

## Interim Consolidated Financial Statements for Absolute Private Equity Ltd.

Consolidated statements of assets and liabilities as of	Note	March 31, 2011 (unaudited) USD	December 31, 2010 (audited) USD
<b>Assets</b>			
Investments at fair value	3	986'731'409	1'029'517'557
Cash and cash equivalents	2	62'591'791	13'008'073
Tax receivables		216'633	208'106
Investment in associate	4	729'415	656'787
Convertible time loan to Jade Invest SA		2'759'261	2'699'957
Prepaid expenses, accrued income and other receivables		2'610'572	1'858'830
<b>Total assets</b>		<b>1'055'639'081</b>	<b>1'047'949'310</b>
<b>Liabilities</b>			
Loan due to Credit Suisse AG, a related party	5	-	15'000'000
Accrued management fees due to related party	9	488'183	3'316'653
Accrued administration fees due to related party		26'764	5'913
Accrued service fees due to related party		795'312	538'127
Accrued advisory fees due to related party		244'998	-
Accrued custody fees		2'386	3'552
Accrued directors' fees due to related party		225'385	187'126
Accrued other expenses		463'959	374'068
Other payables		470'972	339'310
Deferred tax liability	6	2'000'414	2'000'414
Current tax liability	6	1'169'381	1'169'381
Capital tax liability		9'328	27'802
<b>Total liabilities</b>		<b>5'897'082</b>	<b>22'962'346</b>
<b>Net assets</b>		<b>1'049'741'999</b>	<b>1'024'986'964</b>
<b>Analysis of net assets</b>			
Share capital	7	260'811'731	260'811'731
Treasury shares	7	-15'607'711	-15'607'711
Additional paid-in capital		170'366'963	170'366'963
Accumulated increase in net assets		612'518'214	588'588'341
Accumulated other comprehensive income		21'556'628	20'721'843
Noncontrolling interests		96'174	105'797
<b>Net assets</b>	7	<b>1'049'741'999</b>	<b>1'024'986'964</b>
Net asset value per share based on 43'582'605 bearer shares outstanding (previous year 43'582'605)	7	24.09	23.52

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

Consolidated statements of operations  
for the period ended

March 31, 2011  
(unaudited)  
USD

	Note	
Investment Income		
Share of profit of associate	4	56'569
Dividends received		677'897
Interest income		5'326
Other income		-
Total income		<u>739'792</u>
Expenses		
Management fees to related party	9/11	-335'239
Administration fees	9/11	-201'496
Custody fees		-4'168
Service fees to related party	11	-790'958
Advisory fees to related party		-244'998
Directors' fees to related party	11	-129'917
Bank and broker expenses		-157'669
Professional fees		-762'444
Interest expense on loan due to Credit Suisse AG, a related party	11	-63'290
Capital taxes		-35'070
Miscellaneous expenses		-166'995
Total expenses		<u>-2'892'244</u>
Net investment loss		<u>-2'152'452</u>
Realized gains on investments	3	36'017'337
Realized losses on investments	3	-10'882'647
Net realized gains from investments		<u>25'134'690</u>
Net realized and unrealized foreign exchange (losses) gains		<u>-790'686</u>
Unrealized gains on investments	3	32'024'539
Unrealized losses on investments	3	-30'196'923
Net unrealized gains on investments		<u>1'827'616</u>
Net realized and unrealized gains from investments and foreign currency		<u>26'171'620</u>
Net increase in net assets from operations before income tax and extraordinary gains		<u>24'019'168</u>
Current income tax (expense) benefit	6	-89'295
Deferred income tax (expense) benefit	6	-
Net increase in net assets from operations		<u>23'929'873</u>
Net increase in net assets from operations attributable to Absolute Private Equity Ltd.		<u>23'929'873</u>

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

Consolidated statements of changes in net assets for the periods ended	Note	March 31, 2011 (unaudited) USD	December 31, 2010 (audited) USD
Increase (decrease) in net assets from operations			
Net investment loss		-2'152'452	-14'608'621
Net realized gains from investments		25'134'690	57'123'276
Net realized and unrealized foreign exchange (losses) gains		-790'686	1'411'221
Net unrealized gains on investments		1'827'616	120'528'862
Income tax (expense) benefit		-89'295	2'851'057
Net increase in net assets from operations		<u>23'929'873</u>	<u>167'305'795</u>
Translation adjustment		834'785	583'519
Purchase of treasury shares		-	-11'408'522
Total increase in net assets		<u>24'764'658</u>	<u>156'480'792</u>
Distribution to Noncontrolling interests		-9'623	-16'568
Total increase in net assets after Noncontrolling interests		<u>24'755'035</u>	<u>156'464'224</u>
Net assets beginning of period		1'024'986'964	868'522'740
Net assets end of period		<u>1'049'741'999</u>	<u>1'024'986'964</u>

Consolidated statements of comprehensive income for the periods ended	Note	March 31, 2011 (unaudited) USD	December 31, 2010 (audited) USD
Net increase in net assets from operations		<u>23'929'873</u>	<u>167'305'795</u>
Other comprehensive income, net of tax:			
Foreign currency translation adjustment		834'785	583'519
Total other comprehensive income		<u>834'785</u>	<u>583'519</u>
Comprehensive income		<u>24'764'658</u>	<u>167'889'314</u>
Comprehensive income attributable to Absolute Private Equity Ltd.		<u>24'764'658</u>	<u>167'889'314</u>

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

Consolidated statements of cash flows  
for the periods ended

March 31, 2011  
(unaudited)  
USD

	Note	
Cash flows from operating activities:		
Net increase in net assets from operations		23'929'873
Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:		
Proceeds on disposals of investments	3	95'296'914
Purchase of investments	3	-28'192'743
Return of capital from investments	3	2'644'287
Realized gains on investments	3	-36'017'337
Realized losses on investments	3	10'882'647
Net realized and unrealized foreign exchange losses (gains)		790'686
Unrealized gains on investments	3	-32'024'539
Unrealized losses on investments	3	30'196'923
Share of profit of associate	4	-56'569
Changes in operating assets and liabilities:		
Change in accounts receivables and other assets		-819'573
Change in accounts payable and other liabilities		-2'065'264
Net cash flows provided by operating activities		<u>64'565'305</u>
Cash flows from financing activities:		
Repayments to Credit Suisse, a related party	5	-15'000'000
Distribution to Noncontrolling interests		-9'623
Dividend received from associate		-
Purchase of treasury shares		-
Net cash flows used in financing activities		<u>-15'009'623</u>
Foreign exchange effect on cash and cash equivalents		<u>28'036</u>
Net increase in cash and cash equivalents		<u>49'583'718</u>
Cash and cash equivalents at the beginning of the period		<u>13'008'073</u>
Cash and cash equivalents at the end of the period		<u><u>62'591'791</u></u>
Supplemental cash flow information		
• Interest received		5'326
• Interest paid		63'290
• Dividends received (from investment and associate)		677'897
• Income taxes paid		-

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

Consolidated financial highlights  
for the periods ended

March 31, 2011  
(unaudited)  
USD

Per share operating performance: \*

Number of shares outstanding at the beginning of the period	43'582'605
Number of shares outstanding at the end of the period	43'582'605
Weighted average number of shares	43'582'605

Net asset value, beginning of period	23.52
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Income from investment operations:

• Net investment loss	-0.05
• Net realized and unrealized gains from investments and foreign currency	0.60
• Effect of Noncontrolling interest	-
Total from investment operations before income tax	0.55

• Income tax benefit	-
Total from investment operations	0.55

Other comprehensive income	0.02
Total distributions	0.02

• Effect of treasury shares	-
Total effect of treasury shares	-

Net asset value, end of period	24.09
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Total investment return from investment operations on a net asset value basis	2.34%
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Total investment return from investment operations on a net asset value basis including other comprehensive income	2.42%
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Supplemental data:

Net assets, end of period	1'049'741'999
Ratio of expenses to average net assets **	-0.28%
Ratio of net investment loss to average net assets **	-0.21%

\* The Company has only one class of shares (bearer shares).

