

Half-Year Report as of September 30, 2018

Private Equity Holding AG

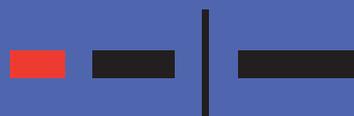


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Private Equity Holding offers institutional and private investors the opportunity to invest in a broadly diversified private equity portfolio.

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

Private Equity Holding's Investment Portfolio is managed by Alpha Associates.

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

Key Figures for the First Half of the Financial Year 2018/2019

Share Value	30.09.18 EUR	31.03.18 EUR	Change in % ¹	30.09.18 CHF	31.03.18 CHF	Change in % ¹
Net asset value per share, based on fair values	85.55	77.79	10.0%	97.03	91.39	6.2%
Price per share (PEHN.S)	61.28	60.43	1.4%	69.50	71.00	(2.1%)

¹ Excl. distributions.

Net Profit/(Loss) for the Period	01.04.18- 30.09.18 EUR 1,000	01.04.17- 30.09.17 EUR 1,000	Change in %
Profit/(loss) for the period	24,542	(2,266)	1183%

Selected Balance Sheet Items (Consolidated) ²	30.09.18 EUR 1,000	31.03.18 EUR 1,000	Change in %
Current assets	3,311	10,372	(68%)
Non-current assets	227,034	193,611	17%
Current liabilities	7,374	571	1191%
Non-current liabilities	—	—	—
Total equity	222,971	203,412	10%

² Information herein is presented in addition to the IFRS Interim Financial Statements.

Asset Allocation	Fair Value 30.09.18 EUR million	Unfunded Commitments 30.09.18 EUR million	Total Exposure ³ 30.09.18 EUR million	Total Exposure ³ 30.09.18 in %
Buyout funds	94.1	37.4	131.5	41%
Venture funds	46.5	20.8	67.3	21%
Special situation funds	28.5	35.7	64.2	20%
Total fund investments	169.1	93.9	263.0	82%
Direct investments and loans	57.9	0.7	58.6	18%
Total direct investments and loans	57.9	0.7	58.6	18%
Total funds, direct investments and loans	227.0	94.6	321.6	100%

³ Fair value plus unfunded commitments.

Commitments	30.09.18	31.03.18	Change in %
Unfunded commitments (EUR million)	94.6	81.4	16%
Overcommitment ⁴	42.1%	37.0%	14%
Net current assets / unfunded commitments	1.4%	12.0%	(88%)

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 - 30.09.2018 (incl. distributions)



NAV per share in EUR: **+154.7%**

NAV per share in CHF: **+80.2%**

Share price in EUR: **+204.8%**

Share price in CHF: **+116.1%**

Discount to NAV as of 30.09.2018 **-28.4%**

Relative Performance of PEHN
01.01.2007 - 30.09.2018 (incl. distributions)



PEHN has outperformed
the LPX-50 PE-Index by: **+62.8%**

PEHN has outperformed
the MSCI World Index by: **+145.5%**

Chairman's Letter for the First Half of the Financial Year 2018/2019

Dear Shareholders,

For the first half of the financial year 2018/19, PEHs reports a comprehensive income of EUR 24.5 million. As of September 30, 2018, the net asset value per share (NAV) stood at EUR 85.55 (CHF 97.03), representing an increase of +10.0% in EUR, +6.2% in CHF, respectively, over the course of the reporting period, including the distribution of CHF 2.00 per share in July 2018.

Strong Portfolio Performance

PEH's strong portfolio performance benefited from being well diversified by vintage years, geography, industries as well as investment stages, with the NAV growing by 10% through-out the first half of the financial year. The underlying portfolio continued its steady investment pace (EUR 18.8 million called for new investments, including two new direct investments), while at the same time also yielding EUR 14.6 million in distributions.

Highland Europe I provided the largest distribution relating to the sales of German online consumer finance platform Finanzcheck.de as well as UK waste industry software provider AMCS Group. Other noteworthy distributions came from Warburg Pincus Private Equity X with a realised investment in the North-Carolina based construction tech company The Gordian Group Inc. and Avista Capital Partners IV with the sale of MPI Research, a provider of testing services for biopharmaceutical and medical devices.

After the end of the reporting period, PEH completed a partial sale of its stake in luxury sport car manufacturers Aston Martin as part of the company's IPO on October 3, 2018, resulting in an overall cash flow of approximately EUR 7.1 million and marking another successful milestone for this direct co-investment.

Investment Activity

PEH successfully completed several new investments in the first half of the financial year, with the single biggest commitment of USD 10 million made to ABRY Advanced Securities IV, a fund with a focus on senior debt securities supporting leveraged buyouts. The other fund commitments were to EUR 5 million Highland Europe Technology Growth III Fund and USD 5 million Mid Europa V.

PEH also completed two new co-investments. Alongside Francisco Partners, PEH invested in Renaissance Learning, a Wisconsin based software provider for computer-based assessment and school improvement programs in the United States. Additionally, USD 2 million were invested alongside Pelion Venture Partners in Cloudflare, a DNS management service and content delivery network provider, managing more than 10% of the internet users' requests worldwide.

Strategic Continuity

The company's Annual General Meeting on July 12, 2018 approved all proposals by the Board of Directors and the eighth consecutive distribution of CHF 2.00 per share was paid to shareholders in July. The Board of Directors has decided to decrease the dividend yield to allow for an increased investment activity, facilitating future growth and laying the foundation for a continuation of the three-fold strategy of long-term growth, NAV accretion and providing a regular yield.

For the entire Board of Directors, I would like to thank you for your continued support and interest in PEH.



