman), LP;
- Members of the Board of Directors of the Company; and
- C+E Investment AG, Zurich (since June 17, 2011).

Pursuant to a management agreement dated April 1, 2004, as amended as of January 1, 2007 and on December 9, 2010 with effect from April 1, 2012, respectively, ALPHA Associates (Cayman), LP renders investment management and corporate management services to the Group for a management fee of 1.5% p.a. of total net asset value (adjusted for treasury share transactions) plus 1.0% p.a. of the fair value of the direct portfolio. As from April 1, 2012, the management fee will be partially linked to the market capitalization of the Company (1.5% * 75% * adjusted net assets plus 2% * 25% * market capitalization plus 1% of the fair value of the direct portfolio). ALPHA Associates AG provides comprehensive administration services to the Company for an administration fee of CHF 125'000 per quarter (administration agreement dated April 1, 2004, as amended effective April 1, 2006).

Funds managed by ALPHA Associates (Cayman), LP (i.e. ALPHA CEE II and ALPHA Russia & CIS Secondary) are excluded from the net asset value for the purpose of calculating the management fee.

The performance fee is 10% of the increase in shareholders' equity (adjusted for distributions and treasury share transactions) since April 1, 2004, subject to a 6% hurdle equity test (compounded annually) and a high watermark test.

The management agreement may be terminated by either party as of March 31, 2015 and runs for subsequent periods of three years unless notice of termination is given in a timely way. If a de facto termination event was to occur prior to any regular termination date 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 ending on or before March 31, 2015, the manager could claim liquidated damages equal to the amount of fees which the manager would otherwise have earned in the period from the date of de facto termination or excess distribution to the next regular termination date. 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 trailing performance fees equal to the amount of performance fees that would have been payable to the manager following the date of termination on the portfolio held as of the date of termination as if the agreement had not been terminated, i.e., subject to the hurdle equity and high watermark test.

The credit facility agreement between the Company and Investkredit Bank AG (as described in Note 12) contains a condition that ALPHA Associates AG shall participate with an economic quota of 2.5% in any amounts drawn by the Company. If the management and administration agreement between ALPHA Associates and the Group was terminated prior to the termination date of the credit facility agreement, the Company would have to repay any amounts outstanding under the facility at the lender's request.

EUR 1,000	01.04.11- 31.03.12	01.04.10- 31.03.11
Management and administration fees	3,432	3,573
Performance fees	505	1,605
Total	3,937	5,178



18. Tax expenses

Reconciliation of income tax calculated with the applicable tax rate:

EUR 1,000	01.04.11- 31.03.12	01.04.10- 31.03.11
Profit/(loss) for the year	10,557	7,384
Applicable tax rate	7.8%	7.8%
Expected income tax expense	823	576
Effect from non-taxable income	(823)	(576)
Total income tax for the year	—	—

As at March 31, 2012, the company showed the following unrecognized tax loss carry forwards:

EUR 1,000	EUR 1,000	Expiry date
Loss from financial year 2005/2006	18,126	31.03.2013
Loss from financial year 2008/2009	50,341	31.03.2016
Total loss carry forwards	68,467	

19. 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, 2012 up to the date of authorization for issue of these financial statements by the Board of Directors on June 13, 2012. These amounts are due and payable after March 31, 2012, and are therefore not reflected in the consolidated balance sheet as of March 31, 2012.

	Original currency	Original amount FC 1,000	Original due date
ABRY Advanced Securities Fund	USD	(644)	04.04.2012
Institutional Venture Partners XII	USD	(540)	17.04.2012
Industri Kapital 2007 Fund	EUR	(388)	19.04.2012
ABRY Advanced Securities Fund	USD	(644)	24.04.2012
Actano Holding AG	CHF	180	26.04.2012
Milestone 2007	EUR	(5,128)	26.04.2012
Partech International Ventures IV	USD	(1,179)	26.04.2012
WL Ross Recovery Fund IV	USD	99	27.04.2012
Warburg Pincus Private Equity X	USD	225	30.04.2012
OCM Opportunities Fund VII	USD	(593)	09.05.2012
Avista Capital Partners II	USD	98	10.05.2012
Francisco Partners	USD	(46)	11.05.2012
OCM Opportunities Fund VIIb	USD	(401)	11.05.2012
WL Ross Recovery Fund IV	USD	50	11.05.2012
Warburg Pincus Private Equity X	USD	(158)	17.05.2012
Banexi Ventures II	EUR	(19)	21.05.2012
ALPHA Russia & CIS Secondary	USD	2,850	22.05.2012
DB Secondary Opportunities Fund A	USD	(145)	24.05.2012
Avista Capital Partners	USD	(84)	25.05.2012
Institutional Venture Partners XIII	USD	250	25.05.2012
ALPHA CEE II	EUR	450	29.05.2012
Neurotech	USD	28	29.05.2012
Francisco Partners	USD	(134)	30.05.2012
DB Secondary Opportunities Fund C	USD	220	31.05.2012
WL Ross Recovery Fund IV	USD	(90)	31.05.2012
ABRY Partners VI	USD	(10)	05.06.2012