\*\* These ratios do not reflect the Company's proportionate share of income and expenses of the underlying investee funds

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

## Notes to the consolidated financial statements

### (1) Summary of Significant Accounting Policies

#### (1 a) Organization and business activity

Absolute Private Equity Ltd. (the "Company") was incorporated on July 19, 2000 and is duly organized and existing under the laws of Switzerland.

The Company is an investment company listed on the SIX Swiss Exchange, which primarily conducts its business through its wholly owned investment company Subsidiaries, Privatissimo Ltd. (with its two Subsidiaries Absolute Fiduciary Global Opportunities Partners, L.P. and CSFB MMV Investor, L.P.), Private Seven Ltd., Private Invest Ltd., Barry Ltd., Bluebeech SPC, Swiss Oil & Gas Investment Corp. and Technissimo Ltd. (the "Subsidiaries"). The Company and its Subsidiaries have no employees.

As of March 31, 2011, Credit Suisse Group, a related party, held 20.02% of the outstanding voting shares of the Company (previous year: 10.65%), Aristos Private Equity & Long Term Opportunities Ltd. held 10.58% (previous year: 10.58%), AIG Financial Products Corp., held 5.16% (previous year: 5.16%), Alpine Select AG, Sumara AG held 5.06% (prior year 5.06%) and Abrams David C., Brookline, MA USA held 3.52% (previous year 0%) of the outstanding voting shares of the Company. Absolute Private Equity Ltd. held 3.39% (previous year: 3.39%) of its own shares.

The Company seeks to earn above average returns for its investors, through investments purchased by its Subsidiaries. The Company will, with the advice of the Investment Manager under the investment management agreements, invest the assets of the Subsidiaries with underlying private equity funds, and, in some circumstances directly in private equity investments on a side-by-side basis with such funds ("direct co-investments") as well as other non-traditional investment funds.

The Company may invest through its Subsidiaries in listed securities such as bonds and stocks until the commitments to the various underlying private equity funds are called by those funds. The Board of Directors of the Company may hedge such investments at its discretion.

*A listing of the Subsidiaries is as follows:*

Privatissimo Ltd., Private Seven Ltd. and Private Invest Ltd., all wholly owned Subsidiaries, are duly organized and existing under the laws of the Cayman Islands. These entities invest in private equity investment vehicles and were incorporated on July 31, 2000 with a share capital of USD 50'000 each. Privatissimo Ltd. controls two Subsidiaries Absolute Fiduciary Global Opportunities Partners, L.P. and CSFB MMV Investor, L.P.

Barry Ltd. is duly organized and existing under the laws of the Cayman Islands and primarily invests in a portfolio of securities, financial instruments and partnership interests. The company was incorporated on July 31, 2001 with a share capital of USD 50'000.

Bluebeech SPC is duly organized and existing under the laws of the Cayman Islands and invests in private equity investment vehicles. The company was incorporated on August 10, 2005 with a share capital of USD 50'000.

Swiss Oil & Gas Investment Corporation, a wholly owned Subsidiary, is duly organized and existing under the laws of the state of Delaware and invests primarily in partnership interests. The company was incorporated on May 6, 2005 with a share capital of USD 15.

Technissimo Ltd. is duly organized and existing under the laws of the Cayman Islands. The company was incorporated on March 14, 2000 with a share capital of USD 50'000.

*The following entities are considered related parties whose results are not consolidated into the Company's financial statements:*

Absolute Investment Services Ltd., Zurich, a related party, provides Absolute Private Equity Ltd. and Absolute Invest Ltd. with management, marketing and administrative services since January 1, 2005. The company was incorporated on November 19, 2004 with a share capital of CHF 250'000. As of March 31, 2011 the Company holds 50% (CHF 122'500) of the share capital of CHF 250'000 as a joint venture with Absolute Invest Ltd., a related party, which holds the remaining 50%.

Credit Suisse Securities (USA) LLC, a related party, a U.S. limited liability company organized under the laws of the state of Delaware (the "Administrator"), provides financial, accounting and administrative services to Privatissimo Ltd., Private Seven Ltd., Private Invest Ltd. and Bluebeech SPC under the administrative services agreements.

*The following entities provide services to the Company:*

Alpha Cove Advisors Ltd., is a company incorporated under the laws of Bahamas which acts as investment manager (the "Investment Manager") to Barry Ltd., Technissimo Ltd. and Private Invest Ltd. under the investment management agreement.

Credit Suisse Asset Management LLC is a U.S. corporation organized under the laws of the state of Delaware and an indirect Subsidiary of Credit Suisse Group, Zurich, which acts as investment advisor (the "Investment Advisor") to Privatissimo Ltd., Private Seven Ltd. and Bluebeech SPC under the investment advisor agreement.

Citco Fund Services (Europe) B.V., a Netherlands corporation (the "Administrator"), provides financial, accounting and administrative services to Technissimo Ltd.

Citco Fund Services (Curaçao) N.V., a Netherlands Antilles corporation (the "Administrator"), provides financial, accounting and administrative services to Barry Ltd. under the administrative service agreements.

Citco Global Custody (N.A.) N.V., a Netherlands Antilles corporation (the "Custodian"), acts as custodian for the Subsidiaries.

#### (1 b) Basis of accounting and principles of Consolidation

The consolidated financial statements include Absolute Private Equity Ltd., Zug, and its Subsidiaries. All significant intercompany balances and transactions have been eliminated. The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") from the financial records of the Company. They also comply with the provisions of Swiss Law and the accounting principles of the Additional Rules for the Listing of Investment Companies issued by the SIX Swiss Exchange.

The consolidated financial statements are presented in US Dollars ("USD") as the Company holds the vast majority of its assets (investments) and liabilities in USD. Furthermore, the shares of the Company are quoted on the SIX Swiss Exchange in USD and the net asset value per share is disclosed in USD. Realized and unrealized gains as a result of foreign currency changes of investments are included in the net realized and unrealized gain or loss for that investment.

Effective January 1, 2009, the Company adopted changes to ASC Topic 810, *Consolidation*, which clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity or capital in the consolidated financial statements. As a result of the adoption, the Company has retrospectively renamed the minority interests as noncontrolling interests and has reclassified these balances to the net assets section of the consolidated balance sheets. In addition, on the consolidated statements of operations, the presentation of net increase (decrease) in net assets from operations retrospectively includes the portion of income attributable to noncontrolling interests.

The Company's investments accounted for at fair value are not subject to consolidation according to the Variable Interest Entities Subsections of ASC Topic 810-10, *Consolidation - Overall* as of March 31, 2011 and December 31, 2010.

#### (1 c) Foreign currency translation

The assets and liabilities of entities whose functional currency is other than USD are translated at the exchange rates applicable at each balance sheet date. The statements of operations and cash flows of such consolidated entities are translated at the average exchange rates of the period. Resulting translation adjustments are included as a component of accumulated other comprehensive income within net assets.

Transactions in currencies other than each Subsidiaries' functional currency are recorded at the rate of exchange at the transaction date. Monetary assets and liabilities are translated to their functional currency at the rate of exchange existing at the balance sheet date. Resulting exchange differences are recognized in the statement of operations.

The following exchange rates were applied during consolidation:

	Period	Asset and liability items (statement of assets and liabilities date)	Statement of operations and cash flow items (average rate for the period ended December 31)
1 USD to CHF	2010	0.9352	1.0428
1 USD to CHF	2011	0.9151	0.9415
or			
1 CHF to USD	2010	1.0693	0.9590
1 CHF to USD	2011	1.0928	1.0621

<sup>1</sup> CHF = Swiss Franc

#### (1 d) Investments

The company applies the guidance of ASC 820, *Fair Value Measurements and Disclosures*. This guidance establishes a fair value hierarchy for the measurement of fair value, which prioritizes the level of market price observability used in measuring investments at fair value. Market price observability is affected by a number of factors, including the type of asset/liability and the characteristics specific to the asset/liability. Assets/liabilities with readily available quoted prices in active markets generally have a higher degree of market price observability and a lesser degree of judgment in measuring fair value.