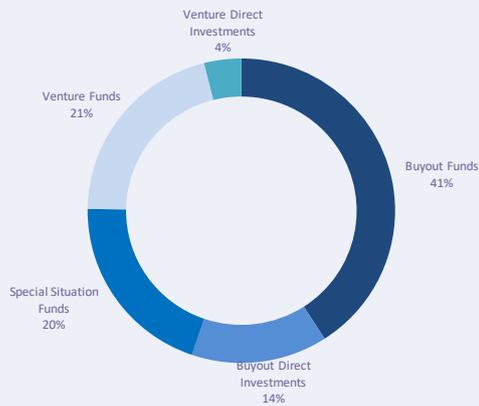
Dr. Hans Baumgartner

Chairman of the Board of Directors

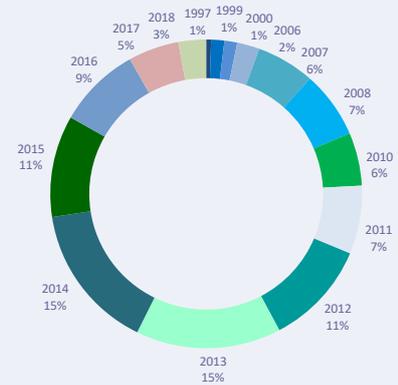
November 6, 2018

Private Equity Holding Portfolio Overview

Allocation by Investment Category¹



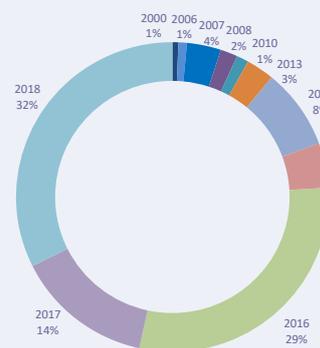
Fair Value of the Portfolio by Vintage Year



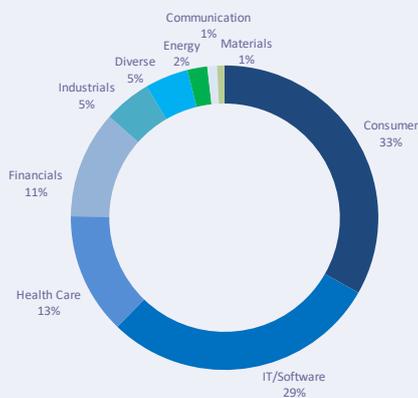
Allocation by Geography²



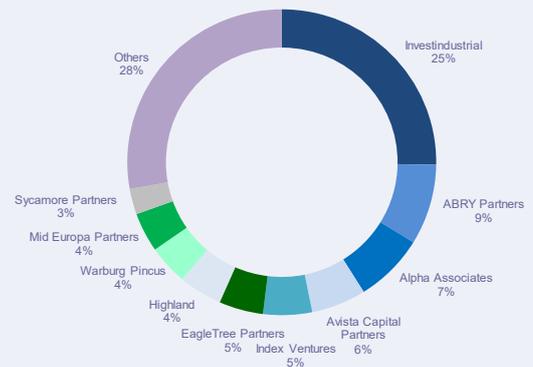
Unfunded Commitments of the Portfolio by Vintage



Allocation by Industry²



10 Largest Exposures by Managers



¹ Based on fair values plus unfunded commitments of portfolio holdings

² Based on fair values of the underlying companies

Five Largest Exposures by Fair Value

representing 26.6% of the total fair value of PEH's investment portfolio



Aston Martin

Type: Direct Co-Investment
Industries: Automotive
Region: Europe
Fair Value: EUR 26.2 million
 11.5% of PEH Portfolio



Mid Europa Fund IV

Fund Size: EUR 808 million
Type: Buyout
Industries: Diverse
Region: Central & Eastern Europe
Fair Value: EUR 9.4 million
 4.1% of PEH Portfolio



Bi-Invest Endowment Fund

Fund Size: EUR 263 million
Type: Buyout & Expansion
Industries: Diverse
Region: Europe
Fair Value: EUR 8.7 million
 3.9% of PEH Portfolio



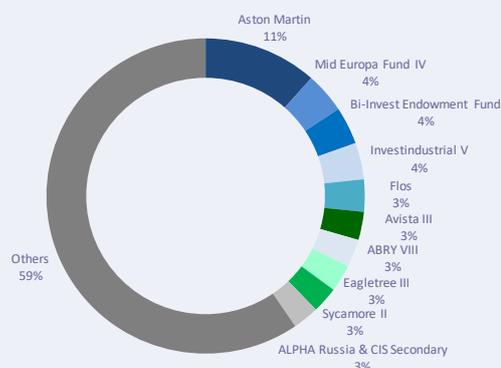
Investindustrial V

Fund Size: EUR 1,250 million
Type: Buyout
Industries: Diverse
Region: Europe
Fair Value: EUR 8.5 million
 3.8% of PEH Portfolio



FLOS

Type: Direct Co-Investment
Industries: Consumer
Region: Europe
Fair Value: EUR 7.5 million
 3.3% of PEH Portfolio



Five Largest Exposures by Unfunded Commitment

representing 38.8% of the total unfunded commitments of PEH's investment portfolio



ABRY ASF IV

Fund Size: USD 1,500 million
Type: Special Situation
Industries: Diverse
Region: Europe
Unfunded Commitment: EUR 8.6 million
 9.1% of PEH Portfolio



Sycamore III

Fund Size: USD 4,300 million
Type: Special Situation
Industries: Consumer
Region: North America
Unfunded Commitment: EUR 8.4 million
 8.9% of PEH Portfolio