On November 17, 2011, the Disclosure Office of the SIX Swiss Exchange granted Private Equity Holding AG an extension of the corridor permission (originally granted on November 17, 2010 for a one year period) allowing the Company to disclose shareholdings in treasury shares at the thresholds of 4.5% and 5.5%, respectively, instead of the mandatory 5% threshold. On May 7, 2012, the position in treasury shares exceeded 5.5% (7.25%) and this was reported pursuant to the corridor permission.



KPMG AG
Audit Financial Services
Badenerstrasse 172
CH-8004 Zurich

P.O. Box
CH-8026 Zurich

Telephone +41 44 249 31 31
Fax +41 44 249 23 19
Internet www.kpmg.ch

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 accompanying consolidated financial statements of Private Equity Holding AG, which are presented on pages 17 to 46 and comprise the balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes for the year ended March 31, 2012.

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), Article 14 of the Directive on Financial Reporting 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, 2012 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 article 14 of the Directive on Financial Reporting issued by the SIX Swiss Exchange and with Swiss law.



Report of the Statutory Auditors on the Consolidated Financial Statements



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

Emphasis of matter

We draw attention to notes 8 and 11 to the consolidated financial statements which are disclosed in accordance with article 16 of the Directive on Financial Reporting issued by the SIX Swiss Exchange. As described, unquoted investments amounting to EUR 203 million as of March 31, 2012 have been reported at fair value. Due to the inherent uncertainty related to the valuation of such investments and due to the absence of a liquid market, such fair values could differ from their realisable values, whereas the difference may be material. The board of directors is responsible for the determination of these fair values. The procedures applied in valuing such investments are disclosed in note 11. We have reviewed these procedures and inspected underlying documentation; while in the circumstances the procedures appear to be reasonable and the documentation appropriate, determination of fair values involves subjective judgment, which is not susceptible to independent verification procedures. Our opinion is not qualified in respect of this matter.

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
*Licensed Audit Expert
Auditor in Charge*

Daniel Senn
Licensed Audit Expert

Zurich, June 13, 2012



Financial Statements March 31, 2012

Income Statement	51
Balance Sheet	52
Statement of Changes in Shareholders' Equity	53

Notes to the Financial Statements

1. Subsidiaries	54
2. Share capital	54
3. Treasury shares	54
4. Impairment	54
5. Shareholders with shares and voting rights of 3% and more	55
6. Pledged assets and guarantees	55
7. Management compensation in accordance with Art. 663b Swiss Code of Obligations	56
8. Management share ownership in accordance with Art. 663c Swiss Code of Obligations	56
9. Risk assessment	57
10. Appropriation of available earnings	57



Income Statement of Private Equity Holding AG

CHF 1,000	Notes	01.04.11- 31.03.12	01.04.10- 31.03.11
Income			
Reversed impairment	4	14,756	11,165
Capital gains on financial investments		38	36
Capital gains/(losses) on treasury shares		(1,078)	3,021
Interest income		2	90
Reversal of provision for guarantee to subsidiary	1, 6	249	—
Other income		579	—
Total income		14,546	14,312
Expenses			
Administration expense		501	505
Corporate expense		1,152	1,154
Transaction expense		214	18
Provision for guarantee to subsidiary	1, 6	—	375
Interest expense		741	327
Foreign exchange losses, net		19,256	26,720
Total expenses		21,864	29,099
Profit/(loss) for the period		(7,318)	(14,787)



Balance Sheet of Private Equity Holding AG

CHF 1,000	Notes	31.03.12	31.03.11
Assets			
Current assets			
Cash and cash equivalents		136	786
Treasury shares	3	8,795	13,071
Receivables from group companies		6	—
Receivables from third parties		65	8
Prepayments and accrued income		76	195
Total current assets		9,078	14,060
Non-current assets			
Financial investments		1,079	984
Subsidiaries	1	306,542	314,229
Total non-current assets		307,621	315,213
Total assets		316,699	329,273
Liabilities and shareholders' equity			
Current liabilities			
Payables to group companies		23,015	14,994
Payables to third parties		183	705
Provision for guarantee to subsidiary	1, 6	36,797	39,881
Accrued expenses		171	121
Total current liabilities		60,166	55,701
Non-current liabilities			
Bank borrowings		5,438	—
Total non-current liabilities		5,438	—
Total liabilities		65,604	55,701
Shareholders' equity			
Share capital paid in	2	22,800	24,057
Legal reserves from capital contributions:			
- thereof general reserves		146,751	158,644
- thereof reserves for treasury shares		10,194	13,460
Other legal reserves:			
- thereof general reserves		1,729	1,729
- thereof reserves for treasury shares		—	—
Free reserves		2,131	874
Retained earnings		67,490	74,808
Total shareholders' equity		251,095	273,572
Total liabilities and shareholders' equity		316,699	329,273



