

Half-Year Report as of September 30, 2017

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 2017/2018

Share Value	30.09.17 EUR	31.03.17 EUR	Change in % ¹	30.09.17 CHF	31.03.17 CHF	Change in % ¹
Net asset value per share, based on fair values	75.59	79.15	(4.5%)	86.57	84.66	2.3%
Price per share (PEHN.S)	66.23	66.01	0.3%	75.85	70.60	7.4%

¹ Excl. distributions.

Net Profit/(Loss) for the Period	01.04.17- 30.09.17 EUR 1,000	01.04.16- 30.09.16 EUR 1,000	Change in %
Profit/(loss) for the period	(2,266)	3,783	(160%)

Selected Balance Sheet Items (Consolidated) ²	30.09.17 EUR 1,000	31.03.17 EUR 1,000	Change in %
Current assets	10,455	5,836	79%
Non-current assets	195,345	209,492	(7%)
Current liabilities	471	431	9%
Non-current liabilities	—	—	n/a
Total equity	205,329	214,897	(4%)

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

Asset Allocation	Fair Value 30.09.17 EUR million	Unfunded Commitments 30.09.17 EUR million	Total Exposure ³ 30.09.17 EUR million	Total Exposure ³ 30.09.17 in %
Buyout funds	95.4	44.0	139.4	51%
Venture funds	37.5	19.6	57.1	21%
Special situation funds	22.6	15.9	38.5	14%
Total fund investments	155.5	79.5	235.0	85%
Direct investments and loans	39.8	0.7	40.5	15%
Total direct investments and loans	39.8	0.7	40.5	15%
Total funds, direct investments and loans	195.3	80.2	275.5	100%

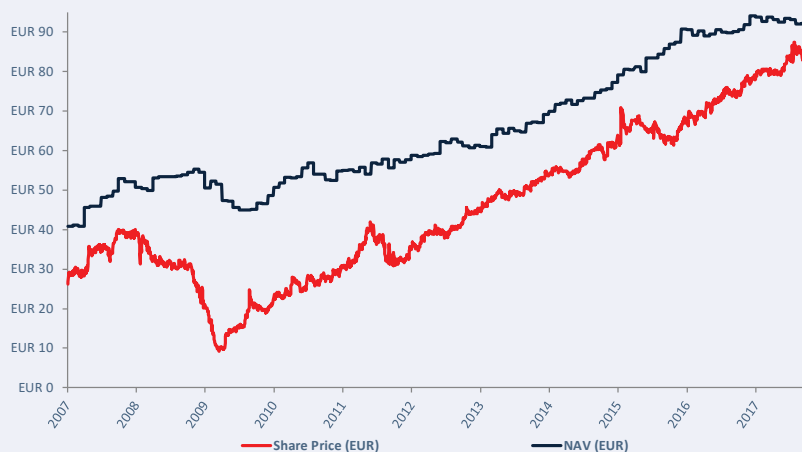
³ Fair value plus unfunded commitments.

Commitments	30.09.17	31.03.17	Change in %
Unfunded commitments (EUR million)	80.2	82.3	(3%)
Overcommitment ⁴	35.9%	36.7%	(2%)
Net current assets / unfunded commitments	12.5%	6.6%	98%

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 - 30.09.2017 (incl. distributions)



NAV per share in EUR: **+126.1%**

NAV per share in CHF: **+56.7%**

Share price in EUR: **+207.0%**

Share price in CHF: **+119.3%**

Discount to NAV as of September 30: **-12.4%**

Relative Performance of PEHN
01.01.2007 - 30.09.2017 (incl. distributions)



PEHN has outperformed
the LPX-50 PE-Index by: **+127.5%**

PEHN has outperformed
the MSCI World Index by: **+119.5%**

Chairman's Letter for the First Half of the Financial Year 2017/2018

Dear Shareholders,

As of September 30, 2017, the net asset value per share (NAV) of Private Equity Holding AG (PEH) stood at EUR 75.59 (CHF 86.57); this represents a performance of +2.3% in CHF over the course of the reporting period (including the distribution of CHF 3.00 per share in July 2017). In its reporting currency EUR, however, the NAV was down 1.1% (adjusted for the dividend), driven by FX-related valuation adjustments on the USD positions due to the EUR strengthening against the USD. Consequently, for the first half of the financial year 2017/18, PEH reports a loss of EUR 2.3 million.

Portfolio Development

PEH's portfolio remains solid: It was cash flow positive by EUR 15.5 million (EUR 26.9 million called for new investments and portfolio level expenses versus EUR 42.4 million received in distributions) and remains well diversified among all dimensions – time (vintage years), geography, industries and investment stages. The largest distribution was received from Doughty Hanson III passing on the remaining proceeds from the sale of LM Wind Power, a supplier of rotor blades to the wind industry. LM Wind Power was PEH's largest investment on a look-through basis and the sale had a positive effect on PEH's NAV and liquidity. Other noteworthy distributions came from ABRY Partners VII, Alpha CEE II, and from the sale of shares of NASDAQ-listed Enanta Pharmaceuticals Inc.