Procuritas Capital Investors VI

Fund Size: EUR 311 million
Type: Buyout
Industries: Diverse
Region: Europe
Unfunded Commitment: EUR 8.0 million
 8.4% of PEH Portfolio



Clarus IV

Fund Size: USD 910 million
Type: Venture
Industries: Health Care
Region: North America
Unfunded Commitment: EUR 6.0 million
 6.4% of PEH Portfolio



Pollen Street Capital III

Fund Size: GBP 176 million
Type: Buyout
Industries: Diverse
Region: Europe
Unfunded Commitment: EUR 5.7 million
 6.0% of PEH Portfolio



Statement of Comprehensive Income

EUR 1,000	Notes	01.04.18- 30.09.18	01.04.17- 30.09.17
Income			
Net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss	10	27,491	(1,907)
Net gains/(losses) from financial assets at fair value through profit or loss	10	(1,196)	—
Foreign exchange gains/(losses)		(830)	526
Interest income		7	—
Other income		1	27
Total income		25,473	(1,354)
Expenses			
Administration expenses	5	217	224
Corporate expenses		333	405
Total expenses		550	629
Profit from operations		24,923	(1,983)
Interest expenses		381	283
Profit for the period attributable to equity holders of the company		24,542	(2,266)
Other comprehensive income			
Other comprehensive income for the period, net of income tax		—	—
Total comprehensive income for the period attributable to equity holders of the company		24,542	(2,266)
		01.04.18- 30.09.18	01.04.17- 30.09.17
Weighted average number of shares outstanding during period		2,608,635	2,714,961
Basic earnings per share (EUR)		9.41	(0.83)

Minor differences in totals are due to rounding.

Balance Sheet

EUR 1,000	Notes	30.09.18	31.03.18
Assets			
Current assets			
Cash and cash equivalents		105	1,774
Receivables and prepayments		228	149
Total current assets		333	1,923
Non-current assets			
Investments in non-consolidated subsidiaries at fair value through profit or loss	9	263,122	235,631
Financial assets at fair value through profit or loss	9	3,821	5,017
Interest bearing loans	8.1	1,728	—
Total non-current assets		268,671	240,648
Total assets		269,004	242,571
Liabilities and equity			
Current liabilities			
Payables and other accrued expenses	6	166	218
Short-term bank borrowings	8.2	5,426	—
Total current liabilities		5,592	218
Non-current liabilities			
Interest bearing borrowings	8.2	40,441	38,941
Total non-current liabilities		40,441	38,941
Total liabilities		46,033	39,159
Equity			
Share capital		10,311	10,311
Share premium		30,267	33,529
Treasury shares		(8,853)	(8,355)
Retained earnings		191,246	167,927
Total equity		222,971	203,412
Total liabilities and equity		269,004	242,571
		30.09.18	31.03.18
Total number of shares as of period end		2,750,000	2,750,000
Number of treasury shares as of period end		(143,659)	(135,046)
Number of shares outstanding as of period end		2,606,341	2,614,954
Net asset value per share (EUR)		85.55	77.79

Minor differences in totals are due to rounding.

Statement of Changes in Equity

EUR 1,000	Share capital	Share premium	Treasury shares	Retained earnings	Total equity
Opening as of 01.04.17	10,311	38,594	(1,838)	167,830	214,897
Profit/(loss) for the period	—	—	—	(2,265)	(2,265)
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	—	—
Total comprehensive income/(loss) for the period	—	—	—	(2,265)	(2,265)
Purchase of treasury shares	—	—	(49)	—	(49)
Sale of treasury shares	—	25	105	—	130
Repayment of share premium (paid-in-capital) ¹	—	(5,090)	—	(2,294)	(7,384)
Total contributions by and distributions to owners of the Company	—	(5,065)	56	(2,294)	(7,303)
Total as of 30.09.17	10,311	33,529	(1,782)	163,271	205,329
Opening as of 01.10.17	10,311	33,529	(1,782)	163,271	205,329
Profit/(loss) for the period	—	—	—	4,656	4,656
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	—	—
Total comprehensive income/(loss) for the period	—	—	—	4,656	4,656
Purchase of treasury shares	—	—	(6,573)	—	(6,573)
Sale of treasury shares	—	—	—	—	—
Repayment of share premium (paid-in-capital) ¹	—	—	—	—	—
Total contributions by and distributions to owners of the Company	—	—	(6,573)	—	(6,573)
Total as of 31.03.18	10,311	33,529	(8,355)	167,927	203,412
Opening as of 01.04.18	10,311	33,529	(8,355)	167,927	203,412
Profit/(loss) for the period	—	—	—	24,542	24,542
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	—	—
Total comprehensive income/(loss) for the period	—	—	—	24,542	24,542
Purchase of treasury shares	—	—	(611)	—	(611)
Sale of treasury shares	—	(3)	113	—	110
Repayment of share premium (paid-in-capital) ²	—	(3,259)	—	(1,223)	(4,482)
Total contributions by and distributions to owners of the Company	—	(3,262)	(498)	(1,223)	(4,983)
Total as of 30.09.18	10,311	30,267	(8,853)	191,246	222,971

Minor differences in totals are due to rounding.

¹ The Annual General Meeting held on July 10, 2017 decided on a repayment of share premium (paid-in capital) in the amount of CHF 3.00 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 July 18, 2017.

² The Annual General Meeting held on July 12, 2018 decided 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 July 18, 2018.