Statement of Changes in Shareholder's Equity

CHF 1,000	Share capital	Legal reserves from capital contributions		Other legal reserves		Free reserves	Retained earnings	Total
		General reserves	Reserves for treasury shares	General reserves	Reserves for treasury shares			
Opening as of 01.04.10	32,400	164,496	7,608	1,729	1,950	550	89,595	298,328
Profit/(loss) for the period	—	—	—	—	—	—	(14,787)	(14,787)
Change in reserves for treasury shares	—	(5,852)	5,852	—	—	—	—	—
Cancellation of treasury shares	(324)	—	—	—	(1,950)	324	—	(1,950)
Par value reduction	(8,019)	—	—	—	—	—	—	(8,019)
Total as of 31.03.11	24,057	158,644	13,460	1,729	—	874	74,808	273,572
Opening as of 01.04.11	24,057	158,644	13,460	1,729	—	874	74,808	273,572
Profit/(loss) for the period	—	—	—	—	—	—	(7,318)	(7,318)
Change in reserves for treasury shares	—	(4,656)	4,656	—	—	—	—	—
Cancellation of treasury shares	(1,257)	—	(7,922)	—	—	1,257	—	(7,922)
Repayment of paid-in capital	—	(7,237)	—	—	—	—	—	(7,237)
Total as of 31.03.12	22,800	146,751	10,194	1,729	—	2,131	67,490	251,095



1. Subsidiaries

	Percentage of capital held	Nominal value CHF 1,000	Book value 31.03.12 CHF 1,000	Book value 31.03.11 CHF 1,000
Private Equity Holding Cayman, Cayman Islands	100%	1,100,000	306,542	314,229
Private Equity Holding (Luxembourg) SA, Luxembourg	100%	14,483	*	*
Total	—	—	306,542	314,229

All of the above companies are investment companies.

*The consolidated equity of Private Equity Holding (Luxembourg) SA is negative as of March 31, 2012. 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 a provision for this guarantee in the amount of CHF 36.8 million in the balance sheet as of March 31, 2012.

2. Share capital

	31.03.12	31.03.11
Number of shares authorized and issued	3,800,000	4,009,500
Par value per share (CHF)	6.00	6.00

The Annual General Meeting held on June 14, 2011 decided to reduce the share capital by cancelling 209,500 treasury shares. The reduction of the share capital was effective in the commercial register on August 24, 2011.

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 Annual General Meeting held on June 14, 2011 decided to cancel Art. 3a of the Company's Articles of Association (authorized capital).

The Company does not have a conditional capital.

3. Treasury shares

	Number of shares	Book value 31.03.12 CHF 1,000
Balance brought forward	306,773	13,071
Change	(105,968)	(4,276)
Balance as of March 31, 2012	200,805	8,795

For additional disclosures in respect to treasury shares refer to Note 13 of the consolidated financial statements.

4. Impairment

CHF 1,000	31.03.12	31.03.11
Impairment/(reversal)	(14,756)	(11,165)
Total	(14,756)	(11,165)

During the year under review, the Company reversed impairments on its investment in Private Equity Holding Cayman in the amount of CHF 14.8 million.



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

As of March 31, 2012 and 2011, the following major shareholders were known by the Company:

Holding in % of share capital	31.03.12	31.03.11
Between 3% and 5%	Versicherungseinrichtung des Flugpersonals der Swissair (Zurich) National Custodian Service (Melbourne, Australia) indirectly via Barwon Investment Partners	Pensionskasse der SBB (Berne) Versicherungseinrichtung des Flugpersonals der Swissair (Zurich) Dr. Hans Baumgartner (Adliswil) National Custodian Service (Melbourne, Australia) indirectly via Barwon Investment Partners
Between 5% and 10%	Pensionskasse der SBB (Berne) Dr. Hans Baumgartner (Adliswil) Private Equity Holding AG (Zug, registered without voting rights) Mantra Investissement (Paris, France) Ironsides Partners Opportunity Master Fund (Grand Cayman, Cayman Islands)	Private Equity Holding AG (Zug, registered without voting rights) Mantra Investissement / Wyser - Pratte Group (Paris, France / New York, USA)
Between 10% and 15%	—	ALPHA Associates Group (Zurich) ¹
Between 15% and 20%	ALPHA Associates Group (Zurich) ¹	—

¹ The ALPHA Associates Group is represented by ALPHA Associates AG, C+E Investment AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber.