Investment Activity

PEH completed several new investments in the first half of the financial year. The most recent investment was a commitment of GBP 9.0 million to Pollen Street Capital III, a private equity fund manager focussed on investing in businesses in the financial services sector. This is a new relationship for PEH, which will further enhance our exposure to an attractive investment segment. Alongside Pollen Street Capital, PEH has additionally made a direct co-investment into Shawbrook, investing GBP 4.0 million into the specialist lending and savings bank serving UK SMEs and consumers with tailored products.

Strategic Continuity

The company's Annual General Meeting on July 10, 2017 approved all proposals by the Board of Directors. The eighth consecutive distribution, which for the first time amounted to CHF 3.00 per share, was paid to shareholders in July. The Board of Directors remain committed to continuing our successful three-fold strategy of ensuring long-term growth, NAV accretion, and achieving a regular yield.

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



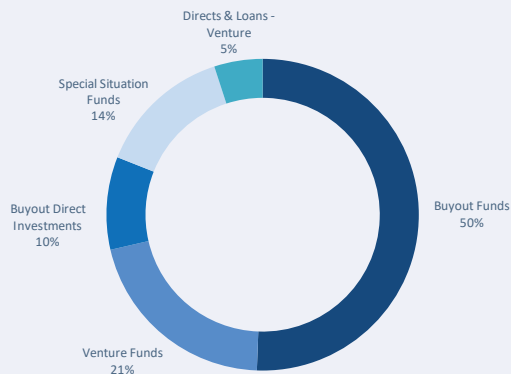
Dr. Hans Baumgartner

Chairman of the Board of Directors

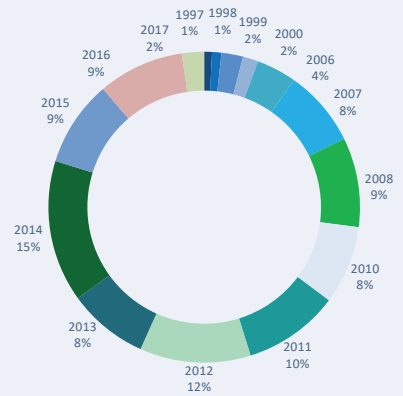
November 6, 2017

Private Equity Holding Portfolio Overview

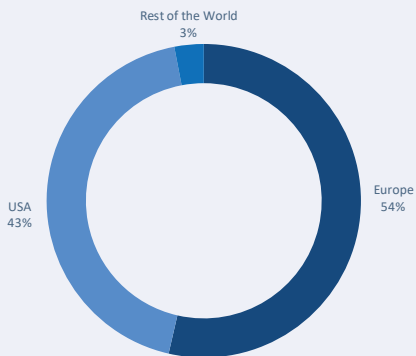
Allocation by Investment Category¹



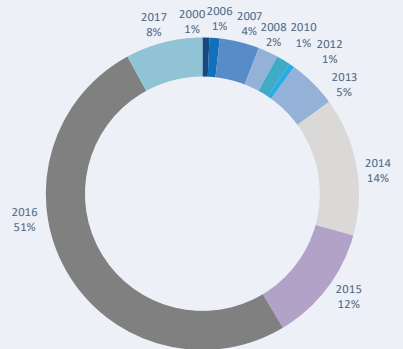
Fair Value of the Portfolio by Vintage Year



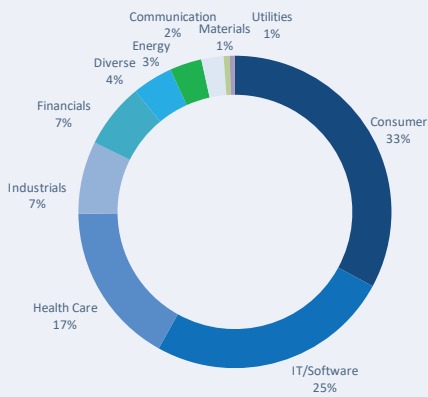
Allocation by Geography²



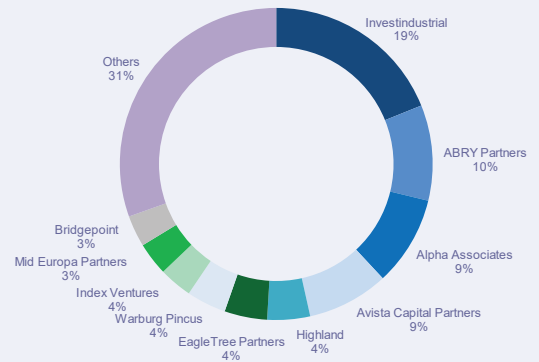
Unfunded Commitments of the Portfolio by Vintage