Statement of Cash Flows

	01.04.18- 30.09.18	01.04.17- 30.09.17
Cash flow from operating activities		
Capital contributed to investments	—	—
Distributions received from investments	—	—
Other income	1	26
Interest bearing loans	(1,717)	—
Interest received on interest bearing loans	7	—
Administration expenses paid	(217)	(224)
Corporate expenses paid	(293)	(324)
Net adjustment for other assets and liabilities	(110)	(92)
Net cash (used)/provided by operating activities	(2,329)	(614)
Cash flow from financing activities		
Proceeds from borrowings	647	9,807
Short-term bank borrowings	5,350	—
Interest paid on interest bearing borrowings	(364)	(283)
Interest paid on short-term bank borrowings	(17)	—
Commitment fee on borrowings	(40)	(81)
Purchase of treasury shares	(605)	(47)
Sale of treasury shares	110	130
Repayment of share premium (paid-in-capital)	(4,482)	(7,384)
Net cash (used)/provided by financing activities	599	2,142
Net increase/(decrease) in cash and cash equivalents	(1,730)	1,528
Cash and cash equivalents at the beginning of the period	1,774	96
Effects of exchange rate changes on cash and cash equivalents	61	526
Cash and cash equivalents at the end of the period	105	2,150

Minor differences in totals are due to rounding.

Notes to the Financial Statements

1. Reporting entity

Private Equity Holding AG (the “Company”) is a stock company incorporated under Swiss law with registered address at Gotthardstrasse 28, 6302 Zug, Switzerland. The business activity of the Company is mainly conducted through investing the Company's assets directly and indirectly through its Cayman Islands non-consolidated subsidiaries (together referred to as the “Group”).

The Company controls 100% of the voting rights and ownership interests in Private Equity Fund Finance Ltd. and Private Equity Direct Finance Ltd (the “Subsidiaries”). The non-consolidated Subsidiaries are incorporated in the Cayman Islands.

The business activity of the Company is the purchase, holding and disposal of investments held in private equity funds and directly in companies with above-average growth potential. The Board of Directors has appointed one of its members as the Board's Delegate, who is responsible for managing the day-to-day business of the Company. ALPHA Associates (Cayman) LP, Cayman Islands (“ALPHAC”), and ALPHA Associates AG, Zurich (“ALPHA”, together “ALPHA Group” or the “Investment Manager”), act as investment manager and investment adviser, respectively and provide certain support services to the Company.

2. Basis of preparation

a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standards (IAS) 34 “Interim Financial Reporting” and do not include all of the information required for full annual financial statements.

These condensed interim financial statements were authorised for issue on November 6, 2018 by the Board of Directors.

b) Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The actual values may diverge from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended March 31, 2018.

3. Significant accounting policies

The accounting and valuation principles applied in these interim financial statements correspond to those of the financial statements as at and for the year ended March 31, 2018, unless otherwise stated.

New standards and interpretations

The following new standards, amendments to standards and interpretations are effective for annual periods beginning on or after January 1, 2018, and have been adopted by the Company in preparing these condensed interim financial statements.

- IFRS 9, “Financial instruments” - the final version of IFRS 9 was issued in July 2014, superseding all previous versions and addresses the classification, measurement and recognition, impairment and general hedge accounting of financial instruments. As of April 2011, the Company has adopted IFRS 9 Financial Instruments (“IFRS 9”) (as issued in 2009 and revised in October 2010) and the related consequential amendments in advance of its effective date. There are no adjustments to be expected on classification and measurement due to the application of IFRS 9 (2014). Furthermore, IFRS 9 introduces a forward-looking Expected Credit Losses (ECL) approach which is intended to result in an earlier recognition of credit losses as compared to the “incurred loss” approach in IAS 39. The new ECL approach applies to financial assets that are debt instruments recognised on-balance sheet, such as loans or bonds, and classified as measured at amortised cost. The Company mainly classifies its investment at fair value through profit or loss which is a category that does not require an impairment allowance. The Company's Financial assets measured at amortised cost are short-term with high-quality counterparties including one short-term loan with a non-consolidated subsidiary (refer to note 8.1). The amendment is effective for the Company for the accounting period commencing on April 1, 2018.
- IFRS 15 (effective January 1, 2018) – Revenue from contracts with customers

The Company assessed the impact of the above mentioned new standards and interpretations. Based on the analysis, the Company concluded that these new standards have no material impact on the accounting policies and overall results and financial position.

New standards, amendments and interpretations that are not yet effective and might be relevant for the Company

The following new standards and interpretations are not yet effective and were not early adopted in these condensed interim financial statements:

- IFRS 16 (effective January 1, 2019) – Leases

The Company assessed the potential impact of the above mentioned new standard. Based on the analysis of the factors in IFRS 16.B37, the Company concluded that this new standard has no material impact on the accounting policies and overall results and financial position.

4. Treasury share transactions

The company held 143,659 treasury shares as of September 30, 2018 (30.09.2017: 33,696; 31.03.2018: 135,046). The Company has the right to re-issue/sell the treasury shares at any time.

5. Administration expenses

Management and Administration fees as well as Performance fees paid by the Company and its non-consolidated subsidiaries are as follows:

	PEH		Non-consolidated Subsidiaries		Total	
	01.04.18-30.09.18	01.04.17-30.09.17	01.04.18-30.09.18	01.04.17-30.09.17	01.04.18-30.09.18	01.04.17-30.09.17
EUR 1,000						
Management and administration fees	217	224	1,801	1,726	2,018	1,950
Performance fees	—	—	2,727	—	2,727	—
Total	217	224	4,528	1,726	4,745	1,950

Management and performance fees are paid to ALPHA Associates (Cayman), L.P. a related party. As of September 30, 2018, total management and administration fees and performance fees payable by the Company and non-consolidated subsidiaries amounted to EUR 1.82 million (March 31, 2018: EUR 0.42 million).