6. Pledged assets and guarantees

Pledged assets

On February 2, 2011, the Company signed an agreement with Investkredit Bank AG, Austria for an EUR 20.0 million revolving credit facility. The credit facility, if and when drawn, is secured by the Company's ownership interest in Private Equity Holding Cayman and by 181,000 pledged treasury shares (see Note 16 to the Consolidated Financial Statements). As of March 31, 2012, USD 6.0 million (CHF 5.4 million) were drawn from the credit facility (March 31, 2011, undrawn).

Guarantees

As of March 23, 2010, Private Equity Holding 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 Obligations

2011/2012				
CHF 1,000	Base compensation (Cash)	Base compensation (Shares)	Other compensation (Social security)	Total
Board of Directors				
Dr. Hans Baumgartner (Chairman)	37,500	37,500	4,688	79,688
Dr. Hans Christoph Tanner	25,000	25,000	3,126	53,126
Martin Eberhard	25,000	25,000	3,126	53,126
Patrick Schildknecht (until June 14, 2011)	12,500	12,500	1,563	26,563
Bernhard Schürmann (from June 14, 2011)	12,500	12,500	1,563	26,563
Total	112,500	112,500	14,066	239,066

2010/2011				
CHF 1,000	Base compensation (Cash)	Base compensation (Shares)	Other compensation (Social security)	Total
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 (until June 24, 2010)	50,000	—	3,025	53,025
Martin Eberhard (from June 24, 2010)	12,500	12,500	1,513	26,513
Patrick Schildknecht (from June 24, 2010)	12,500	12,500	1,513	26,513
Total	137,500	87,500	13,614	238,614

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 any 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 Obligations

March 31, 2012	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman)	191,746	—	191,746
Dr. Hans Christoph Tanner	4,802	—	4,802
Martin Eberhard	26,280	—	26,280
Bernhard Schürmann	111,298	—	111,298
Total	334,126	—	334,126
Manager (ALPHA Associates AG)			
Dr. Peter Derendinger (CEO)	114,000	—	114,000
Dr. Petra Salesny	37,384	—	37,384
Petr Rojicek	37,199	—	37,199
C+E Investment AG ¹ and Christoph Huber ²	470,487	—	470,487
Total	659,070	—	659,070

¹ On June 17, 2011, C+E Investment AG was spun off from ALPHA Associates AG retrospectively as of January 1, 2011. In course of this spin-off, the



shares in Private Equity Holding AG were transferred from ALPHA Associates AG to C+E Investment AG. The majority of the shares of C+E Investment AG are held by the Managing Partners of ALPHA Associates AG.

² Christoph Huber retired from his active function in ALPHA Associates AG on December 31, 2010.

March 31, 2011	Share ownership	Options	Total
Board of Directors			
Dr. Hans Baumgartner (Chairman)	191,000	—	191,000
Dr. Hans Christoph Tanner	4,504	—	4,504
Martin Eberhard	25,982	—	25,982
Patrick Schildknecht	23,182	—	23,182
Total	244,668	—	244,668
Manager (ALPHA Associates AG)			
Dr. Peter Derendinger (CEO)	100,000	—	100,000
Dr. Petra Salesny	37,384	—	37,384
Petr Rojicek	37,199	—	37,199
Christoph Huber ¹	37,044	—	37,044
ALPHA Associates AG	322,732	—	322,732
Total	534,359	—	534,359

¹ Christoph Huber retired from his active function in ALPHA Associates AG on December 31, 2010.

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/(loss) for the period	(7,318)
Retained earnings	74,808
Available earnings	67,490

The Board of Directors proposes to appropriate the available earnings as follows:

Allocation to general legal reserves	—
Allocation to free reserves	—
To be carried forward	67,490



KPMG AG
Audit Financial Services
Badenerstrasse 172
CH-8004 Zurich

P.O. Box
CH-8026 Zurich

Telephone +41 44 249 31 31
Fax +41 44 249 23 19
Internet www.kpmg.ch

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 51 to 57 and comprise the balance sheet, income statement, statement of changes in shareholders' equity and notes for the year ended March 31, 2012.

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, 2012 comply with Swiss law and the company's articles of incorporation.



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

Emphasis of matter

We draw attention to note 1 to the financial statements which is disclosed in accordance with article 16 of the Directive on Financial Reporting issued by the SIX Swiss Exchange. Investments in its wholly-owned subsidiaries Private Equity Holding Cayman and Private Equity Holding (Luxembourg) SA have a carrying amount of CHF 307 million. The subsidiaries' unquoted investments, measured at fair value, amounted to EUR 203 million as of March 31, 2012. Due to the inherent uncertainty related to the valuation of such investments and due to the absence of a liquid market, such fair values could differ from their realisable values, whereas the difference may be material. The board of directors is responsible for the determination of these fair values. The procedures applied in valuing such investments are disclosed in note 11 of the consolidated financial statements. We have reviewed these procedures and inspected underlying documentation; while in the circumstances the procedures appear to be reasonable and the documentation appropriate, determination of fair values involves subjective judgment, which is not susceptible to independent verification procedures. Our opinion is not qualified in respect of this matter.

