

**Company announcement no 5 2009/10**

Copenhagen, 22 June 2009

**Interim Report for the period 1 February 2009 – 30 April 2009**

The Board of Directors of Scandinavian Private Equity A/S (SPEAS) has today considered and approved the Company's Interim Report for the period 1 February 2009 – 30 April 2009. The Interim Report has not been audited and contains the following highlights:

- SPEAS has made investment commitments to five selected private equity funds, which SPEAS considers to be among the top funds within their segments: EQT V, Industri Kapital 2007, Litorina Kapital III, Apax Europe VII and Herkules Private Equity Fund III.
- SPEAS's investments through private equity funds amount to DKK 247m, and the uncalled proportion of the Company's investment commitments to private equity funds totals approximately DKK 520m, which the funds may invest in new companies over the next few years.
- In addition, SPEAS has invested DKK 79m in listed shares in private equity companies and deposited DKK 339m with Danish banks.
- The Company recorded a profit of DKK 7.2m for the period. Investments through private equity funds have been written down by DKK 2.1m, and the portfolio of listed shares in private equity companies generated a total positive return of DKK 10.5m. Following the placement of cash, net financials totalled DKK 3.7m.
- Equity stood at DKK 670.5m at 30 April 2009, equal to a book value per share of DKK 13,482 against a quoted price of DKK 6,400 at 18 June 2009.
- In the financial period, SPEAS bought back another 163 own shares totalling DKK 0.9m as the share price was considered attractive compared with the Company's other investment alternatives.
- Since the end of the financial period, SPEAS's portfolio of listed shares in private equity companies has generated a positive return of DKK 7.6m, equal to DKK 153 per share.
- SPEAS maintains its earnings forecast ranging from a loss of DKK 15m to a profit of DKK 5m for the current financial year ending on 31 January 2010 before value adjustment on investments through private equity funds. The results for the year will depend on the development in financial markets.

**For further information, please contact:**

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Yours sincerely

Scandinavian Private Equity A/S

Jens Erik Christensen  
Chairman

Ole Mikkelsen  
CEO

**About SPEAS**

SPEAS is the first listed company in Denmark to offer a wide group of investors access to private equity fund investments. SPEAS focuses on funds which primarily invest in Europe and where at least one of the Nordic countries is included in the geographic focus, with buyout funds as the main target. This focus has been chosen given the networks, long experience and competency within this field of the managements of SPEAS and Scandinavian Private Equity Partners A/S (the associated management company) and the historically very attractive returns generated by Nordic buyout funds.

# **Scandinavian Private Equity A/S**

## **Interim Report**

1 February 2009 – 30 April 2009

*This document is an English translation of the original Danish text. In the event of discrepancies between the original Danish text and the English translation, the Danish text shall prevail.*

## Management's Review

### Profit for the period

Profit for the period came to DKK 7.2m, which is considered satisfactory. Until SPEAS has invested its capital in full through private equity funds, a portion of the Company's capital will be invested in interest-bearing debt instruments and listed shares in private equity companies. Net financials came to DKK 3.7m. The Company recorded negative value adjustments on investments through private equity funds of DKK 2.1m, and the portfolio of listed shares in private equity companies generated a positive return of DKK 10.5m.

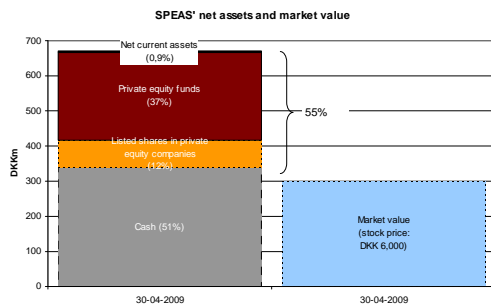
In the financial period, SPEAS bought back additional own shares in the market as the share price was considered attractive compared with the Company's other investment alternatives. The Company bought back 163 own shares of DKK 922,000. At 30 April 2009, the Company had thus bought back a total of 316 own shares.

In the financial period, SPEAS paid DKK 0.8m, inclusive of VAT, in management fees to the management company, Scandinavian Private Equity Partners A/S, in accordance with the management agreement.

Equity stood at DKK 670.5m at 30 April 2009 corresponding to a book value per share of DKK 13,482.