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 20.3% of the total fair value of PEH's investment portfolio



Aston Martin

Type: Direct Co-Investment
Industries: Automotive
Region: Europe
Fair Value: EUR 10.7 million
 5.5% of PEH Portfolio



Avista Capital Partners III

Fund Size: USD 1.3 billion
Type: Buyout
Industries: Diverse
Region: USA
Fair Value: EUR 8.6 million
 4.4% of PEH Portfolio



Bi-Invest Endowment Fund

Fund Size: EUR 263 million
Type: Buyout & Expansion
Industries: Diverse
Region: Europe
Fair Value: EUR 7.1 million
 3.6% of PEH Portfolio



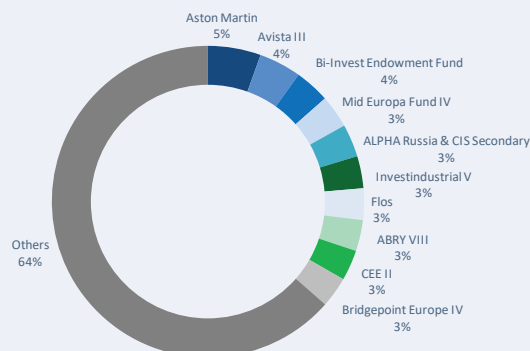
Mid Europa Fund IV

Fund Size: EUR 808 million
Type: Buyout
Industries: Diverse
Region: Central & Eastern Europe
Fair Value: EUR 6.7 million
 3.4% of PEH Portfolio



ALPHA Russia & CIS Secondary

Fund Size: USD 107 million
Type: Secondary
Industries: Diverse
Region: Russia & CIS / Central & Eastern Europe
Fair Value: EUR 6.6 million
 3.4% of PEH Portfolio



Five Largest Exposures by Unfunded Commitment

representing 40.0% of the total unfunded commitments of PEH's investment portfolio

PROCURITAS

Procuritas Capital Investors VI

Fund Size: EUR 311 million
Type: Buyout
Industries: Diverse
Region: Europe
Unfunded Commitment: EUR 9.2 million
 11.0% of PEH Portfolio



Clarus IV

Fund Size: USD 910 million
Type: Venture
Industries: Health Care
Region: USA & Canada
Unfunded Commitment: EUR 6.3 million
 7.9% of PEH Portfolio



Eagletree IV

Fund Size: USD 790 million
Type: Buyout
Industries: Diverse
Region: USA
Unfunded Commitment: EUR 6.1 million
 7.6% of PEH Portfolio



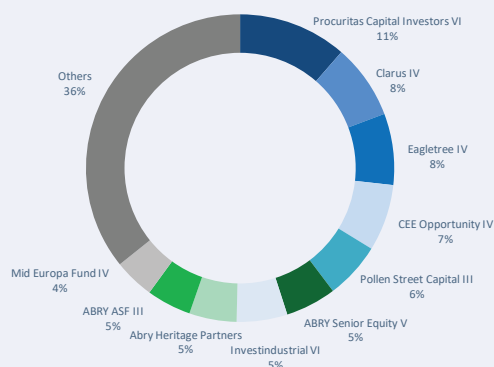
ALPHA CEE Opportunity IV

Fund Size: EUR 144 million
Type: Buyout
Industries: Diverse
Region: Central & Eastern Europe/
 Russia & CIS
Unfunded Commitment: EUR 5.7 million
 7.1% of PEH Portfolio



Pollen Street Capital III

Fund Size: GBP 176 million
Type: Buyout
Industries: Diverse
Region: Europe
Unfunded Commitment: EUR 4.8 million
 6.0% of PEH Portfolio



Statement of Comprehensive Income

EUR 1,000	Notes	01.04.17- 30.09.17	01.04.16- 30.09.16 (restated) ¹
Income			
Net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss	10	(1,907)	4,596
Foreign exchange gains/(losses)		526	(39)
Other income		27	—
Total income		(1,354)	4,557
Expenses			
Administration expenses	5	224	229
Corporate expenses		401	411
Transaction expenses		4	—
Total expenses		629	640
Profit from operations		(1,983)	3,917
Interest expenses		283	134
Profit for the period attributable to equity holders of the company		(2,266)	3,783
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		(2,266)	3,783
		01.04.17- 30.09.17	01.04.16- 30.09.16
Weighted average number of shares outstanding during period		2,714,961	2,714,671
Basic earnings per share (EUR)		(0.83)	1.39

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

¹ As a result of the adoption of IFRS 10 and the Amendments to IFRS 10, the Company has changed its accounting policy with respect to its investments in its Subsidiaries. The Subsidiaries, which were previously consolidated are now accounted for at fair value through profit or loss. Therefore, the previous year's figures were restated to be in line with the accounting policy applied in the current year. See Note 3.