The Company measures fair value of certain investments (Level II and Level III investments) in accordance with the Subsections in ASC 820-10 related to Fair Value Measurements in Certain Entities that calculate Net Asset Value Per Share (or its Equivalent), which permits the use of net asset value per share to estimate fair value as a practical expedient, if the net asset value per share is calculated in a manner consistent with the measurement principles of ASC Topic 946. This guidance applies only to investments that meet both of the following criteria:

- The investment does not have a readily determinable fair value
- The investment is in an entity that has all of the attributes specified in ASC Topic 946 Financial Service – Investment Companies

Using the factors suggested in ASC 820, the Board of Directors as advised by the Investment Manager concluded that the criteria are met, and that net asset value per share represents the fair value of these Level II and Level III investments.

The Company invests in funds, where the Investment Manager is reputable and has a successful track record, where there is reasonable visibility into the fund investments (i.e. annual audited financials and quarterly NAV statements) and where there are no other known specific circumstances relevant to the investments, such as litigation with investors, significant defaults on calls, etc. Therefore it is the Board of Directors' view that NAV reported by the underlying investee funds represents the most objective estimate of fair value, and funds are carried at such value. Where other facts or circumstances exist, adjustments to NAV are considered and booked where considered relevant.

Due to the inherent uncertainty of the valuation of these assets, the estimated values may differ significantly from the values that would have been recorded had a quoted market price for these investments existed. These differences could be material.

In January 2010, the FASB issued ASU 2010-06, "Improving Disclosures about Fair Value Measurements" (ASU 2010-06), an update to Topic 820 – Fair Value Measurements and Disclosures. ASU 2010-06 requires both new and clarifies existing fair value measurement disclosures. The new requirements include disclosure of significant transfers in and out of level 1 and 2 and gross presentation of purchases, sales, issuances, and settlements in the reconciliation of beginning and ending balances of level 3 instruments. The clarifications required by ASU 2010-06 include the level of disaggregation in the fair value hierarchy and level 3 reconciliation of assets and liabilities by class of financial instrument. In addition the ASU expanded disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements included in levels 2 and 3 of the fair value hierarchy. The new disclosures and clarifications are effective for interim and annual periods beginning after December 15, 2009, except the disclosures about purchases, sales, issuances, and settlements in reconciliation of beginning and ending balances of level 3 instruments, which are effective for fiscal years beginning after December 15, 2010. ASU 2010-06 is an update only for disclosures and as such did not impact the Group's financial position, results of operations or cash flows.

Assets/liabilities measured and reported at fair value are classified and disclosed in one of the following categories:

Level I – Quoted prices are available in active markets for identical assets/liabilities as of the reporting date.

Level II – Pricing inputs are other than quoted prices in active markets included in Level I, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level III – Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimate and the estimated values may differ significantly from the values that would have been recorded had an active market for these investments existed. These differences could be material.

Fair value is identified in terms of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The price used to measure fair value is not adjusted for transaction costs. Under ASC 820, fair value measurement also assumes that the transaction to sell an asset occurs in the principal market for the asset or, in the absence of a principal market, the most advantageous market for the asset. The principal market is the market in which the reporting entity would sell or transfer the asset with the greatest volume and level of activity for the asset.

The Company's accounting policy is to recognize transfers into and out of level I, II and III at the actual date of the event that caused the transfer.

*Unrealized and realized gains and losses on investments.*

Changes in the fair value of investments are recognized in the consolidated statements of operations as unrealized gains or losses. Any additional gain or loss on sale arising from the difference between the sales price and the carrying amount of the investment is recognized in the consolidated statement of operations as a realized gain or loss.

The following table summarizes the valuation of the Company's investments by the fair value hierarchy as of March 31, 2011 and December 31, 2010. The investments were the only assets or liabilities that were held at fair value during the period ended March 31, 2011 and December 31, 2010.

March 31, 2011	Level I USD	Level II USD	Level III USD	Total USD
<b>Assets</b>				
Investments at fair value				
• Equity Oriented	0	0	36'287'538	36'287'538
• Credit / Fixed Income Oriented	0	0	35'753'450	35'753'450
• Private Equity Funds	0	0	909'439'476	909'439'476
• Listed Instruments	5'250'943	0	0	5'250'943
<b>Total Investments at fair value</b>	<b>5'250'943</b>	<b>0</b>	<b>981'480'464</b>	<b>986'731'409</b>

December 31, 2010	Level I USD	Level II USD	Level III USD	Total USD
<b>Assets</b>				
Investments at fair value				
• Equity Oriented	0	19'990'000	48'363'397	68'353'397
• Credit / Fixed Income Oriented	0	0	35'436'649	35'436'649
• Private Equity Funds	0	0	912'817'539	912'817'539
• Listed Instruments	12'909'972	0	0	12'909'972
<b>Total Investments at fair value</b>	<b>12'909'972</b>	<b>19'990'000</b>	<b>996'617'585</b>	<b>1'029'517'557</b>

*Valuation of publicly traded investments (Level I investments)*

Publicly traded investments are initially recognized on the trade date at fair value, excluding transaction costs. Subsequently, the investments are stated at fair value. The fair value of any investment listed on a stock exchange or traded in another regulated market will be the last paid price as per close of market (fair value).

Dividend income on investments is not included in the net change in fair value of investments but presented separately in the consolidated statements of operations.

As of March 31, 2011 Absolute Private Equity Ltd. held listed investments in MAC Barry Truston AM (formerly Hana Trading Account)

*Valuation of investments in non-active markets (Level II investments)*

Investments in non active markets that can be redeemed are carried at estimated fair value as determined by the Board of Directors. To measure fair value, investments in non-active markets are valued at fair values (net asset value per share) as determined by the Investment Manager of the underlying investee funds, which the Company believes to be an appropriate estimate of fair value. The Board of Directors takes into consideration the fair value as established by the Investment Manager supported by financial information and approves the values. These investments are initially valued at cost, with subsequent adjustments to the fair values determined in this manner. The Company records security transactions based on trade date.

As of March 31, 2011 Absolute Private Equity Ltd. did not hold any Level II investments.

Transfers between Level I and Level II were not significant.

*Valuation of investments for which quotations are not readily available (Level III investments)*

Investments for which a quoted market value is not available are carried at estimated fair value as determined by the Board of Directors. To measure fair value, investments for which quotations are not readily available are valued at fair values (net asset value per share) as determined by the Investment Manager of the underlying investee funds, which the Company believes to be an appropriate estimate of fair value. The Board of Directors takes into consideration the fair value as established by the Investment Manager supported by financial information and approves the values. These investments are initially valued at cost, with subsequent adjustments to the fair values determined in this manner. The Company records security transactions based on trade date.

The following tables summarize the changes in investments measured at fair value for which the Company has used Level III inputs to determine fair value.

2011	Credit / Fixed			Total
	Equity Oriented-Funds	Income Oriented-Funds	Private Equity Funds	
Fair value of Level III investments as of January 1	48'363'397	35'436'649	912'817'539	996'617'585
Purchase of Level III investments	9'684'150	0	18'508'593	28'192'743
Return of capital by Level III investments	0	0	-2'644'287	-2'644'287
Proceeds on disposal of Level III investments	-22'495'055	-680'301	-35'697'881	-58'873'237
Net realized gains(losses) from Level III investments	-8'079'922	-49'333	12'850'982	4'721'727
Net unrealized gains from Level III	8'814'968	1'046'435	3'604'530	13'465'933
Reclassification to Level II investments	0	0	0	0
Fair value of Level III investments as of March 31	<u>36'287'538</u>	<u>35'753'450</u>	<u>909'439'476</u>	<u>981'480'464</u>

2010	Credit / Fixed			Total
	Equity Oriented-Funds	Income Oriented-Funds	Private Equity Funds	
Fair value of Level III investments as of January 1	38'760'091	41'120'002	783'426'805	863'306'898
Purchase of Level III investments	7'038'470	2'434'306	123'332'547	132'805'323
Return of capital by Level III investments	0	0	-18'281'768	-18'281'768
Proceeds on disposal of Level III investments	-9'686'296	-5'586'222	-131'926'077	-147'198'595
Net realized gains(losses) from Level III investments	-811'545	43'905	54'262'334	53'494'694
Net unrealized gains(losses) from Level III	13'062'677	-2'575'342	102'003'698	112'491'033
Reclassification to Level II investments	0	0	0	0
Fair value of Level III investments as of December 31	<u>48'363'397</u>	<u>35'436'649</u>	<u>912'817'539</u>	<u>996'617'585</u>

Private equity investments are non redeemable and are made on average for a time horizon of approximately ten years. Investors, including the Company, enter the investment commitment with the knowledge that they will not be getting any medium term liquidity, as the investments require that prior to an investor selling their interest, they must seek and obtain the approval from the General Partner (which can be withheld). Accordingly, a private equity investor has a very different expectation when entering a private equity fund compared to other forms of investments. The investors are locked in for the duration of the fund.