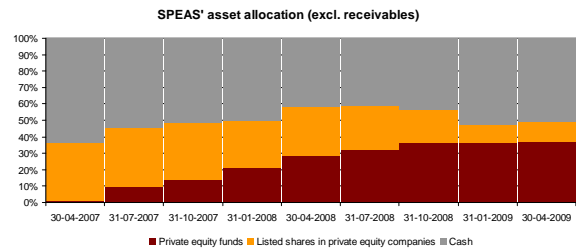
### Asset allocation at 30 April 2009

SPEAS has invested DKK 247m through private equity funds, which reflects the fact that a number of years typically pass from the time when SPEAS makes an investment commitment to a fund to the time when the fund calls the entire commitment. At 30 April 2009, the Company's assets had been allocated as follows:



SPEAS's main asset is its DKK 339m cash balance. At 30 April 2009, SPEAS's market cap amounted to 45% of the book value of net assets.

At 30 April 2009, the Company had DKK 418m for future investments through private equity funds – of which DKK 79m had been invested in listed shares in private equity companies.



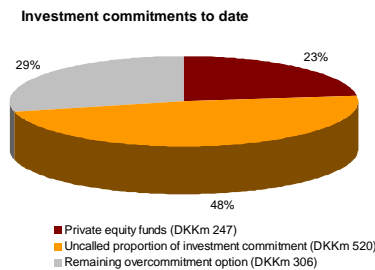
The chart above shows a breakdown of SPEAS's assets quarter by quarter and illustrates the rise in the share of investments through private equity funds throughout the period.

### Investment activities

#### Investments through private equity funds

At 30 April 2009, SPEAS had made investment commitments to five selected private equity funds which SPEAS considers to be among the top funds within their segments: EQT V, Industri Kapital 2007, Litorina Kapital III, Apax Europe VII and Herkules Private Equity Fund III. The commitments reflect the fact that SPEAS is recognised as a potential investor among well-established managers of private equity funds. For further information on the individual private equity funds, please see SPEAS's website [www.speas.dk](http://www.speas.dk).

SPEAS's investments, including the uncalled proportion under investment commitments made, equal 114% of equity and 71% of SPEAS's total commitment capacity including the overcommitment option (60% of equity).



Thus, SPEAS may make further investment commitments of a maximum of DKK 306m.

At 30 April 2009, the Company had made the following investment commitments:

Private equity fund	Original investment commitment	Remaining investment commitment	Acquisition cost	Book value
		Currency (DKK)	(DKK)	(DKK)
<b>EQT V</b>	EUR 40m	EUR 19.0m	141.4	119.2
<b>Industri Kapital 2007</b>	EUR 25m	EUR 19.0m	141.7	35.5
<b>Apax Europe VII</b>	EUR 30m	EUR 16.8m	125.1	60.4
<b>Litorina Kapital III</b>	SEK 100m	SEK 52.2m	36.4	31.5*
<b>Herkules PEF III</b>	NOK 100m	NOK 88.6m	75.6	
<b>Total</b>			520.2	246.6

\*The figures for Litorina Kapital III and Herkules PEF III have been added up in accordance with the agreed terms of publication.

Private equity is a long-term investment, and each private equity fund typically has an investment horizon of 3-5 years before all fund capital has been called and invested. Consequently, a number of years will pass before the Company's capital is fully invested through private equity funds.

So far, private equity funds have invested DKK 246.6m of SPEAS's investment commitments in 32 companies. The acquisition cost amounted to DKK 310.7m. At [www.speas.dk](http://www.speas.dk), SPEAS will regularly publish information on the funds' activities to the extent that the funds disclose such information.

In Q1 2009/10, SPEAS recorded negative value adjustments on investments through private equity funds of DKK 2.1m, of which DKK 0.2m was attributable to an adverse exchange rate development. The value adjustments equal 0.9% of total investments through private equity funds.

In the long term, the Company's private equity investments are expected to generate a return that exceeds the return on listed shares. Short-term returns on private equity investments may, however, differ significantly from long-term returns. Firstly, short-term returns are chiefly based on estimated investment values, whereas long-term returns are mainly based on realised values. Secondly, investments are usually not value adjusted in the first year of their investment horizon. Of SPEAS's total investments through private equity funds, approx 65% of the investments were value-adjusted.

**Listed shares in private equity companies**

In accordance with its prospectus, SPEAS has invested part of its capital in listed shares in private companies. The portfolio was built in April 2007 to offer SPEAS's shareholders exposure to the private equity market until the company capital has been invested through private equity funds.

At the end of the reporting period, the market value of this portfolio was DKK 79.2m, and measured at market prices, 44% of the portfolio was denominated in EUR, 36% in GBP, 16% in SEK and 4% in USD.