Administration fees are paid to ALPHA Associates AG, a related party.

6. Payables and accrued expenses

EUR 1,000	30.09.18	31.03.18
Payables to third parties	7	13
Accrued expenses	159	205
Total payables and accrued expenses	166	218

7. Unfunded commitments

As of September 30, 2018, the Group's unfunded commitments amounted to EUR 94.6 million (31.03.2018: EUR 81.4 million) (refer to Note 9).

8. Financial assets and liabilities at amortised cost**8.1 Interest bearing loans**

Effective on August 29, 2018, the Company (the lender) entered a loan agreement with Private Equity Direct Finance (a Subsidiary, the borrower) to lend the total sum of USD 2.0 million at the existing interest rate of 1 month LIBOR plus 225 basis points. The borrower shall repay the loan, including accumulated interest, at such time and in a manner to be designated by the lender. The total amount of interest bearing loans as of September 30, 2018, stood at EUR 1.7 million (March 31, 2018: Nil).

8.2 Borrowings and credit facility/pledged assets

With effect from June 1, 2017, the Company (the borrower) amended the loan agreement with Private Equity Fund Finance (a Subsidiary, the lender) to increase the maximum loan amount to CHF 70.0 million at the existing interest rate of 1 month LIBOR plus 200 basis points. The lender may extend further loans to the borrower if and as required by the borrower to carry on its business by entering into a letter agreement which shall be governed by the same provisions as set forth in the existing loan agreement. The lender may not request the repayment of any amount outstanding without giving at least 12 months notice. There is no contractually agreed expiry date. The total amount of interest bearing borrowings as of September 30, 2018 stood at EUR 40.4 million (March 31, 2018: EUR 38.9 million).

On December 20, 2013, the Company signed an agreement with Credit Suisse AG (subsequently transferred to Credit Suisse (Schweiz) AG) for an EUR 16.0 million revolving credit facility. This facility allows the Company to bridge timing gaps between outflows and inflows, cover short-term liquidity squeezes and manage and hedge market risks. On February 2, 2016, the credit facility was prolonged until December 31, 2018. The credit facility, if and when drawn, is secured by the Company's ownership interests in Private Equity Fund Finance Ltd. and Private Equity Direct Finance Ltd. The applicable interest rate on any amounts outstanding under the facility is LIBOR for the requested currency term plus 2.125%. The Company is obliged to pay a quarterly commitment fee of 0.250% on the undrawn amount.

As of September 30, 2018, the credit facility drawn was EUR 5.4 million (March 31, 2018: None) and is presented as short-term bank borrowing in the balance sheet.

9. Investments in non-consolidated subsidiaries at fair value through profit or loss and financial assets at fair value through profit or loss

9.1 Investments held by the non-consolidated subsidiaries

	Vintage	Commitments			Book values				Returns 01.04.18 - 30.09.18			
		Original fund currency	Original amount FC 1,000	Paid in 30.09.18 FC 1,000	Unfunded commitment 30.09.18 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/(losses) EUR 1,000	Fair value 30.09.18 EUR 1,000	Total distributions EUR 1,000	Real. gains/(losses) EUR 1,000
Buyout Funds												
Abry Heritage Partners ³	2016	USD	5,600	1,684	3,370	1,184	230	311	223	1,327	296	(20)
ABRY Partners VI ³	2008	USD	7,500	7,476	21	161	15	99	42	119	170	71
ABRY Partners VII ³	2011	USD	7,500	7,741	—	2,359	48	2	(40)	2,365	297	295
ABRY Partners VIII ³	2014	USD	9,375	7,721	1,424	6,587	6	623	511	6,481	791	42
ALPHA CEE II ²	2006	EUR	15,000	14,163	837	5,665	—	337	(332)	4,995	405	68
Avista Capital Partners ³	2006	USD	10,000	11,753	—	426	5	58	(60)	313	41	(18)
Avista Capital Partners II ³	2008	USD	10,000	12,878	—	2,789	82	426	(491)	1,954	640	213
Avista Capital Partners III ³	2011	USD	10,000	10,971	—	6,542	30	38	40	6,574	80	32
Avista Capital Partners IV	2017	USD	5,000	3,004	1,718	2,589	574	490	(936)	1,737	1,600	1,109
Bi-Invest Endowment Fund	2014	EUR	5,000	5,000	—	7,681	—	—	1,054	8,734	—	—
Bridgepoint Europe I B ¹	1998	GBP	15,000	620	—	146	—	—	(1)	145	—	—
Bridgepoint Europe IV ³	2008	EUR	10,000	9,924	199	4,837	—	—	90	4,927	—	—
Capvis Equity III ³	2008	EUR	10,000	10,857	545	3,009	—	—	86	3,095	133	133
Clayton, Dubilier and Rice Fund VI ¹	1998	USD	35,000	9,661	—	10	—	—	(1)	9	—	—
Doughty Hanson & Co. III ¹	1997	USD	65,000	46,121	—	424	—	77	(346)	—	471	394
Duke Street Capital IV ¹	1999	EUR	193	193	—	—	—	—	—	—	43	43
EagleTree Partners III ³	2012	USD	10,000	9,654	297	4,898	—	—	1,441	6,339	—	—
EagleTree Partners IV	2015	USD	10,000	4,576	4,668	4,055	—	455	586	4,186	384	(199)
Francisco Partners	2000	USD	3,222	2,937	253	19	—	—	2	21	—	—
Industri Kapital 2007 Fund ³	2007	EUR	10,000	10,410	—	186	—	52	58	192	24	(28)
Investindustrial IV ³	2008	EUR	10,000	10,750	10	5,507	(5)	343	(944)	4,216	1,144	781
Investindustrial V ³	2012	EUR	5,000	5,391	—	6,544	156	82	1,895	8,514	69	(12)
Investindustrial VI	2016	EUR	5,000	2,268	2,732	694	1,503	—	(24)	2,173	—	—
Mid Europa Fund IV ³	2014	EUR	10,000	9,071	929	8,810	1,114	564	85	9,446	500	(64)
Mid Europa Fund V	2018	EUR	5,000	—	5,000	—	—	—	—	—	—	—
Pollen Street Capital III	2016	GBP	9,000	3,933	5,689	4,172	856	—	(141)	4,887	—	—
Procuritas Capital Investors VI	2016	EUR	10,000	2,048	7,952	1,403	476	—	(39)	1,841	—	—
Warburg Pincus Private Equity X	2007	USD	15,000	15,263	14	5,642	—	223	400	5,819	998	762
Warburg Pincus Private Equity XII	2015	USD	6,000	3,942	1,771	2,663	641	63	438	3,679	69	—
Total Buyout Funds					37,429	89,000	5,733	4,245	3,597	94,086	8,155	3,602