Balance Sheet

EUR 1,000	Notes	30.09.17	31.03.17
Assets			
Current assets			
Cash and cash equivalents		2,150	96
Receivables and prepayments		258	123
Total current assets		2,408	219
Non-current assets			
Investments in non-consolidated subsidiaries at fair value through profit or loss	9	229,718	231,625
Financial assets at fair value through profit or loss	9	5,870	5,870
Total non-current assets		235,588	237,495
Total assets		237,996	237,714
Liabilities and equity			
Current liabilities			
Payables and other accrued expenses	6	171	129
Total current liabilities		171	129
Non-current liabilities			
Interest bearing borrowings		32,496	22,688
Total non-current liabilities		32,496	22,688
Total liabilities		32,667	22,817
Equity			
Share capital		10,311	10,311
Share premium		33,528	38,594
Treasury shares		(1,781)	(1,838)
Retained earnings		163,271	167,830
Total equity		205,329	214,897
Total liabilities and equity		237,996	237,714
		30.09.17	31.03.17
Total number of shares as of period end		2,750,000	2,750,000
Number of treasury shares as of period end		(33,696)	(34,992)
Number of shares outstanding as of period end		2,716,304	2,715,008
Net asset value per share (EUR)		75.59	79.15

Minor differences in totals are due to rounding.

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

Statement of Changes in Equity

EUR 1,000	Share capital	Share premium	Treasury shares	Retained earnings	Total equity
Opening as of 01.04.16	11,249	55,426	(13,621)	159,235	212,289
Profit/(loss) for the period	—	—	—	3,783	3,783
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	—	—
Total comprehensive income/(loss) for the period	—	—	—	3,783	3,783
Purchase of treasury shares	—	—	(1,454)	—	(1,454)
Sale of treasury shares	—	18	120	—	138
Cancellation of treasury shares ¹	(938)	(12,188)	13,126	—	—
Repayment of share premium ¹	—	(4,662)	—	(2,168)	(6,830)
Total contributions by and distributions to owners of the Company	(938)	(16,832)	11,792	(2,168)	(8,146)
Total as of 30.09.16	10,311	38,594	(1,829)	160,850	207,926

Opening as of 01.10.16	10,311	38,594	(1,829)	160,850	207,926
Profit/(loss) for the period	—	—	—	6,980	6,980
Total other comprehensive income/(loss) for the period, net of income tax	—	—	—	—	—
Total comprehensive income/(loss) for the period	—	—	—	6,980	6,980
Purchase of treasury shares	—	—	(9)	—	(9)
Repayment of share premium ¹	—	—	—	—	—
Total contributions by and distributions to owners of the Company	—	—	(9)	—	(9)
Total as of 31.03.17	10,311	38,594	(1,838)	167,830	214,897

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	—	24	106	—	130
Repayment of share premium ²	—	(5,090)	—	(2,294)	(7,384)
Total contributions by and distributions to owners of the Company	—	(5,066)	57	(2,294)	(7,303)
Total as of 30.09.17	10,311	33,528	(1,781)	163,271	205,329

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

¹ The Annual General Meeting held on July 8, 2016 decided to reduce the share capital by cancelling 250,000 treasury shares. The capital reduction was effective in the commercial register as of September 23, 2016. The Annual General Meeting decided further on a repayment of share premium (paid-in capital) in the amount of CHF 2.75 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 14, 2016.

² 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.

Statement of Cash Flows

	01.04.17- 30.09.17	01.04.16- 30.09.16 (Restated) ¹
Cash flow from operating activities		
Capital contributed to investments	—	(2,612)
Distributions received from investments	—	2,064
Other income	26	—
Administration expenses paid	(224)	(229)
Corporate expenses paid	(320)	(340)
Transaction expenses paid	(4)	—
Change in other working capital items	(92)	(109)
Net cash (used)/provided by operating activities	(614)	(1,226)
Cash flow from financing activities		
Proceeds from borrowings	9,807	9,780
Interest paid on borrowings	(283)	(134)
Commitment fee on borrowings	(81)	(71)
Purchase of treasury shares	(49)	(1,452)
Sale of treasury shares	130	142
Repayment of share premium	(7,384)	(6,830)
Net cash (used)/provided by financing activities	2,142	1,435
Net increase/(decrease) in cash and cash equivalents	1,528	209
Cash and cash equivalents at the beginning of the period	96	184
Effects of exchange rate changes on cash and cash equivalents	526	(39)
Cash and cash equivalents at the end of the period	2,150	354

Minor differences in totals are due to rounding.

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

¹ As a result of the adoption of IFRS 10 and the Amendments to IFRS 10, the Company has changed its accounting policy with respect to its investments in its Subsidiaries. The Subsidiaries, which were previously consolidated are now accounted for at fair value through profit or loss. Therefore, the previous year's figures were restated to be in line with the accounting policy applied in the current year.