Hedge funds are investment vehicles that explicitly pursue absolute returns on their underlying investments. The liquidity terms of hedge funds can vary significantly from one hedge fund to another and can cover a spectrum from being redeemable only after termination of the investment period on one side to daily liquidity on the other side with many variations in between. Investors, including the Company, wanting to redeem their investments will have to give prior written notice to the hedge fund's administrator so as to be paid out the net asset value of his investment in such fund as of a defined redemption date. It is not uncommon that the directors of a hedge fund can alter terms and reduce or refuse redemption requests. This can lead to uncertainties for an investor when redeeming.

The following Table shows Fair Value Estimated using observable and unobservable Inputs

	Level I USD	Level II USD	Level III USD	Total USD
Investments at fair value	5'250'943	0	981'480'466	986'731'409

#### Level II and III investments

Class	Sub-Class	Fair Value Level II investments 31.03.2011	Fair Value Level III investments 31.03.2011	Unfunded Commitment 31.03.2011	Redemption Frequency*	Redemption Notice Period*
Equity Oriented Funds	Event Driven Hedge Funds	0	36'230'930	N/A	Irredeemable	N/A
	L/S US Equity Hedge Fund	0	0	N/A	Annually	90 days
	Direct Investments	0	56'608	N/A	Irredeemable	N/A
Credit / Fixed Income Oriented Funds	Relative Value / Distressed Hedge Funds	0	8'188'207	N/A	Irredeemable	N/A
	CDO	0	27'565'243	N/A	Irredeemable	N/A
Private Equity Funds	Timber Fund	0	15'516'541	N/A	Irredeemable	N/A
	Buyout	0	589'996'292	134'459'572	N/A	N/A
	Special Situations	0	132'164'199	13'176'189	N/A	N/A
	Fund of Funds	0	75'604'333	11'337'648	N/A	N/A
	Venture Capital Hybrid Funds	0	76'328'381	14'782'044	N/A	N/A
		0	19'829'731	3'500'275	N/A	N/A

\*Irredeemable: The underlying funds can basically be redeemed, but are temporarily not redeemable due to certain circumstances (such as fund or investor level gates , lockups or fund restructurings).

## Class Description

Class	Description	Sub-Class	Description
<b>Equity Oriented Funds</b>	See description in sub-Class	Event Driven Hedge Funds	The Class invests in hedge funds that invest primarily in event driven active investments strategies. The funds are long biased. Fair value of the investments in this Class has been estimated using the net asset value per share of the investments. Distributions are received through the liquidation of the underlying assets of the funds. It is estimated that the underlying assets of the funds would be liquidated over 1 to 3 years. These investments can currently not be redeemed with the funds.
		L/S US Equity Hedge Fund	The Class invests in a fund that invests both long and short primarily in stocks in the US financial sector. The fair value of the investments in this Class has been estimated using the net asset value per share for the investments.
		Direct Investments	Provides exposure to equity of unlisted companies.
<b>Credit / Fixed Income Oriented Funds</b>	See description in sub-Class	Relative Value / Distressed Hedge Funds	The Class invests in hedge funds that invest primarily in relative value strategies and distressed opportunities in the structured credit market. The funds may take short positions for the purpose of hedging existing positions. Fair value of the investments in this Class has been estimated using the net asset value per share of the investments. These investments can currently not be redeemed with the funds. Distributions are received through the liquidation of the underlying assets of the funds. It is estimated that the underlying assets of the funds would be liquidated over 1 to 3 years.
		CDO	The Class invests in a CDO structure with the primary investment objective to invest in one or more synthetic leveraged CDO instruments. The portfolios are invested in or linked to the performance of investment grade default swaps and other instruments. Fair value of the investments in this Class has been estimated using the net asset value per share of the investments. These investments can currently not be redeemed with the funds. Distributions are received through the liquidation of the underlying assets of the fund. It is estimated that the underlying assets of the fund would be liquidated over 4 to 5 years.
<b>Private Equity Funds</b>	This Class includes several private equity funds, investing primarily in buyouts (61.25%) (*1) and special situations (16.41%) (*2), fund of funds (10.96%) (*3), venture capital (9.31%) (*4), and hybrid (2.06%) (*5). These investments can never be redeemed with the funds. Instead, the nature of the investments in this Class is that distributions are received through the liquidation of the underlying assets of the fund. It is estimated that the underlying assets of the funds would be liquidated over 1 to 8 years.	Timber Fund	The Class invests in a fund that invests primarily in timber plantations and in land for these plantations. The fair value for the investments in this Class has been estimated using the net asset value per share of the investments. These investments can currently not be redeemed with the fund. Distributions are received through the liquidation of the underlying assets of the funds. It is estimated that the underlying assets of the funds would be liquidated over 1 to 5 years.
		Buyout	LBO or Buyout refers to a strategy of making equity investments as part of a transaction in which a company, business unit or business assets is acquired from the current shareholders typically with the use of financial leverage. The companies involved in these transactions are typically mature and generate operating cash flows.
		Special Situation	Distressed or Special Situations is a broad Class referring to investments in equity or debt securities of financially stressed companies.
		Funds of Funds	Investments in vehicles that invests in a number of other Private equity funds or partnerships.
		Venture Capital	Venture Capital is a broad sub Class of private equity that refers to equity investments made, typically in less mature companies, for the launch, early development, or expansion of a business. Venture investment is most often found in the application of new technology, new marketing concepts and new products that have yet to be proven.
		Hybrid Funds	Investments that are offered in a limited partnership or limited liability company form, where the majority of the underlying investments are publicly traded.

(1 e) Valuation of investment in associate

The Company records its investment in associate for which it is able to exercise significant influence using the equity method of accounting.

(1 f) Cash and cash equivalents

Cash and cash equivalents include all time deposits held in banks and certain highly liquid investments with original maturities of 90 days or less.

(1 g) Treasury shares

The consideration paid or received for treasury share purchases or sales, including transaction costs, are adjusted to net assets.

(1 h) Recognition of income

Interest income derives from the effective yield on the respective asset and is recognized on an accrual basis.

Income from contractual rights derives from the revenues, in which the Company is generally entitled to a predetermined percentage that includes management and performance fees, generated by the seeded managers. It is recognized when earned.

(1 i) Income taxes

The company accounts for income tax in accordance with ASC 740, *Income Taxes*. Deferred income tax assets and liabilities are recognized for the future tax consequences attributed to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and net operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates applicable to taxable income in the years in which those temporary differences and carryforwards are expected to be recovered or settled. A valuation allowance is recorded to reduce deferred tax assets to amounts that are more likely than not to be realized. The consolidated financial statements record deferred taxes arising from the undistributed earnings of the Subsidiaries, to the extent they will have future tax consequences. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained.

The Company has the status of a holding company for Swiss income tax purposes and, as such, benefits from the holding privilege at the cantonal and communal level. The income mainly consists of dividends derived from the Subsidiaries. Further, the dividends received deduction is granted on qualifying dividend income and capital gains on Subsidiaries for Swiss federal income tax purposes. However, dividend income is only virtually tax exempt as available tax losses are set against dividend income even though the dividend income would not be taxed. As a result, available operating loss carryforwards are only recognized to the extent they are more likely than not of being utilized through taxable profit of the Company. The applicable federal income tax rate is 7.83%.