SPEAS's five largest listed equity investments at 30 April 2009 are listed below:

Company	Country	Market value (DKKm)
GIMV	NL	11.3
Electra	UK	9.7
Ratos	S	9.4
Eurazeo	F	8.3
3i	UK	8.1
Other		32.4
<b>Total</b>		<b>79.2</b>

SPEAS recorded a gain of DKK 10.5m on the portfolio, corresponding to 15.1% of total investments in listed shares in private equity companies or 1.6% of the Company's equity at the beginning of the current financial year. Since the end of the reporting period under review, the market value of the portfolio has increased as a result of general market trends, and the positive value adjustment since the end of the report-

ing period under review came to DKK 7.6m at 19 June 2009.

The remaining liquidity, DKK 339m, currently consists in bank deposits, which contributed a net income of DKK 3.7m in the financial period.

The Company believes that the placement of liquid assets currently leaves SPEAS with sufficient cash resources to honour the commitments made, while providing exposure to the private equity market through investments in listed shares in private equity companies.

**Tax status**

SPEAS is expected to be classified as a tax-exempt investment company as from 1 February 2009 implying that Danish investors will be taxed on the basis of the price development. This does not alter SPEAS's book value or outlook.

The definition of an investment company stated in section 19 of the Danish Capital Gains Tax Act was amended by the Danish act no 98 dated 10 February 2009, and it is now considered to apply to SPEAS. SPEAS is the first listed company in Denmark to offer a wide group of investors access to private equity fund investments. In order to obtain the highest possible fiscal clarity, the company has referred the matter for consultation to the Danish tax authorities to get a binding response.

Further information on future taxation will be published on the Company's website when the consultation response has been received from the tax authorities.

**Comments on market trends**

Scarce liquidity in the markets has led to higher financing costs and tighter terms in relation to corporate acquisitions in general, which has put a downward pressure on acquisition prices. In SPEAS's opinion, increased financing costs have a temporary dampening effect on the number of acquisitions, which has characterised 2008 and Q1 2009 in general, until price levels match financing terms. In SPEAS's opinion, this trend will not significantly affect the return potential of future investments through private equity funds, as the funds are expected to take this into account when making future investment decisions. However, as a consequence of market trends, the risk of impairment losses on existing investments is currently deemed to be higher than under more normal market conditions.

At present, the task of securing adequate attractive funding for new acquisitions is extremely challenging. However, the funds in which SPEAS has invested have a business operations record of high quality and solvency and are therefore expected to be in a comfortable position once financing market pressures abate.

**Outlook**

The Company's objective is to create an attractive return in the private equity market over an investment cycle.

As it takes a number of years to build a portfolio of private equity assets, the Company will have considerable liquidity in the financial year 2009/10 as well. Results for the year will depend on the general economic climate, including financial market trends and especially the private equity market, the market for listed shares in private equity companies and the fixed income market.

The Company's expectations for the future are based on assumptions about the development in the financial markets included in the Company's investment universe, including an assumption of normal returns on the current portfolio of listed shares in private equity companies for the remaining part of the financial year. Earnings expectations are therefore subject to considerable uncertainty.

SPEAS maintains its earnings forecast ranging from a loss of DKK 15m to a profit of DKK 5m for the current financial year ending on 31 January 2010 before value adjustment on investments through private equity funds. The results for the year will depend on the development in financial markets.

**Share price**

Since 1 February 2009, the price of the Company's shares has decreased from DKK 6,350 to DKK 6,000 at 30 April 2009, or 5.5%. By comparison, the Dow Jones Stoxx Private Equity 20 Index, which contains the 20 largest listed private equity companies in Western Europe, has gone up by 17.5%.

In the financial period, the book value increased by 1.1% to DKK 13,482 per share. In the period, 1,464 shares were traded at an average price of DKK 5,798, corresponding to a total market value of DKK 8.5m. At 18 June 2009, the market price was DKK 6,400 per share.

**Company announcements and news in the period**

To date, SPEAS has issued the following company announcements and news:

Date	Company announcements	Other news
11 March 2009	Company announcement no 1 2009/10 "Forecast 2008/09"	
30 April 2009	Company announcement no 2 2009/10, "Preliminary Announcement of Financial Statements for the period 1 February 2008 – 31 January 2009"	
30 April 2009	"Annual Report for the period 1 February 2008 – 31 January 2009"	
7 May 2009	Company announcement no 3 2009/10 "Notice of Annual General Meeting on 19 May 2009 at 16:00"	
19 May 2009	Company announcement no 4 2009/10 "Minutes of Annual General Meeting 2009"	
25 May 2009		Articles of Association

If you wish to receive company announcements and other news from SPEAS, please subscribe to our news service at [www.speas.dk](http://www.speas.dk).