Minor differences in totals are due to rounding.

¹ 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.

² Funds managed by ALPHA Associates (Cayman) LP. These funds are excluded from the NAV for the purpose of calculating the management fee.

³ Along with the unfunded commitments, distributions in the total amount of EUR 15.1 million (whereof Capvis Equity III accounts for EUR 2.0 million, Industri Kapital 2007 Fund accounts for EUR 1.5 million and ALPHA CEE Opportunity IV accounts for EUR 1.4 million) are recallable from these funds as of September 30, 2018. As the investment period of most of these funds has already expired, recallable distributions can in general only be recycled for follow-on investments and are therefore not expected to be drawn in full.

⁴ Fund in liquidation, no further draw downs expected. Unfunded commitment reduced to 0.

⁵ Remaining commitment was reduced by the fund manager.

Investments held by the non-consolidated subsidiaries (continued)

	Commitments				Book values				Returns 01.04.18 - 30.09.18			
	Vintage	Original fund currency	Original amount FC 1,000	Paid in 30.09.18 FC 1,000	Unfunded commitment 30.09.18 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/(losses) EUR 1,000	Fair value 30.09.18 EUR 1,000	Total distributions EUR 1,000	Real. gains/(losses) EUR 1,000
Venture Funds												
Boulder Ventures IV	2001	USD	11,250	11,516	—	560	—	—	27	587	38	38
Carmel Software Fund	2000	USD	10,000	10,293	—	12	—	—	1	13	—	—
Carmel Software Fund (Secondary)	2000	USD	782	782	—	4	—	—	—	4	—	—
CDC Innovation 2000	2000	EUR	10,002	9,676	326	915	—	—	(70)	845	—	—
Clarus Lifesciences III	2013	USD	7,500	5,093	2,072	2,864	233	—	2,461	5,558	—	—
Clarus IV	2017	USD	7,500	515	6,011	61	379	—	(70)	370	—	—
Evolution Technology	2016	USD	5,000	3,861	980	2,980	530	—	(103)	3,407	—	—
Highland Europe I ³	2012	EUR	5,000	5,409	—	6,705	147	671	(611)	5,570	1,879	1,208
Highland Europe II	2015	EUR	5,000	4,237	763	3,357	947	—	92	4,396	—	—
Highland Europe III	2018	EUR	5,000	385	4,615	—	385	—	—	385	—	—
Institutional Venture Partners XII	2007	USD	5,000	5,000	—	1,520	—	134	(68)	1,318	581	447
Institutional Venture Partners XIII	2010	USD	5,000	4,750	215	3,207	—	352	82	2,938	680	328
Kennet III ³	2007	EUR	5,000	5,625	—	2,588	—	—	655	3,244	—	—
Pelion IV	2007	USD	1,693	1,693	—	1,606	—	—	96	1,702	—	—
Pelion V	2012	USD	1,039	989	43	736	—	107	(55)	574	322	215
Pelion VI	2015	USD	5,000	3,600	1,205	1,972	608	—	195	2,775	—	—
Renaissance Venture ⁴	1998	GBP	5,486	5,162	—	—	—	—	—	—	—	—
Renaissance Venture (Secondary) ⁴	1998	GBP	514	271	—	—	—	—	—	—	—	—
TAT Investments I	1997	USD	24,000	24,289	—	909	—	—	40	949	—	—
Undisclosed Growth Fund I	2011	EUR	5,000	5,349	—	4,887	228	n/d	n/d	5,815	n/d	n/d
Undisclosed Growth Fund II	2015	EUR	5,000	4,311	689	3,129	866	n/d	n/d	5,817	n/d	n/d
Undisclosed Growth Fund III	2018	USD	4,500	—	3,873	—	—	n/d	n/d	—	n/d	n/d
Total Venture Funds					20,791	38,013	4,324	1,643	5,575	46,268	4,792	3,150

For footnotes see bottom of page 17.

Minor differences in totals are due to rounding.