Swiss Oil & Gas Investment Corporation is duly organized and existing under the laws of the state of Delaware. As such it is subject to US federal income tax on its federal taxable income. It may also be subject to state income tax in the various states where it may have income tax nexus.

Bluebeech SPC is duly organized and existing under the laws of the Cayman Islands, where it is not subject to any income taxes in that jurisdiction. In addition, it has elected to be treated as a partnership for US federal income tax purposes. Consequently, it is fiscally transparent for US federal income tax purposes and as such not subject to US federal income taxes in the US. However, if Bluebeech SPC receives income which is effectively connected with a US trade or business, its owner, i.e. the Company, which is not fiscally transparent, has a responsibility to file US federal corporate income tax returns and report such income in a timely manner. However, the Company has no indication that Bluebeech SPC was subject to ECI as of March 31, 2011.

Private Seven Ltd. and Privatissimo Ltd. are duly organized and existing under the laws of the Cayman Islands, where they are not subject to any income taxes in that jurisdiction. These entities are deemed corporations for US federal income tax purpose. They are subject to tax in the US on income that is effectively connected with a US trade or business ("ECI"), income that is Fixed or Determinable, Annual or Periodic ("FDAP") and is from U.S.

sources, and Branch Profit Tax on the "Dividend Equivalent Amount" as defined under US-federal income tax law. For the purposes of these income taxes, the US limited partnerships in which Private Seven Ltd. and Privatissimo Ltd. invest, are not subject to the tax due to the fact that partnerships are fiscally transparent for US federal income tax purposes. Therefore Private Seven Ltd. and Privatissimo Ltd. are subject to tax on income which is received at the level of the underlying partnerships due to the flow through nature of the US partnerships. Absolute Private Equity has at the reporting date limited information on the exact composition of the income at the level of the underlying partnerships. For the definitive calculation of this tax liability, IRS Schedule K-1-Partner's Share of Income, Credits, Deductions and Other Items is needed. However, such schedule has not been provided by the underlying partnership as of the reporting date. The Company estimates the amount of income tax related to this income. Even though the tax is paid on distributed profits, the Company considers it to be an income tax because the intention is to distribute all profits over the life-cycle of the investment. Deferred taxes are recorded on estimated undistributed (and thus unrealized) profits. As the actual tax liability can not be known until the Schedule K-1 of the partnerships are issued, such tax liability may be different from the estimate.

Private Invest Ltd., Technissimo Ltd. and Barry Ltd. are duly organized and existing under the laws of the Cayman Islands, where they are not subject to income taxes. The same rules regarding US income taxes apply to these companies as for Privatissimo and Private Seven. However, the Company has no indication that these companies were subject to ECI as of March 31, 2011.

(1 j) Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Notes to the consolidated statements of assets and liabilities and statements of operations

(2) Cash and cash equivalents

	March 31, 2011 USD	December 31, 2010 USD
Cash at banks (current accounts)	7'289'230	6'716'917
Cash at banks (Credit Suisse AG, a related party)	4'302'561	6'291'156
Time deposits (Credit Suisse AG, a related party)	1) 51'000'000	0
Cash and cash equivalents	<u>62'591'791</u>	<u>13'008'073</u>

Cash at banks are denominated principally in USD, CHF and EUR. The applicable interest rates for the cash at banks were 0.15% for both 2011 and 2010.

<u>1) Description</u>	<u>Interest rate</u>	<u>Original currency</u>	<u>Presentation</u>
Time deposit on call	0.150%	USD 51'000'000	USD 51'000'000
			USD 51'000'000

### (3) Investments

The Company has investments in several funds. A significant portion of the Company's investments are denominated in USD. The following table is an analysis of the investment portfolio, sorted by managed segments, which provides the details of changes in historical cost and market value, including realized and unrealized gains and losses for the year from January 1 to March 31, 2011.

Investments	Historical costs of investments January 1, 2011		Market value of investments January 1, 2011		Purchase of investment		Return of Capital		Sale of investments		Change in unrealized gains/losses		Market value of investments March 31, 2011		% of NAV		Historical costs of investments March 31, 2011	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Eastern Eagle Fund Ltd. Participating Shares	28'687'104	17426'859	-	-	-28'687'104	-	-10'197'307	-	112'602'245	-	-	0.00%	-	-	-	-	-	-
Audley Investment I Class B (USD)	6'884'062	14'605'031	-	-	-1'887'873	-	2'117'385	-	-2'535'254	-	10'181'904	0.97%	4'996'189	10'181'904	-	-	-	4'996'189
Audley European Opportunities Class B	8'880'288	16'289'008	-	-	-	-	-	-	-535'501	-	15'753'507	1.50%	8'880'288	15'753'507	-	-	-	8'880'288
Shares Principal Series	9'520'125	-	-	-	-	-	-	-	-	-	-	0.00%	9'520'125	-	-	-	-	9'520'125
Crosby Active Opportunities Special Situation Investments	-	-	-	-	-	-	-	-	611'369	-	10'295'519	0.98%	9'684'150	10'295'519	-	-	-	9'684'150
Romanian Opportunities Fund Shares	53'971'579	48'320'898	9'684'150	-	-30'574'977	-	2'117'385	-	8'800'859	-	36'230'930	3.45%	33'080'752	36'230'930	-	-	-	33'080'752
<b>Total Equity Oriented - Event Driven</b>	10'555'000	19'990'000	-	-	-10'555'000	-	9'434'822	-	-9'435'000	-	-	0.00%	-	-	-	-	-	-
Paulson Recovery Fund Ltd. Common Shares (Gold Exposure)	10'555'000	19'990'000	-	-	-10'555'000	-	9'434'822	-	-9'435'000	-	-	0.00%	-	-	-	-	-	-
<b>Total Equity Oriented - I/S US Equity</b>	138'219	42'498	-	-	-	-	-	-	14'109	-	56'607	0.01%	138'219	56'607	-	-	-	138'219
Platypus Investment Management Pty Ltd. Innobridge SA	16'189	1	-	-	-	-	-	-	-	-	1	0.00%	16'189	1	-	-	-	16'189
<b>Total Equity Oriented - Direct investments</b>	154'408	42'499	-	-	-	-	-	-	14'109	-	56'608	0	154'408	56'608	-	-	-	154'408
<b>Total Equity Oriented</b>	64'680'987	68'353'397	9'684'150	-	-41'129'977	-	11'552'207	-	-10'197'307	-	36'287'538	3.46%	33'235'160	36'287'538	-	-	-	33'235'160
Eidesis Special Opportunities Series 2	6'864'387	6'738'414	-	-	-564'363	-	-	-	-52'056	-	6'164'734	0.59%	6'300'024	6'164'734	-	-	-	6'300'024
Eidesis Special Opportunities Series 2 (08/10)	2'162'645	2'212'469	-	-	-165'271	-	2'723	-	-23'725	-	2'023'473	0.19%	1'997'374	2'023'473	-	-	-	1'997'374
<b>Total Credit/Fixed Income Oriented - Relative Value/Distressed</b>	9'027'032	8'950'883	-	-	-729'634	-	2'723	-	-52'056	-	8'188'207	0.78%	8'297'398	8'188'207	-	-	-	8'297'398