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 IAS 34 and do not include all of the information required for full annual financial statements. The principles of accounting applied in these condensed interim financial statements correspond to those of the financial statements as at and for the year ended March 31, 2017, unless otherwise stated.

These interim financial statements were authorised for issue on November 6, 2017 by the Board of Directors.

b) Estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgments 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 financial statements as at and for the year ended March 31, 2017.

3. Significant accounting policies

The Company has adopted the Annual Improvement to IFRS 2014-2016 Cycle with effective date January 1, 2017. In addition the Company has adopted the "Amendments to IAS 7 and IAS 12". None of the improvements had a significant effect on the measurement of the amounts recognised in the financial statements of the Company.

Application of the Investment Entity Exemption of IFRS 10

As per April 1, 2016, the Company has adopted "Amendments to IFRS 10, 12 and IAS 28: Applying the Investment Entity Exemption." For the considerations made in determining if the Company is an investment entity and the impact on the financial statements as at the date of the first time adoption of the amendment, please refer to the disclosure made in note 3. h) of the annual financial statements as at March 31, 2017.

Impact of the adoption of Amendments to IFRS 10, 12 and IAS 28: Applying the Investment Entity Exemption

In the annual financial statements as of March 31, 2017, the Company showed the impact of the adoption of IFRS 10 and the Amendments to IFRS 10. In these interim financial statements only the restatement of comprehensive income is presented. The following table shows the adjustments made to each line item of the statement of comprehensive income for the comparative figures of the period 01.04.16-30.09.16:

Restatement of Comprehensive Income 01.04.16-30.09.16

EUR 1,000	Presented for 01.04.16 to 30.09.16	Adjustments	01.04.16 - 30.09.16 (Restated) ¹
Income			
Net gains from investments in non-consolidated subsidiaries at fair value through profit or loss	—	4,596	4,596
Net gains from financial assets at fair value through profit or loss	6,333	(6,333)	—
Foreign exchange gains/(losses)	5	(44)	(39)
Total income	6,338	(1,781)	4,557
Expenses			
Administration expenses	2,078	(1,849)	229
Corporate expenses	451	(40)	411
Interest expenses on bank borrowings	26	(26)	—
Total expenses	2,555	(1,915)	640
Profit from operations	3,783	134	3,917
Interest expense on borrowings	—	134	134
Profit for the period attributable to equity holders of the company	3,783	—	3,783
Total comprehensive income for the period attributable to equity holders of the company	3,783	—	3,783

4. Treasury share transactions

The company held 33,696 treasury shares as of September 30, 2017 (30.09.2016: 34,847; 31.03.2017: 34,992). The Company has the right to re-issue/sell the treasury shares at any time.

5. Administration expenses

EUR 1,000	PEH		Subsidiaries		Total	
	01.04.17- 30.09.17	01.04.16- 30.09.16	01.04.17- 30.09.17	01.04.16- 30.09.16	01.04.17- 30.09.17	01.04.16- 30.09.16
Management and administration fees	224	229	1,726	1,761	1,950	1,990
Performance fees	—	—	—	88	—	88
Total	224	229	1,726	1,849	1,950	2,078

Management and performance fees are paid to ALPHA Associates (Cayman), LP, a related party. As of September 30, 2017, no performance fees were due (31.03.2017: EUR nil).

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

6. Payables and accrued expenses

EUR 1,000	30.09.17	31.03.17
Payables to third parties	11	11
Accrued expenses	160	118
Total payables and accrued expenses	171	129

7. Unfunded commitments

As of September 30, 2017, the Group's unfunded commitments amounted to EUR 80.2 million (31.03.2017: EUR 82.3 million) (refer to Note 9).

8. Financial liabilities measured at amortised cost

With effect from April 1, 2016, the Company signed a loan agreement with Private Equity Fund Finance (a Subsidiary). The lender (Private Equity Fund Finance) has agreed to lend the borrower (Private Equity Holding AG) the total sum of up to CHF 40.0 million at an 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 total amount of interest bearing borrowings as of September 30, 2017 stood at EUR 32.5 million (March 31, 2017: EUR 22.7 million).