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
*Auditor in Charge
Licensed Audit Expert*

Daniel Senn
Licensed Audit Expert

Corporate Governance

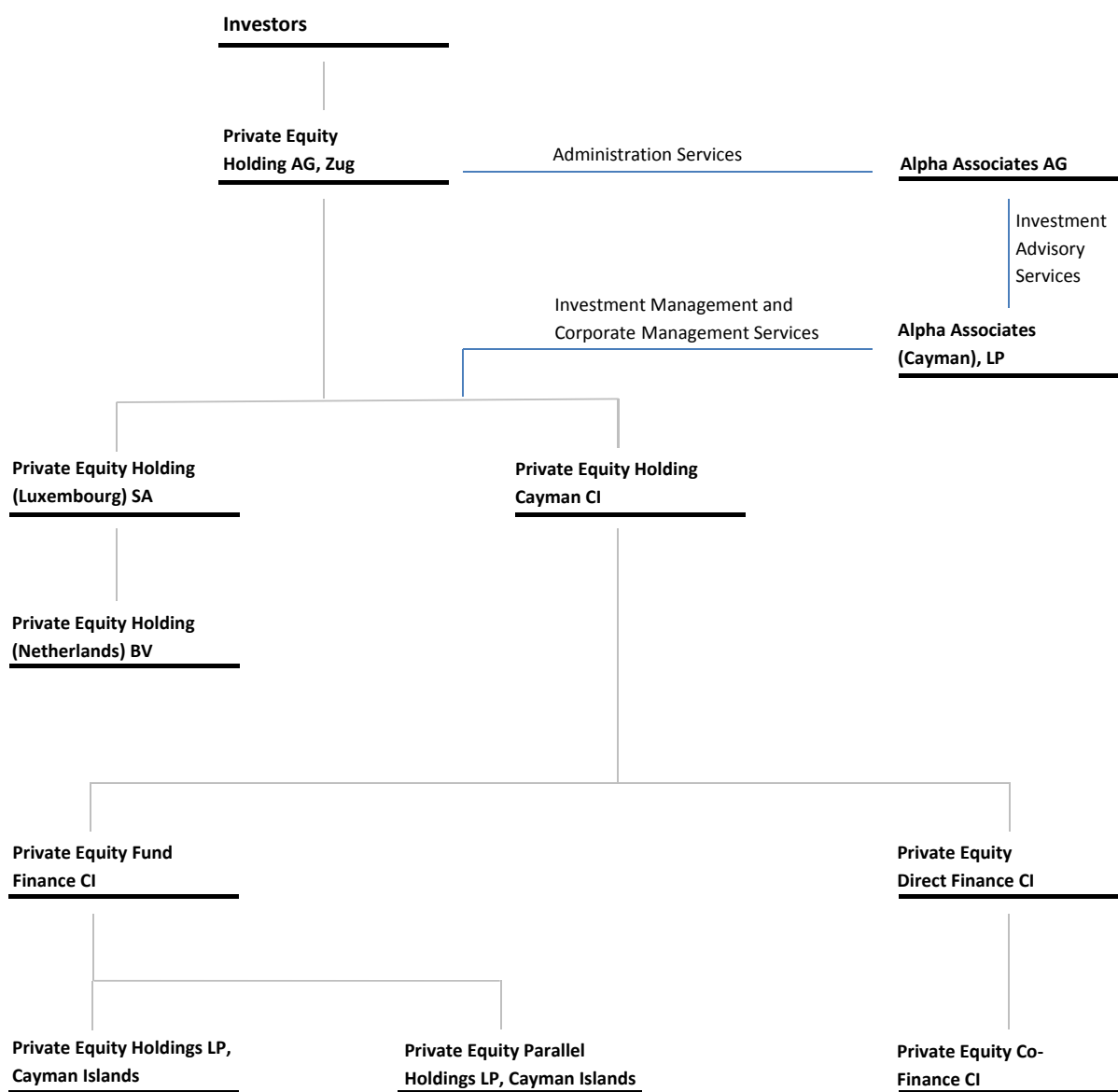
Private Equity Holding AG (“PEH” or the “Company”) is committed to good corporate governance and transparency and accountability to its shareholders. The following disclosure follows the structure and is in accordance with the latest Directive on Information relating to Corporate Governance of the SIX 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, 2012 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 (based on total number of shares) as of March 31, 2012 was EUR 138.1 million (CHF 166.4 million).

As of March 31, 2012, PEH held 200,805 of its shares in treasury (5.28% of the total issued share capital). The subsidiaries do not hold any shares in the parent company.