Investments	Historical costs of investments	Market value of investments	Purchase of investment	Return of Capital	Sale of investments		Change in unrealized gains/losses	Market value of investments	% of NAV	Historical costs of investments
	January 1, 2011	January 1, 2011	USD	USD	Historical cost of inv. sold	Realized gains		March 31, 2011		March 31, 2011
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Cheyne Investment Grade CDO	25'547'420	26'485'766	-	-	-	-	1'079'477	27'565'243	2.63%	25'547'421
<b>Total Credit/Fixed Income Oriented - CDO</b>	<b>25'547'420</b>	<b>26'485'766</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1'079'477</b>	<b>27'565'243</b>	<b>2.63%</b>	<b>25'547'421</b>
<b>Total Credit/Fixed Income Oriented</b>	<b>34'574'453</b>	<b>35'436'649</b>	<b>-</b>	<b>-</b>	<b>-729'634</b>	<b>2'723</b>	<b>1'046'435</b>	<b>35'753'450</b>	<b>3.41%</b>	<b>33'844'819</b>
F.I.T. Timber Growth Fund	15'032'392	15'716'474	-	-	-	-	-199'933	15'516'541	1.48%	15'032'392
<b>Total Private Equity Funds/Timber Fund</b>	<b>15'032'392</b>	<b>15'716'474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-199'933</b>	<b>15'516'541</b>	<b>1.48%</b>	<b>15'032'392</b>
Apollo Investment Fund V, LP	4'062'850	6'354'281	-	-	-230'059	490'383	229'101	6'353'323	0.61%	3'832'791
Beacon India Private Equity Fund	5'105'234	6'482'072	1'300'000	-	-	-	207'093	7'989'165	0.76%	6'405'234
Cap Street II, L.P.	1'709'902	1'674'458	-	-	-	-	-374'549	1'299'909	0.12%	1'709'902
Charlesbank V, L.P.	8'321'412	9'425'721	50'377	-	-1'088'316	559'713	189'669	8'577'451	0.82%	7'283'473
DJL Merchant Banking Partners III, L.P.	2'496'782	7'209'913	34'708	-	-141'462	114'988	-705'156	6'398'005	0.61%	2'390'028
DJL Offshore Partners IV, L.P.	7'920'917	5'629'608	218'212	-	-	46'893	-283'937	5'563'883	0.53%	8'139'129
Greenstone Partners Private Capital Fund I, LP.	21'446'817	23'688'485	-	-	-1'530'542	904'841	-603'690	21'554'253	2.05%	19'916'275
JLL Partners IV, L.P.	10'179'428	20'063'128	24'337	-24'337	-24'337	109'553	-222'418	19'816'373	1.89%	10'155'091
Madison Dearborn Capital Partners IV, L.P.	5'660'808	10'342'083	5'120	-	-5'120	-	-2'133'354	8'208'729	0.78%	5'660'808
PAI Europe III-B, L.P.	1'625'702	6'421'598	-	-	-176'090	404'074	900'494	7'146'002	0.68%	1'449'612
PAI Europe III-B3, L.P.	1'637'575	6'368'511	-	-	-174'549	400'536	889'420	7'083'382	0.67%	1'463'026
Pampa Agribusiness Fund L.P.	7'959'177	7'845'619	559'643	-	-74'777	-	-	8'330'485	0.79%	8'444'043
Warburg Pincus International Partners, L.P.	104'690'247	215'724'306	-	-	-3'485'360	4'389'802	-7'779'395	204'459'551	19.48%	101'204'887
Warburg Pincus Private Equity VIII, L.P.	11'791'832	25'256'886	-	-	-267'220	177'865	-455'542	24'534'125	2.34%	11'524'612
Warburg Pincus Private Equity X, L.P.	60'811'191	67'924'880	4'150'000	-	-2'950'000	500	-	69'124'880	6.58%	62'011'191
The Lightyear Fund, L.P. (2005 Series)	1'722'502	1'265'645	-	-	-16'096	-	153'353	1'402'902	0.13%	1'706'407
Blackstone Capital Partners V, L.P. (2005 Series)	12'109'197	12'101'656	250'710	-	-136'587	58'615	-275'823	11'939'956	1.14%	12'223'320
Lightyear Fund II, L.P. (2005 Series)	681'123	937'436	33'434	-	-4'133	-	105'902	1'072'639	0.10%	710'424

Investments	Historical costs of investments January 1, 2011	Market value of investments January 1, 2011	Purchase of investment	Return of Capital	Historical cost of inv. sold		Sale of investments		Change in unrealized gains/losses	Market value of investments March 31, 2011	% of NAV	Historical costs of investments March 31, 2011
	USD	USD	USD	USD	USD	USD	Realized gains	Realized losses	USD	USD	USD	USD
VSS Communications Partners IV, L.P. (2005 Series)	8'037'455	6'265'481	-	-118'770	-	-	-	-	4'014	6'150'725	0.59%	79'18'685
Nordic Capital Fund VI, L.P. (2005 Series)	11'737'835	10'783'873	-	-	-	-	-	-	395'458	11'179'331	1.06%	11'737'835
Apollo Investment VI, L.P. (2005 Series)	7'355'826	8'243'782	-	-91'278	-286'881	29'456	-	-	737'456	8'603'079	0.82%	69'77'667
Credit Suisse/CFG BCIX SPV, LLC, (2006 Series) (vehicle for investment in "Bain Capital IX, Co-Investment Fund, L.P.")	14'272'574	10'403'250	-	-	-416'143	691'110	-	-	-	998'7107	0.95%	13'856'431
Credit Suisse/CFG TV SPV, L.P. (2006 Series) (vehicle for investment in "TPG Partners V, L.P.")	12'461'412	8'839'743	117'094	-216'057	-12'160	91'336	-	-	-	8'728'620	0.83%	12'350'290
CSFB CFG SPV Investor II, LLC (2006 Series) (vehicle for investment in "TPG Partners II, L.P.")	3'793'017	4'402'499	130'872	-	-	-	-	-	-	4'533'371	0.43%	3'923'889
Biotechnology Partners II, L.P.")	3'324'373	2'551'335	-	-	-	-	-	-	885'392	3'436'727	0.33%	3'324'373
Credit Suisse CFG BPI SPV, LLC (2006 Series) (vehicle for investment in "Blue Point Capital Partners II, L.P.")	6'322'433	4'764'518	-	-	-82'147	-	-	-	846'946	5'529'317	0.53%	6'240'286
Credit Suisse CFG PIV SPV, LLC (2006 Series) (vehicle for investment in "Permira IV, L.P.")	12'090'386	10'631'371	316'428	-11'861	-29'627	668'152	-	-	74'246	10'980'557	1.05%	12'365'326
The Fourth Civen Fund (2006 Series)	11'165'415	12'301'787	272'505	-	-134'187	-	-134'187	-	719'340	13'159'444	1.25%	11'303'733
Apax Europe VII-A, L.P. (2007 Series)	7'328'592	7'763'825	120'877	-	-241'941	120'215	-	-	937'156	8'579'918	0.82%	7'207'528
Providence Equity Partners VI, L.P. (2007 Series)	10'444'151	10'517'146	419'363	-410'030	-13'964	-	-13'964	-	688'809	11'201'324	1.07%	10'439'520
H.I.G Europe Capital Partners IV, L.P. (2007 Series)	4'252'525	4'864'649	637'339	-	-	-	-	-	-76'492	5'425'496	0.52%	4'889'864
The Resolute Fund II, L.P. (2007 Series)	2'572'031	2'837'058	401'476	-165'344	-174'169	-	-5'7877	-	-79'819	2'819'202	0.27%	2'633'994
Trident IV, L.P. (2007 Series)	3'221'577	4'254'088	215'678	-2'233	-43'627	1'543	-	-	69'532	4'493'438	0.43%	3'391'395
Silver Lake Partners III, L.P. (2007 Series)	8'570'786	9'298'896	183'326	-422'340	-173'593	237'204	-	-	244'689	9'130'978	0.87%	8'158'179
Silver Lake Sumeru Fund, L.P. (2007 Series)	4'606'808	7'378'200	-	-	-	-	-	-	101'1347	8'389'547	0.80%	4'606'808
Clearview Capital Fund II, L.P. (2008 Series)	4'376'652	4'533'246	271'911	-	-66'670	-	-66'670	-	-66'629	4'671'858	0.45%	4'581'893