Investments held by the non-consolidated subsidiaries (continued)

	Commitments					Book values				Returns 01.04.18 - 30.09.18		
	Vintage	Original fund currency	Original amount FC 1,000	Paid in 30.09.18 FC 1,000	Unfunded commit- ment 30.09.18 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.18 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Special Situation Funds												
ABRY Advanced Securities Fund ⁵	2008	USD	15,000	7,218	462	180	—	—	5	185	—	—
ABRY Advanced Securities Fund III	2014	USD	8,000	3,831	3,588	3,576	210	20	253	4,019	146	126
ABRY Advanced Securities Fund IV	2018	USD	10,000	—	8,607	—	—	—	—	—	—	—
ABRY Senior Equity IV ³	2013	USD	5,000	5,078	—	3,440	43	120	429	3,793	253	114
ABRY Senior Equity V	2016	USD	5,500	1,179	3,719	458	511	—	59	1,028	1	—
ALPHA CEE Opportunity IV ^{2,3}	2016	EUR	10,000	5,751	4,249	4,251	810	271	813	5,603	397	126
ALPHA Russia & CIS Secondary ²	2010	USD	15,000	13,890	955	6,048	—	193	186	6,042	246	52
DB Secondary Opportunities Fund A ⁵	2007	USD	5,376	4,327	452	13	—	—	(1)	12	—	—
DB Secondary Opportunities Fund C	2007	USD	9,288	6,913	2,044	276	—	281	153	149	184	(104)
OCM European POF II	2007	EUR	5,000	4,995	5	730	—	—	(435)	295	—	—
OCM Opportunities Fund VII	2007	USD	5,000	5,000	—	370	—	62	(25)	284	113	52
OCM Opportunities Fund VIIb	2008	USD	5,000	4,500	430	296	—	41	(21)	234	86	45
Sycamore II ³	2014	USD	10,000	7,701	1,978	4,742	938	129	494	6,045	168	38
Sycamore III	2018	USD	10,000	220	8,417	—	184	—	(80)	104	—	—
WL Ross Recovery Fund IV ³	2007	USD	10,000	9,056	812	643	—	43	129	730	51	8
Total Special Situation Funds					35,719	25,023	2,697	1,159	1,960	28,520	1,644	459
Total Fund investments					93,939	152,036	12,754	7,046	11,131	168,874	14,591	7,210

For footnotes see bottom of page 17.

Minor differences in totals are due to rounding.

Investments held by the non-consolidated subsidiaries (continued)

	Commitments			Book values				Returns 01.04.18-30.09.18		
	Original currency	Original amount FC 1,000	Unfunded commit- ment 30.09.18 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.18 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Direct investments										
Acino Holding AG	USD	4,500	593	2,814	—	—	(381)	2,434	—	—
Applied Spectral Imaging	USD	4,462	—	2,007	—	—	121	2,128	—	—
Aston Martin	EUR	4,737	76	16,305	—	—	9,915	26,221	—	—
Cloudflare	USD	2,000	—	—	1,710	—	11	1,721	—	—
Earnix	USD	201	—	1,403	—	—	85	1,488	—	—
Enanta Pharmaceuticals	USD	7,279	—	2,346	—	—	281	2,627	—	—
Flos	EUR	4,172	—	6,221	—	—	1,273	7,494	—	—
Jamberry	USD	4,670	—	—	—	—	—	—	—	—
Microfabrica	USD	158	—	128	—	—	8	136	—	—
Neurotech	USD	2,203	—	443	—	—	27	470	—	—
Prysm	USD	420	—	341	—	—	21	361	—	—
Renaissance Learning	USD	5,005	—	—	4,319	—	(11)	4,308	—	—
Shawbrook	GBP	4,000	—	4,550	—	—	402	4,952	—	—
Total Direct investments			670	36,559	6,029	—	11,751	54,339	—	—

Minor differences in totals are due to rounding.

9.2 Financial assets at fair value through profit or loss

	Commitments		Book values				Returns 01.04.18-30.09.18			
	Original currency	Original amount FC 1,000	Unfunded commit- ment 30.09.18 EUR 1,000	Fair value 01.04.18 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.18 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Actano Holding AG (Equity)	CHF	8,450	—	4,815	—	—	(1,196)	3,619	—	—
Minicap Technology Investments	CHF	10,967	—	—	—	—	—	—	—	—
Strategic European Technologies N.V.	EUR	18,151	—	202	—	—	—	202	—	—
Total financial assets at fair value through profit or loss			—	5,017	—	—	(1,196)	3,821	—	—

Minor differences in totals are due to rounding.

10. Net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss and from financial assets at fair value through profit or loss

Non-consolidated subsidiaries			01.04.18- 30.09.18	01.04.17- 30.09.17
EUR 1,000				
Change in unrealised gains/(losses) on Private Equity Fund Finance Ltd.			16,261	(4,813)
Change in unrealised gains/(losses) on Private Equity Direct Finance Ltd.			11,230	2,906
Total net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss			27,491	(1,907)
Financial assets			01.04.18- 30.09.18	01.04.17- 30.09.17
EUR 1,000				
Change in unrealised gains/(losses) from financial assets at fair value through profit or loss			(1,196)	—
Realised gains/(losses) from financial assets at fair value through profit or loss			—	—
Total net gains/(losses) from financial assets at fair value through profit or loss			(1,196)	—

11. Segment information

Due to the nature of the business (all private equity investments), the Board of Directors has decided that there are no separate reporting segments.