1.1.3 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 3.a) (Principles of consolidation) to the Consolidated Financial Statements of this Annual Report.

1.2 Significant shareholders

As of March 31, 2012, the following major shareholders were known by the Company:

Holding in % of share capital	31.03.12	31.03.11
Between 3% and 5%	Versicherungseinrichtung des Flugpersonals der Swissair (Zurich)	Pensionskasse der SBB (Berne)
	National Custodian Service (Melbourne, Australia) indirectly via Barwon Investment Partners	Versicherungseinrichtung des Flugpersonals der Swissair (Zurich) Dr. Hans Baumgartner (Adliswil) National Custodian Service (Melbourne, Australia) indirectly via Barwon Investment Partners
Between 5% and 10%	Pensionskasse der SBB (Berne)	Private Equity Holding AG (Zug, registered without voting rights)
	Dr. Hans Baumgartner (Adliswil)	Mantra Investissement / Wyser - Pratte Group (Paris, France / New York, USA)
	Private Equity Holding AG (Zug, registered without voting rights)	
	Mantra Investissement (Paris, France)	
Between 10% and 15%	—	ALPHA Associates Group (Zurich) ¹
	ALPHA Associates Group (Zurich) ¹	—

¹ The Alpha Associates Group is represented by Alpha Associates AG, C+E Investment AG, Dr. Peter Derendinger, Dr. Petra Salesny, Petr Rojicek and Christoph Huber.

There are no shareholders' agreements in place.

All changes in the Company's shareholder base that were reported and disclosed in accordance with Art. 9 and Art. 21 of the Stock Exchange Ordinance-FINMA (SESTO-FINMA) during the financial year 2011/2012 can be found in the search facility on the Disclosure Office's publication platform: http://www.six-exchange-regulation.com/obligations/disclosure/major_shareholders_de.html.

On November 17, 2011, the Disclosure Office of the SIX Swiss Exchange granted Private Equity Holding an extension of the corridor permission (originally granted on November 17, 2010 for a one year period) allowing the Company to disclose shareholdings in treasury shares at the thresholds of 4.5% and 5.5%, respectively, instead of the mandatory 5% threshold. The permission expires on November 23, 2012. If the treasury share position was to decrease below 4.5% or increase above 5.5%, the Company is obliged to complete a disclosure notification within 4 trading days. If consequently the treasury share position again moves into the corridor between 4.5% and 5.5%, the Company can again use the facilitation permission following a disclosure notification. At the end of the financial year 2011/12, the shareholding of 5.28% was within the corridor.

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 22.8 million, divided into 3,800,000 registered shares with a nominal value of CHF 6 per share. All shares are fully paid-in.

The Company neither has an authorized capital nor a conditional capital.

2.2 Changes in capital since March 31, 2009

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, which was amended following the 2010 Annual General Meeting to reflect the capital reduction of CHF 2 per share from CHF 8 to CHF 6:

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.

The 2011 Annual General Meeting approved deletion of this Art. 3a of the Company's Articles of Association. The Company no longer has an authorized capital.

Since March 31, 2009, the Company's and the Group's equity capital have developed as follows:

	31.03.09	31.03.10	31.03.11	31.03.12
Share capital (CHF 1,000)	32,400	32,400	24,057	22,800
Total equity PEH (CHF 1,000)	193,958	298,328	273,572	251,095
Total equity Group (EUR 1,000)	181,863	205,211	200,741	201,012

Please also refer to the Statements of Changes in Equity (consolidated and parent company).

The 2010 Annual General Meeting approved a capital decrease by (i) cancelling 40,500 shares, which were repurchased in a share buyback program 2006/07 and accordingly reducing the share capital by CHF 324,000 from CHF 32,400,000 to CHF 32,076,000 and (ii) a decrease in share capital by CHF 8,019,000 from CHF 32,076,000 to CHF 24,057,000 by way of a reduction of the par value per share from CHF 8 to CHF 6.

The 2011 Annual General Meeting approved a capital decrease by cancelling 209'500 shares, which were repurchased by the Company on the SIX stock exchange in prior years and, accordingly, the nominal share capital was reduced from CHF 24,057,000 to CHF 22,800,000. The Annual General Meeting further decided on a repayment of paid-in capital in the amount of CHF 2 per outstanding share (no repayment of paid-in capital was made on treasury shares).



2.3 Shares and participation certificates

Private Equity Holding AG has an issued share capital of CHF 22.800 million (EUR 14.248 million), divided into 3,800,000 fully paid-up registered shares with a par value of CHF 6 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.

2.4 Dividend-right certificates

The Company has not issued any profit sharing certificates (Genussscheine).

2.5 Limitations on transferability and nominee registrations

There are no transfer restrictions whatsoever. There are no restrictions on nominee registrations.