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	Original fund currency	Commitments			Book values			Returns 01.04.17 - 30.09.17			
			Original amount FC 1,000	Paid in 30.09.17 FC 1,000	Unfunded commit- ment 30.09.17 EUR 1,000	Fair value 01.04.17 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.17 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Buyout Funds												
ABRY Heritage Partners	2016	USD	5,600	858	4,012	734	71	—	(26)	779	—	—
ABRY Partners VI ³	2008	USD	7,500	7,458	35	1,486	11	6	(1,322)	169	105	99
ABRY Partners VII ³	2011	USD	7,500	7,649	—	5,867	12	964	(856)	4,059	2,606	1,642
ABRY Partners VIII ³	2014	USD	9,375	7,563	1,533	6,979	85	449	(303)	6,313	440	(17)
ALPHA CEE II ²	2006	EUR	15,000	14,163	837	8,516	—	2,088	(228)	6,200	2,490	402
ALPHA CEE Opportunity IV ²	2016	EUR	10,000	4,340	5,660	5,639	—	—	(328)	5,311	—	—
Avista Capital Partners ³	2006	USD	10,000	11,692	—	4,232	45	515	(1,812)	1,950	1,958	1,443
Avista Capital Partners II ³	2008	USD	10,000	12,656	—	5,439	442	375	(2,681)	2,825	2,296	1,913
Avista Capital Partners III ³	2011	USD	10,000	10,894	—	9,058	295	29	(774)	8,551	44	(5)
Bi-Invest Endowment Fund	2014	EUR	5,000	5,000	—	6,435	—	—	657	7,092	—	—
Bridgepoint Europe I B ¹	1998	GBP	15,000	620	*	181	—	—	(6)	175	—	—
Bridgepoint Europe IV ³	2008	EUR	10,000	9,924	199	5,683	—	168	673	6,188	236	27
Capvis Equity III ³	2008	EUR	10,000	10,857	545	4,603	185	727	(1,041)	3,021	2,249	1,456
Clayton, Dubilier and Rice Fund VI ¹	1998	USD	35,000	9,661	*	128	—	—	(14)	113	—	—
Doughty Hanson & Co. III No. 12 ¹	1997	USD	65,000	46,121	*	18,955	77	27,164	8,554	422	18,764	(8,400)
Eagletree Partners III ³	2012	USD	10,000	9,654	292	6,232	355	—	(1,216)	5,371	594	—
Eagletree Partners IV	2015	USD	10,000	2,849	6,051	593	1,697	191	84	2,183	184	(7)
Francisco Partners	2000	USD	3,222	2,937	249	74	—	19	(36)	20	30	(3)
Industri Kapital 2007 Fund ³	2007	EUR	10,000	10,386	—	1,225	—	141	(334)	750	211	(22)
Investindustrial IV ³	2008	EUR	10,000	10,694	5	5,859	52	601	217	5,528	613	(17)
Investindustrial V ³	2012	EUR	5,000	5,035	—	4,999	669	—	852	6,520	—	—
Investindustrial VI	2016	EUR	5,000	708	4,292	579	55	—	33	667	—	—
Mid Europa Fund IV	2014	EUR	10,000	6,585	3,415	5,805	—	—	848	6,653	—	—
Palamon ECP ^{1,2}	1999	EUR	10,000	7,745	*	349	—	—	(4)	346	—	—
Pollen Street Capital III	2016	GBP	9,000	4,774	4,794	—	5,430	—	(14)	5,416	—	—
Procuritas Capital Investors VI	2016	EUR	10,000	797	9,203	40	757	—	(62)	735	—	—
Warburg Pincus Private Equity X	2007	USD	15,000	15,263	14	6,716	235	812	(292)	5,848	1,286	451
Warburg Pincus Private Equity XII	2015	USD	6,000	2,601	2,876	1,248	1,022	18	(101)	2,151	15	(3)
Total Buyout Funds					44,012	117,651	11,495	34,264	471	95,354	34,122	(1,038)