12. Disclosures about fair value of financial instruments

The table below analyses recurring fair value measurements for the Company's financial instruments. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

- Level I inputs are quoted prices (unadjusted) in active markets for identical instruments that the Group can access at the measurement date
- Level II inputs are inputs other than quoted prices included within Level I that are observable for the instrument, either directly or indirectly
- Level III inputs are unobservable inputs for the instrument

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level III measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the instrument. The determination of what constitutes "observable" requires significant judgment by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses the Company's investments measured at fair value as of September 30, 2018 and March 31, 2018 on a look-through basis by the level in the fair value hierarchy into which the fair value measurement is categorised:

As of September 30, 2018				
EUR 1,000	Level I	Level II	Level III	Total
Investments in non-consolidated subsidiaries (look-through)				
Fund investments	—	—	168,874	168,874
Direct investments	2,627	—	51,712	54,339
Total investments in non-consolidated subsidiaries (look-through)	2,627	—	220,586	223,213
Financial assets at fair value through profit or loss				
Fund investments	—	—	202	202
Direct investments	—	—	3,619	3,619
Total financial assets measured at fair value through profit or loss	—	—	3,821	3,821
As of March 31, 2018				
EUR 1,000	Level I	Level II	Level III	Total
Investments in non-consolidated subsidiaries (look-through)				
Quoted securities	310	—	—	310
Fund investments	—	—	152,035	152,035
Direct investments	2,346	—	34,213	36,559
Total investments in non-consolidated subsidiaries (look-through)	2,656	—	186,248	188,904
Financial assets at fair value through profit or loss				
Fund investments	—	—	202	202
Direct investments	—	—	4,815	4,815
Total financial assets measured at fair value through profit or loss	—	—	5,017	5,017

Unquoted direct investments and loans

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

These include but are not limited to the following:

- Transaction price paid for an identical or a similar instrument in an investment, including subsequent financing rounds
- Comparable company valuation multiples
- Discounted cash flow method
- Reference to the valuation of the lead investor or other investors provided that these were determined in accordance with IFRS 13

Unquoted fund investments

In estimating the fair value of unquoted fund investments, the Company 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

The valuation method used for unquoted fund investments is the "adjusted net asset method". The Company does not utilise valuation models with model inputs to calculate the fair value for its Level III investments. The valuation 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 accordance with IFRS 13. In terms of IFRS 13 the NAV is considered to be the key unobservable input. No reasonably possible change in the inputs used in determining the fair value would cause the fair value of Level III investments to significantly change. 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 Company. 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 Company. The adjusted net asset method is the single technique used across all fund investment types (Buyout, Venture, Special Situations). Other reasons for adjustments include but are not limited to the following:

- The Company becoming aware of subsequent changes in the fair values of underlying investee companies
- Features of the fund agreement that might affect distributions
- Inappropriate recognition of potential carried interest
- 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 in accordance with IFRS 13
- In addition, the Company has the following control procedures in place to evaluate whether the NAV of the underlying fund investments is calculated in a manner consistent with IFRS 13:
 - Thorough initial due diligence process and ongoing monitoring procedures
 - Comparison of historical realisations to last reported fair values
 - Qualifications, if any, in the auditor's report or whether there is a history of significant adjustments to NAV reported by the fund manager as a result of its annual audit or otherwise

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. There were no transfers between the levels during the six months ended September 30, 2018.

The changes in investments measured at fair value for which the Company has used Level III inputs to determine fair value as of September 30, 2018 and March 31, 2018 are as follows:

As of September 30, 2018				
EUR 1,000	Investments in non-consolidated subsidiaries at fair value through profit or loss	Financial assets at fair value through profit or loss	Total	
Fair value of Level III investments at the beginning of the period	186,248	5,017	191,265	
Total capital calls from Level III investments	18,783	—	18,783	
Total distributions from Level III investments	(14,591)	—	(14,591)	
Total gains or losses:				
realised in profit or loss	7,545	—	7,545	
unrealised in profit or loss ¹	22,601	(1,196)	21,405	
Fair value of Level III investments at the end of the period	220,586	3,821	224,407	

As of March 31, 2018				
EUR 1,000	Investments in non-consolidated subsidiaries at fair value through profit or loss	Financial assets at fair value through profit or loss	Total	
Fair value of Level III investments at the beginning of the period	198,355	5,870	204,225	
Total capital calls from Level III investments	34,485	—	34,485	
Total distributions from Level III investments	(53,356)	—	(53,356)	
Total gains or losses:				
realised in profit or loss	6,276	—	6,276	
unrealised in profit or loss ¹	488	(853)	(365)	
Fair value of Level III investments at the end of the period	186,248	5,017	191,265	

¹ Unrealised profit or loss refers to instruments held at the reporting date.

13. Subsequent events

Aston Martin Lagonda Global Holdings plc (Aston Martin), one of the world's leading manufacturers of luxury sports cars, completed its initial public offering on October 3, 2018, on the London Stock Exchange. The issue price of GBP 19.00 per share implies a GBP 4.33bn valuation. The stock closed at GBP 18.10 on its first trading day.

The Company is invested in Aston Martin via a direct co-investment and holds further indirect exposure through its investment in Investindustrial V and BI-Invest Endowment Fund.

The entry cost of the co-investment in 2013 was EUR 4.7m. The valuation for the co-investment in Aston Martin as at September 30, 2018, is EUR 26.2 million (March 31, 2018: EUR 16.3 million).

Information for Investors

The registered shares of Private Equity Holding AG are traded on 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

Corporate calendar

April 2019	Preliminary NAV as of March 31, 2019
June 2019	Annual Report 2018/2019

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

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.
Change in unrealised gain/(loss)	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.
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.
Cost component of distribution (return of capital)	Portion of distribution which reflects the contributed capital.
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.
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.
NAV	Net asset value
Net acquisition cost (NAC)	Capital contributed minus cost component of distributions.
Realised gain/(loss)	Difference between total distribution and the cost component of distribution of a specific investment.
Unfunded commitment	Amount that the Group has not yet contributed to a private equity fund. Difference between original commitment and contributed capital.
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.

Private Equity Holding AG
Gotthardstrasse 28
CH-6302 Zug
Phone +41 41 726 79 80
Fax +41 41 726 79 81

www.peh.ch
info@peh.ch