Investments	Historical costs of investments January 1, 2011		Market value of investments January 1, 2011		Purchase of investment		Return of Capital		Historical cost of inv. sold		Sale of investments		Change in unrealized gains/ losses		Market value of investments March 31, 2011		% of NAV		Historical costs of investments March 31, 2011	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
PAI Europe V (2008 Series)	2'732'787		2'187'004		1'351'137	-	-58'924	-	-58'924	-	-58'924	101'184	3'580'401	0.34%	402'999					
Nordic Capital VII Beta, L.P. (2008 Series)	6'291'271		5'722'952		1'891'417	-	-63'976	-	-63'976	-	-63'976	345'682	7'896'075	0.75%	8'118'712					
TPG Biotechnology Partners III, L.P. (2008 Series)	1'498'541		1'735'859		58'841	-	-	-	-	-	-	94'963	1'889'663	0.18%	1'557'382					
Riverside Capital Appreciation Fund V, L.P. (2008 Series)	3'947'368		4'176'105		-	-	-	-	-	-	-	286'558	4'462'663	0.43%	3'947'368					
Bain Capital X Coinvestment Fund, L.P. (2008 Series)	999'415		638'238		-	-	-	-	-	-	-	1'290	639'528	0.06%	999'415					
Crestview Partners II, L.P. (2008 Series)	4'646'104		4'999'047		981'595	-	-56'559	-	-56'559	-	-56'559	316'931	6'241'014	0.59%	5'571'140					
CS/CFG Hutton Collins III SPV, LLC (2008 Series)	3'774'715		4'235'686		1'480'185	-288'921	-	5'128	-	-	5'128	35'642	5'462'592	0.52%	4'965'979					
MDCP IV Global Investments, L.P.	1'883'882		-		-	-	-273'870	-	-273'870	-	520'096	2'243'174	1'969'304	0.19%	1'610'012					
<b>Total Private Equity Funds - Buyout</b>	<b>431'640'627</b>		<b>589'045'925</b>		<b>15'476'584</b>	<b>-1'751'171</b>	<b>-12'433'087</b>	<b>11'008'002</b>	<b>-536'187</b>	<b>-341'962</b>	<b>589'996'292</b>	<b>56.20%</b>	<b>432'932'953</b>							
The ADM Maculus Fund, L.P.	902'915		888'002		-	-	-	-	-	-	-	-	888'002	0.08%	1'902'915					
The ADM Maculus Fund III, L.P.	10'786'156		9'381'725		-	-	-247'790	-	-247'790	-	-	323'341	9'457'276	0.90%	10'538'365					
Matlin Patterson Global Opp. Partners (Bermuda) L.P.	4'622'544		5'307'804		-	-	-395'9687	-	-395'9687	-	760'732	20'026	1'368'143	0.13%	662'857					
Terra Firma Capital Partners II, L.P.-C	50'000'565		78'820'810		-	-	-1'761'536	-	-1'761'536	-	-	-	770'592'73	7.34%	482'390'29					
Terra Firma Capital Partners III, L.P.	5'794'050		2'671'778		760'043	-24'816	-	-	-	-	-	339'388	3'746'394	0.36%	6'529'278					
Wayzata Opportunities Fund, LLC (2006 Series)	11'041'067		12'785'053		-	-120'000	-780'000	-	-780'000	-	-	806'791	12'691'844	1.21%	10'141'067					
Centerbridge Capital Partners, L.P. (2006 Series)	4'668'168		5'696'584		-	-21'120	-168'822	-	-168'822	-	132'874	-37'322	5'469'320	0.52%	4'478'226					
Cerberus Institutional Partnership, L.P. (2006 Series)	4'914'876		5'064'368		-	-	-	-	-	-	-	276'779	5'341'147	0.51%	4'914'876					
Matlin Patterson Global Opportunities Partners III, L.P. (2007 Series)	7'474'943		5'451'101		-	-	-	-	-	-	-	382'753	5'833'854	0.56%	7'474'943					
Wayzata Opportunities Fund II, L.P. (2008 Series)	8'277'334		9'767'794		750'000	-550'000	-	-	-	-	-	341'152	10'308'946	0.98%	8'477'334					
<b>Total Private Equity Funds - Special Situation</b>	<b>109'482'617</b>		<b>135'835'019</b>		<b>1'510'043</b>	<b>-715'936</b>	<b>-6'917'835</b>	<b>893'606</b>	<b>-2'452'908</b>	<b>132'164'199</b>	<b>12.59%</b>	<b>103'358'890</b>								

Investments	Historical costs of investments January 1, 2011	Market value of investments January 1, 2011	Purchase of investment	Return of Capital	Sale of investments		Change in unrealized gains/losses		Market value of investments March 31, 2011	% of NAV	Historical costs of investments March 31, 2011
	USD	USD	USD	USD	Historical cost of inv. sold	Realized gains	Realized losses	USD	USD	USD	USD
AC Private Equity Invest, L.P.	8'428'737	8'754'631	-	-	-1'156'004	-	-	303'916	7'902'543	0.75%	7'272'733
ALPHA CEE II, L.P.	8'001'335	7'716'736	-	-	-	-	-	-37'551	7'679'185	0.73%	8'001'335
CSFB Fund Investment VII Holdings, L.P.	46'784'538	57'754'828	486'778	-93'337	-1'946'721	1'582'655	-	-	56'201'549	5.35%	45'231'259
DLJ Venture Partners II, L.P.	3'932'898	3'821'056	-	-	-	-	-	-	3'821'056	0.36%	3'932'898
<b>Total Private Equity Funds - Funds of Funds</b>	<b>67'147'508</b>	<b>78'047'251</b>	<b>486'778</b>	<b>-93'337</b>	<b>-3'102'725</b>	<b>1'582'655</b>	<b>-</b>	<b>266'365</b>	<b>75'604'333</b>	<b>7.20%</b>	<b>64'438'225</b>
Bay Partners X, L.P.	3'907'709	5'467'546	-	-	-	-	-	-408'785	5'058'761	0.48%	3'907'709
GRP II, L.P.	8'716'803	7'917'806	-	-	-	-	-	2'044'525	9'962'331	0.95%	8'716'803
Jade Invest SA	17'058'874	20'577'909	-	-	-	-	-	451'990	21'029'899	2.00%	17'058'874
Point 406 Ventures I, L.P. (2007 Series)	2'672'281	3'075'683	190'000	-	-31'250	-	-31'250	111'494	3'345'927	0.32%	2'831'031
The Bay City Capital Fund V, L.P. (2007 Series)	1'147'372	1'495'610	261'838	-	-34'985	-	-34'985	-199'362	1'523'101	0.15%	1'374'225
Scale Venture Partners III, L.P. (2008 Series)	1'843'010	2'082'573	294'118	-	-	-	-	370'637	2'747'328	0.26%	2'137'128
GTL Energy Ltd.	5'000'034	1'968'750	-	-	-	-	-	-	1'968'750	0.19%	5'000'034
Lucas Energy Ventures Fund II, L.P.	19'040'003	15'329'218	-	-	-	-	-	-1'164'882	14'164'336	1.35%	19'040'003
Lucas Energy Ventures Fund III, L.P.	18'000'000	16'557'947	-	-	-	-	-	-29'999	16'527'948	1.57%	18'000'000
<b>Total Private Equity Funds - Venture Capital</b>	<b>77'386'087</b>	<b>74'473'042</b>	<b>745'956</b>	<b>-</b>	<b>-66'235</b>	<b>-</b>	<b>-66'235</b>	<b>1'175'618</b>	<b>76'328'381</b>	<b>7.27%</b>	<b>78'065'807</b>
Clarity Partners, L.P.	5'442'589	2'677'951	-	-	-	-	-	-	2'677'951	0.26%	5'442'589
Hellman & Friedman Capital Partners VI, L.P. (2007 Series)	11'542'924	13'331'420	56'213	-	-279'266	-	-30'270	-7'485	13'100'882	1.25%	11'319'871
TPG Star, L.P. (2007 Series)	2'838'328	3'690'458	233'019	-83'843	-477'54	-	-592	259'018	4'050'898	0.39%	2'939'750
<b>Total Private Equity Funds - Hybrid Funds</b>	<b>19'823'841</b>	<b>19'699'829</b>	<b>289'232</b>	<b>-83'843</b>	<b>-327'020</b>	<b>-</b>	<b>-30'862</b>	<b>251'533</b>	<b>19'829'731</b>	<b>1.89%</b>	<b>19'702'210</b>
<b>Total Private Equity Funds</b>	<b>720'513'073</b>	<b>912'817'539</b>	<b>18'508'593</b>	<b>-2'644'28</b>	<b>-22'846'902</b>	<b>13'484'263</b>	<b>-633'284</b>	<b>3'604'530</b>	<b>909'439'476</b>	<b>86.63%</b>	<b>713'530'477</b>
MAC Barry Truston AM in KRW (formerly Hana Trading Account)	4'008'590	4'938'256	-	-	-	-	-	312'687	5'250'943	0.50%	4'008'590
Absolute Invest Ltd., a related party	5'455'711	7'971'716	-	-	-5'455'711	2'705'589	-	-2'516'005	-	0.00%	-
Bill Barrett Corporation	-	-	-	-	-	-	-	-	-	0.00%	-
Polypore International, Inc.	-	-	-	-	-	8'113'034	-	-	-	0.00%	-