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 12.6 million (whereof Investindustrial IV accounts for EUR 2.1 million, Capvis Equity III accounts for EUR 2.0 million and Industri Kapital 2007 Fund accounts for EUR 1.5 million) are recallable from these funds as of September 30, 2017. 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 01.04.17 - 30.09.17		
	Vin- tage	Original fund currency	Original amount FC 1,000	Paid in 30.09.17 FC 1,000	Unfunded commit- ment 30.09.17 EUR 1,000	Fair value 01.04.17 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.17 EUR 1,000	Total distrib- utions EUR 1,000	Real. gains/ (losses) EUR 1,000
Venture Funds												
Boulder Ventures IV	2001	USD	11,250	11,516	—	794	—	1,594	1,385	585	114	(1,480)
Carmel Software Fund	2000	USD	10,000	10,293	—	121	—	—	(51)	70	350	350
Carmel Software Fund (Secondary)	2000	USD	782	782	—	36	—	—	(15)	21	104	104
CDC Innovation 2000	2000	EUR	10,002	9,676	326	973	—	—	(41)	932	—	—
Clarus Lifesciences III	2013	USD	7,500	3,518	3,370	2,280	574	—	(323)	2,530	—	—
Clarus IV	2017	USD	7,500	—	6,346	—	—	—	—	—	—	—
Evolution Technology	2016	USD	5,000	2,463	2,147	—	2,059	—	25	2,084	—	—
Highland Europe I	2012	EUR	5,000	5,131	—	6,019	48	—	23	6,090	140	140
Highland Europe II	2015	EUR	5,000	2,794	2,206	2,018	657	—	(126)	2,549	—	—
Institutional Venture Partners XI	2004	USD	5,000	5,000	—	128	—	—	24	152	—	—
Institutional Venture Partners XII	2007	USD	5,000	5,000	—	2,098	—	333	140	1,905	420	86
Institutional Venture Partners XIII	2010	USD	5,000	4,750	212	4,391	—	176	(482)	3,734	168	(8)
Kennet III ³	2007	EUR	5,000	5,625	—	3,533	—	409	(10)	3,114	287	(123)
Pelion IV	2007	USD	1,693	1,693	—	1,863	—	33	(168)	1,662	44	11
Pelion V	2012	USD	1,039	924	97	860	47	—	(99)	808	—	—
Pelion VI	2015	USD	5,000	2,575	2,052	1,833	411	—	(225)	2,019	—	—
Renaissance Venture ⁴	1998	GBP	5,486	5,162	—	1,612	—	—	(682)	930	—	—
Renaissance Venture (Secondary) ⁴	1998	GBP	514	271	—	1,209	—	—	(512)	697	—	—
TAT Investments I	1997	USD	24,000	24,289	—	1,104	—	—	(151)	953	—	—
Undisclosed Growth Fund I	2011	EUR	5,000	4,980	269	5,229	40	n/d	n/d	4,459	n/d	n/d
Undisclosed Growth Fund II	2015	EUR	5,000	2,464	2,536	2,190	107	n/d	n/d	2,241	n/d	n/d
Total Venture Funds					19,559	38,290	3,943	2,797	(1,900)	37,535	1,935	(862)

For footnotes see bottom of page 17.

Minor differences in totals are due to rounding.

Investments held by the non-consolidated subsidiaries (continued)

	Vintage	Original fund currency	Commitments			Book values				Returns 01.04.17 - 30.09.17		
			Original amount FC 1,000	Paid in 30.09.17 FC 1,000	Unfunded commit- ment 30.09.17 EUR 1,000	Fair value 01.04.17 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.17 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	454	220	—	—	(32)	187	—	—
ABRY Advanced Securities Fund III	2014	USD	8,000	3,536	3,777	3,652	240	102	(129)	3,661	119	16
ABRY Senior Equity IV ³	2013	USD	5,000	4,922	66	4,294	102	352	(227)	3,818	507	116
ABRY Senior Equity V	2016	USD	5,500	415	4,303	278	104	—	(36)	346	—	—
ALPHA Russia & CIS Secondary ²	2010	USD	15,000	13,890	939	7,190	—	—	(546)	6,644	—	—
DB Secondary Opportunities Fund A ⁵	2007	USD	5,376	4,327	444	8	—	—	7	15	—	—
DB Secondary Opportunities Fund C	2007	USD	9,288	6,913	2,009	315	—	—	(16)	299	—	—
OCM European POF II	2007	EUR	5,000	4,995	5	893	—	—	(147)	746	—	—
OCM Opportunities Fund VII	2007	USD	5,000	5,000	—	486	—	25	(91)	370	50	25
OCM Opportunities Fund VIIb	2008	USD	5,000	4,500	423	361	—	18	(16)	327	35	17
Sycamore II	2014	USD	10,000	6,800	2,707	1,640	3,589	—	4	5,233	—	—
WL Ross Recovery Fund IV ³	2007	USD	10,000	9,056	798	1,260	—	134	(158)	967	196	62
Total Special Situation Funds					15,926	20,596	4,036	631	(1,388)	22,614	907	236
Total Fund investments					79,497	176,538	19,474	37,693	(2,816)	155,502	36,964	(1,664)

For footnotes see bottom of page 17.

Minor differences in totals are due to rounding.

Investments held by the non-consolidated subsidiaries (continued)

	Vintage	Original fund currency	Commitments			Book values				Returns 01.04.17-30.09.17		
			Original amount FC 1,000	Paid in 30.09.17 FC 1,000	Unfunded commit- ment 30.09.17 EUR 1,000	Fair value 01.04.17 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.17 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Direct investments												
Acino Holding AG		USD	4,500	583	2,738	—	—	410	3,149	—	—	
Applied Spectral Imaging		USD	4,462	—	2,313	—	—	(220)	2,093	—	—	
Aston Martin		EUR	4,737	76	8,261	—	—	2,438	10,699	—	—	
Earnix		USD	201	—	1,644	—	—	(157)	1,487	—	—	
Enanta Pharmaceuticals		USD	7,279	—	5,267	—	397	(1,278)	3,592	3,145	2,749	
Flos		EUR	4,172	—	5,811	—	—	584	6,395	—	—	
Jamberry		USD	4,670	—	—	811	—	259	1,070	—	—	
Microfabrica		USD	158	—	148	—	—	(14)	134	—	—	
Neurotech		USD	2,203	—	510	—	—	(49)	461	—	—	
Prysm		USD	420	—	393	—	—	(37)	355	—	—	
Shawbrook		GBP	4,000	—	—	4,361	—	177	4,538	—	—	
Total Direct investments					659	27,084	5,172	397	2,114	33,973	3,145	2,749

Minor differences in totals are due to rounding.