## **Statement by the Board of Directors and the Executive Board on the Interim Report**

The Board of Directors and the Executive Board have today considered and approved the Interim Report of Scandinavian Private Equity A/S for the period 1 February 2009 – 30 April 2009.

The Interim Report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The Interim Report has not been audited or reviewed by the Company's auditor.

We consider the accounting policies applied to be appropriate and the Interim Report gives a fair presentation of the Company's assets, liabilities, equity and financial position at 30 April 2009 and of the results of the Company's activities and cash flows for the period 1 February 2009 – 30 April 2009.

In our opinion, the Management's Review also gives a fair review of the development in the activities and financial circumstances, the results for the period and the overall financial position of the Company as well as a description of the material risk and uncertainty factors faced by the Company.

Copenhagen, 22 June 2009

Board of Directors

Jens Erik Christensen   Ole Steen Andersen   Michael Brockenhuus-Schack   Henning Kruse Petersen  
Chairman

Executive Board

Ole Mikkelsen  
CEO

## Financial highlights

Key figures (DKK 1,000)	2008/2009	Q1 2008/09	Q1 2009/10
	1/2 2008 – 31/1 2009	1/2 2008 – 30/4 2008	1/2 2009 – 30/4 2009
<u>Income statement:</u>			
Income (loss) from investment activities	(216,684)	10,887	8,376
Operating profit (loss) (EBIT)	(240,468)	5,137	3,527
Net financials	17,092	4,770	3,654
Profit (loss) before tax	(223,376)	9,907	7,181
Tax	(770)	0	0
Profit (loss) after tax	(224,146)	9,907	7,181
<u>Balance sheet:</u>			
Investments in private equity funds	239,943	254,945	246,630
Listed shares in private equity companies	69,353	267,846	79,151
Receivables	14,108	10,778	13,271
Cash	347,468	370,272	338,881
Total assets	670,872	903,841	677,933
Equity	664,245	899,236	670,504
Current liabilities	6,627	4,605	7,429
Total liabilities and equity	670,872	903,841	677,933
<u>Cash flows</u>			
Cash flows from operations	(30,928)	(15,321)	(2,662)
Additional cash flows from operating activities	17,054	4,524	3,787
Cash flows from investing activities	(88,069)	(69,281)	(8,790)
Cash flows from financing activities	(938)	0	(922)
Cash, beginning of period	450,350	450,350	347,468
Cash, end of period	347,468	370,272	338,881
<u>Shares:</u>			
Number of shares	50,050	50,050	50,050
Earnings per share (DKK)	(4,480)	198	144
Book value per share (DKK)	13,307	17,967	13,482
Quoted price (latest trade) at 30 April 2009 (DKK)	6,350	13,000	6,000
<u>Statement of changes in equity:</u>			
Share capital	500,500	500,500	500,500
Premium and retained earnings, beginning of period	388,829	388,829	164,683
Portfolio of treasury shares	(938)		(1,860)
Profit (loss) for the period	(224,146)	9,907	7,181
Total equity	664,245	899,236	670,504

## Company information

<p><b>Name and registered office</b> Scandinavian Private Equity A/S Sankt Annæ Plads 13, 3. DK-1250 Copenhagen K</p> <p>Tel.: +45 70 25 10 55 Fax: +45 70 25 10 75 E-mail: info@speas.dk Website: www.speas.dk</p> <p><b>Registration nos</b> ISIN: DK0060068682 CVR no: 29 82 40 88</p> <p><b>Board of Directors</b> Jens Erik Christensen, Chairman</p> <p>Ole Steen Andersen</p> <p>Michael Brockenhuus-Schack</p> <p>Henning Kruse Petersen</p> <p><b>Executive Board</b> Ole Mikkelsen</p>	<p><b>Management company</b> Scandinavian Private Equity Partners A/S Sankt Annæ Plads 13, 3. DK-1250 Copenhagen K</p> <p><b>Principal bankers</b> Amagerbanken Aktieselskab</p> <p><b>Financial year</b> 1 February – 31 January</p> <p><b>Auditors</b> Deloitte Statsautoriseret Revisionsaktieselskab</p>
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### About SPEAS

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