2.6 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 2011/2012, 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, eny Finance Holding AG, Beck Verwaltungen AG and is a director of several private companies. Since 2011 he serves as ombudsman of Charles Vögele Holding.

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, member of the Board and head of audit committee of DKSH AG, a market expansion services group with focus on Asia, member of the Board of Qvanteq AG, Zurich, a med tech company involved in the development of surfaces for stents, and a member of on the advisory board of Joimax GmbH, Karlsruhe, a med tech company involved in minimally invasive back surgery. He graduated from the University of St. Gallen in 1975 with a degree in economics and completed his PhD in 1979. Dr. Hans Christoph 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. Hans Christoph Tanner was a Managing Partner at A&A Investment Management. He founded and managed Active Investor AG and co-founded and was an active board member of 20 Minuten Holding AG and 20 Minuten Schweiz AG.

Martin Eberhard, Member, 1958, Swiss citizen

Martin Eberhard works as an entrepreneur specializing in project financing. From 2000 until 2009 he served as founder and CEO of NZB Neue Zürcher Bank AG. Prior, Mr. Eberhard held various senior positions at Bank Julius Baer, Zurich; in 1996 he became a Member of the Management Board and in 1998 a member of the Executive Board Brokerage Europe. Before joining Julius Baer he finished his studies and worked for Swiss Bank Corporation in Zurich, Geneva and New York. Mr. Eberhard completed the Swiss Banking School and an Advanced Executive Program at Kellogg Graduate School of Management, USA.

Bernhard Schürmann, Member, 1947, Swiss citizen

Since 1997 Bernhard Schürmann is an independent asset manager and Senior Partner at a Zurich-based investment company. Prior, Bernhard Schürmann worked for Bank Cantrade for 10 years as a Director for Client Relationship Management and in the same capacity for 10 years at Privatbank und Verwaltungsgesellschaft, Zurich. During this period, Bernhard Schürmann also led listed Allgemeine Finanzgesellschaft for seven years as a Managing Director. After a three year apprenticeship at Schweizerische Bankgesellschaft (today UBS AG) followed by 2 years of cantonal commercial school in Lucerne (Handelsmatura), Bernhard Schürmann studied economics at the University of Zurich (lic. oec. publ.). Following his education, he spent a year in the USA working for several banks and brokers.

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 terms and conditions.

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	07.12.2006	Annual General Meeting 2012
Dr. Hans Christoph Tanner	Member	07.12.2006	Annual General Meeting 2012
Martin Eberhard	Member	24.06.2010	Annual General Meeting 2012
Bernhard Schürmann	Member	14.06.2011	Annual General Meeting 2012

This Board of Directors has been elected individually at the Annual General Meeting of Private Equity Holding AG on June 14, 2011.

Patrick Schildknecht, who was elected on June 24, 2010, resigned from the Board of Directors as of the date of the 2011 Annual General Meeting (June 14, 2011).

3.4 Internal organizational 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
Martin Eberhard	Member	Investor relations, banking specialist
Bernhard Schürmann	Member	Investor relations, banking specialist



The Board of Directors 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; and
- 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 2011/2012, 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 17 (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 Bank Sarasin & Cie. AG and a number of non-listed financial institutions.

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.

Katja Baur, Vice President, CFO; M.Sc. University of Zurich, Swiss Certified Accountant; career at KPMG Audit Financial Services; was responsible for planning and execution of financial and regulatory audits of Swiss private banks, listed investment companies in the alternative investments sector, hedge fund managers, securities dealers and asset managers.

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. In 2011, the Directors decided to receive 50% 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 guarantees 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 2011/2012 and 2010/2011, please refer to Note 7 to the Financial Statements (Management compensation).

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 PEH and its subsidiaries with ALPHA and ALPHAC, please refer to Note 17 to the Consolidated Financial Statements (Related party transactions).

5.2 Share ownership

As of March 31, 2012, the members of the Board of Directors of the Company hold in aggregate 334,126 shares of the Company. ALPHA and the (current and prior) members of its management team own 659,070 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 to the Financial Statements (Management share ownership).

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 does not need to 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. The rotation interval that applies to lead auditor is the statutory maximum of seven years, according to Art. 730a par. 2 of the Swiss Code of Obligations.

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

8.2 Audit fees

The audit fees to KPMG in the financial year ending March 31, 2012 amounted to CHF 130,000 (incl. VAT) for the audit of the statutory and consolidated financial statements of the Company. In addition, CHF 23,760 (incl. VAT) were paid for the reports on the capital reduction and repayment of paid-in capital 2011.



8.3 Additional fees

The Company paid additional fees to KPMG for audit-related services (advisory services) on accounting standards in connection with the quarterly financial statements of CHF 15'000 (incl. VAT) and for tax-related advisory services of CHF 34,881 (incl. VAT) and USD 32,000 in the financial year 2011/2012.