9.2 Financial assets at fair value through profit or loss

	Commitments		Book values				Returns		01.04.17-30.09.17	
	Original currency	Original amount FC 1,000	Unfunded commit- ment 30.09.17 EUR 1,000	Fair value 01.04.17 EUR 1,000	Capital calls EUR 1,000	Return of capital EUR 1,000	Change in unrealised gains/ (losses) EUR 1,000	Fair value 30.09.17 EUR 1,000	Total distri- butions EUR 1,000	Real. gains/ (losses) EUR 1,000
Actano Holding AG (Equity) ¹	CHF	6,026	—	3,398	2,267	—	—	5,665	—	—
Actano Holding AG (Convertible notes) ¹	EUR	4,029	—	2,267	—	2,267	—	—	2,267	—
Minicap Technology Investments	CHF	10,967	—	—	—	—	—	—	—	—
Strategic European Technologies N.V.	EUR	18,151	—	205	—	—	—	205	—	—
Total financial assets at fair value through profit or loss			—	5,870	2,267	2,267	—	5,870	2,267	—

Minor differences in totals are due to rounding.

¹ In April 2017 Actano loans in the amount of EUR 2,267k were converted into equity.

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		01.04.16- 30.09.16 (Restated)	01.04.17- 30.09.17
EUR 1,000			
Change in unrealised gains/(losses) on Private Equity Fund Finance Ltd.		4,642	(4,813)
Change in unrealised gains/(losses) on Private Equity Direct Finance Ltd.		(46)	2,906
Total net gains/(losses) from investments in non-consolidated subsidiaries at fair value through profit or loss		4,596	(1,907)
Financial assets		01.04.16- 30.09.16 (Restated)	01.04.17- 30.09.17
EUR 1,000			
Change in unrealised gains/(losses) from financial assets at fair value through profit or loss		(302)	—
Realised gains/(losses) from financial assets at fair value through profit or loss		302	—
Total net gains/(losses) from financial assets at fair value through profit or loss		—	—

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, 2017 and March 31, 2017 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, 2017				
EUR 1,000	Level I	Level II	Level III	Total
Investments in non-consolidated subsidiaries (look-through)				
Fund investments	—	—	155,502	155,502
Direct investments	3,592	—	30,381	33,973
Total investments in non-consolidated subsidiaries (look-through)	3,592	—	185,883	189,475
Financial assets at fair value through profit or loss				
Fund investments	—	—	205	205
Direct investments	—	—	5,665	5,665
Loans	—	—	—	—
Total financial assets measured at fair value through profit or loss	—	—	5,870	5,870

As of March 31, 2017				
EUR 1,000	Level I	Level II	Level III	Total
Investments in non-consolidated subsidiaries (look-through)				
Fund investments	—	—	176,538	176,538
Direct investments	5,267	—	21,817	27,084
Total investments in non-consolidated subsidiaries (look-through)	5,267	—	198,355	203,622
Financial assets at fair value through profit or loss				
Fund investments	—	—	205	205
Direct investments	—	—	3,398	3,398
Loans	—	—	2,267	2,267
Total financial assets measured at fair value through profit or loss	—	—	5,870	5,870

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, 2017.

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, 2017 and March 31, 2017 are as follows:

As of September 30, 2017	Investments in non-consolidated subsidiaries at fair value through profit or loss	Financial assets at fair value through profit or loss	Total
EUR 1,000			
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	24,646	2,267	26,913
Total distributions from Level III investments	(36,964)	(2,267)	(39,231)
Total gains or losses:			
realised in profit or loss	(729)	—	(729)
unrealised in profit or loss ¹	575	—	575
Fair value of Level III investments at the end of the period	185,883	5,870	191,753

As of March 31, 2017	Investments in non-consolidated subsidiaries at fair value through profit or loss	Financial assets at fair value through profit or loss	Total
EUR 1,000			
Fair value of Level III investments at the beginning of the period	194,854	4,973	199,827
Total capital calls from Level III investments	27,270	3,729	30,999
Total distributions from Level III investments	(40,374)	(2,064)	(42,438)
Total gains or losses:			
realised in profit or loss	20,523	302	20,825
unrealised in profit or loss ¹	(3,918)	(1,070)	(4,988)
Fair value of Level III investments at the end of the period	198,355	5,870	204,225

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

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 2018	Preliminary NAV as of March 31, 2018
June 2018	Annual Report 2017/2018

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.

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