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 standalone entity. The year-end figures are audited.

The Group prepares quarterly reports and publishes them in full on the Company's website www.peh.ch.

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 and additional key information are published on a monthly basis, normally within six 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 automatically upon publication by e-mail. For further information, please contact:

Private Equity Holding AG
Innere Güterstrasse 4
CH-6300 Zug
Phone +41 41 726 79 80
Fax +41 41 726 79 81
info@peh.ch

The section Information for Investors includes information on upcoming events and publications.



Information for Investors

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

	31.03.12	31.03.11
Number of registered shares	3,800,000	4,009,500
Number of shares outstanding	3,599,195	3,702,727
Nominal value per share (CHF)	6.00	6.00
Comprehensive earnings per share (EUR)	2.91	1.57

Share Price (per share)

	2011/2012	2010/2011
High (27.05.11/31.03.11)	49.40	45.00
Low (26.09.11/18.06.10)	33.50	33.80
Year-end (31.3.)	43.80	45.00

Market Capitalization

	2011/2012 ¹ CHFm	2010/2011 ¹ CHFm
High (27.05.11/31.03.11)	178	167
Low (26.09.11/18.06.10)	121	125
Year-end (31.3.)	158	167

Calendar

July 05, 2012	Annual General Meeting
July 27, 2012	Quarterly Report as of June 30, 2012
November 02, 2012	Half Year Report as of September 30, 2012
February 2013	9-Month Report as of December 31, 2012
April 2013	Preliminary NAV as of March 31, 2013
May/June 2013	Annual Report 2012/2013

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

¹ Basis: Number of shares outstanding at year end (2012: 3,599,195; 2011: 3,702,727)

On Private Equity

Development stages of a company		
Private Equity Financing		
Pre-IPO financing		Buyout Financing
Leveraged buyout		
Mezzanine capital		
Management buyout /buy-in		
Expansion capital	Venture Capital	
Seed capital		
Angel capital		
	Early Stage	Development Maturity

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.

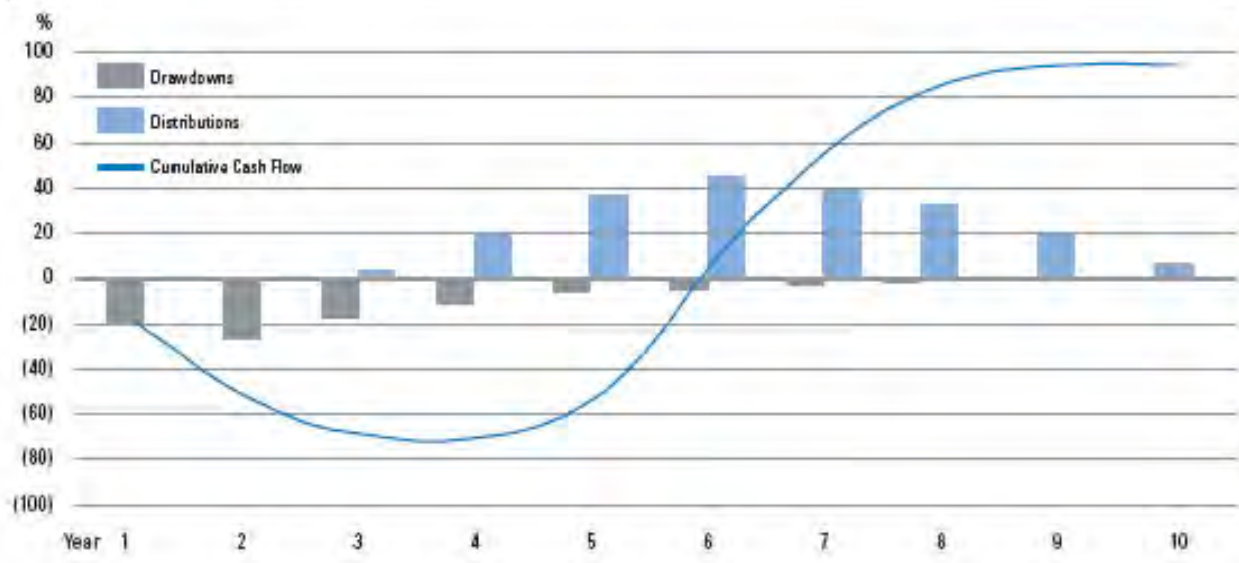
Each limited partner commits himself to provide a certain amount of capital to a private equity fund. This committed amount is drawn and invested by the fund over several (typically five) years, as attractive investment opportunities arise. Generally, after three to seven years, the private equity fund 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





Glossary of Terms

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.
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 (Return of capital)	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.
Commitment	Total amount that the Group contractually agreed to make available to a fund or direct investment.
Net acquisition cost (NAC)	Capital contributed minus cost component of distributions.
Unfunded 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. 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.