Investments	Historical costs of investments January 1, 2011	Market value of investments January 1, 2011	Purchase of investment	Return of Capital	Historical cost of inv. sold	Sale of investments		Change in unrealized gains/ losses	Market value of investments March 31, 2011	% of NAV	Historical costs of investments March 31, 2011
	USD	USD	USD	USD	USD	Realized gains	Realized losses	USD	USD		USD
Warner Chilcott PLC	-	-	-	-	-	-	-	-	-	0.00%	-
Rockwood Holdings, Inc.	-	-	-	-	-	159'521	-	-	-	0.00%	-
<b>Total Listed Instruments</b>	<b>9'464'301</b>	<b>12'909'972</b>	<b>-</b>	<b>-</b>	<b>-5'455'711</b>	<b>10'978'144</b>	<b>-</b>	<b>-2'203'318</b>	<b>5'250'943</b>	<b>0.50%</b>	<b>4'008'590</b>
<b>Grand Total</b>	<b>829'232'814</b>	<b>1'029'517'557</b>	<b>28'192'743</b>	<b>-2'644'281</b>	<b>-70'162'224</b>	<b>36'017'337</b>	<b>-10'882'641</b>	<b>1'827'616</b>	<b>986'731'409</b>	<b>94.00%</b>	<b>784'619'046</b>

Proceeds on disposals of investments:	95296914
Unrealized gains:	32024539
Unrealized losses:	-30196923
<b>Net unrealized gains (losses) on investments</b>	<b>1'827'616</b>

The Company has committed to invest in certain private equity funds and investments. Such commitments are payable upon demand at the request of the funds' administrator. The remaining capital commitments at March 31, 2011 were as follows:

	Original capital commitments March 31, 2011 USD	Remaining capital commitments March 31, 2011 USD
Apollo Investment Fund V, L.P.	15'385'000	1'120'646
Beacon India Private Equity Fund	10'000'000	2'120'000
Cap Street II, L.P.	15'385'000	404'336
Charlesbank Equity Fund V, L.P.	15'385'000	479'645
DLJ Merchant Banking Partners III, L.P.	15'000'000	541'997
DLJ Offshore Partners IV, L.P.	10'000'000	577'870
Greenstone Partners Private Capital Fund I, L.P.	27'374'418	0
JLL Partners Fund IV, L.P.	15'385'000	626'875
Madison Dearborn Capital Partners IV, L.P.	13'385'000	252'176
PAI Europe III-B, L.P.	12'516'533	115'726
PAI Europe III-B3, L.P.	12'273'924	114'683
Pampa Agribusiness Fund, L.P.	15'000'000	5'649'985
Warburg Pincus Private Equity X, L.P.	100'000'000	28'900'000
Warburg Pincus International Partners, L.P.	200'000'000	0
Warburg Pincus Private Equity VIII, L.P.	25'000'000	0
Blackstone Capital Partners V, L.P. (2005 Series)	15'000'000	1'743'750
The Lightyear Fund, L.P. (2005 Series)	5'000'000	102'850
Lightyear Fund II, L.P. (2005 Series)	1'000'000	102'897
VSS Communications Partners IV, L.P. (2005 Series)	10'000'000	603'157
Nordic Capital Fund VI, L.P. (2005 Series)	12'865'812	608'031
Apollo Investment VI, L.P. (2005 Series)	8'325'000	1'197'802
Credit Suisse CFG BCIX SPV, LLC* (2006 Series)	15'000'000	450'000
Credit Suisse CFG TV SPV, L.P.** (2006 Series)	15'000'000	2'356'474
CSFB CFG SPV Investor II, LLC*** (2006 Series)	5'000'000	553'517
Credit Suisse CFG BP II SPV, LLC**** (2006 Series)	5'000'000	1'655'874
Credit Suisse CFG PIV SPV, LLC***** (2006 Series)	8'735'581	2'106'014
Madison Dearborn Capital Partners V, L.P. (2006 Series)	15'000'000	1'501'745
The Fourth Cinven Fund (2006 Series)	17'639'842	6'435'351
Apax Europe VII-A, L.P. (2007 Series)	11'002'777	2'245'692
H.I.G Europe Capital Partners IV, L.P. (2007 Series)	12'843'742	7'424'819
Providence Equity Partners VI, L.P. (2007 Series)	15'000'000	4'144'239
Silver Lake Partners III, L.P. (2007 Series)	15'000'000	7'027'876
Silver Lake Sumeru Fund, L.P. (2007 Series)	10'000'000	4'849'849
The Resolute Fund II, L.P. (2007 Series)	10'000'000	6'445'423
Trident IV, L.P. (2007 Series)	5'000'000	1'078'497
Clearview Capital Fund II, L.P. (2008 Series)	10'000'000	4'757'515
PAI Europe V (2008 Series)	7'165'690	2'645'948
Nordic Capital VII Beta, L.P. (2008 Series)	14'838'322	6'014'876
TPG Biotechnology Partners III, L.P. (2008 Series)	5'000'000	3'167'750
Riverside Capital Appreciation Fund V, L.P. (2008 Series)	10'000'000	5'487'204

Bain Capital X Coinvestment Fund, L.P. (2008 Series)	7'500'000	6'450'000
Crestview Partners II, L.P. (2008 Series)	15'000'000	8'748'941
Credit Suisse CFG Hutton Collins Capital Partners III, L.P. (2008 Series)	8'322'048	3'649'542
<b>Total Buyout</b>	<b>792'328'689</b>	<b>134'459'572</b>
The ADM Maculus Fund, L.P.	15'000'000	0
The ADM Maculus Fund III, L.P.	20'000'000	79'903
Matlin Patterson Global Opp. Partners (Bermuda), L.P.	50'000'000	0
Terra Firma Capital Partners II, L.P.-C	95'820'556	838'458
Terra Firma Capital Partners III, L.P.	14'004'116	4'005'843
Wayzata Opportunities Fund, LLC (2006 Series)	10'000'000	1'890'000
Centerbridge Capital Partners, L.P. (2006 Series)	5'000'000	383'097
Cerberus Intitutional Partnership, L.P. (2006 Series)	5'000'000	708'887
Matlin Patterson Global Opportunities Partners III, L.P. (2007 Series)	10'000'000	1'800'001
Wayzata Opportunities Fund II, L.P. (2008 Series)	10'000'000	3'470'000
<b>Total Special Situations</b>	<b>234'824'672</b>	<b>13'176'189</b>
AC Private Equity Invest, L.P.	10'000'000	259'192
ALPHA CEE II, L.P.	14'074'679	5'050'080
CSFB Fund Investment VII Holdings, L.P.	140'000'000	6'028'376
DLJ Venture Partners II, L.P.	7'111'396	0
<b>Total Funds of Funds</b>	<b>171'186'075</b>	<b>11'337'648</b>
Bay Partners X, L.P.	8'000'000	0
GRP II, L.P.	17'025'000	1'746'867
The Bay City Capital Fund V, L.P. (2007 Series)	5'000'000	3'100'052
Point 406 Ventures I, L.P. (2007 Series)	5'000'000	1'600'000
Scale Venture Partners III, L.P. (2008 Series)	5'000'000	2'675'171
Jade Invest SA	24'557'957	2'699'957
Lucas Energy Ventures I	0	0
Lucas Energy Ventures II	20'000'000	959'997
Lucas Energy Ventures III	20'000'000	2'000'000
<b>Total Venture Capital</b>	<b>104'582'957</b>	<b>14'782'044</b>
Clarity Partners, L.P.	10'000'000	14'681
Hellman & Friedman Capital Partners VI, L.P. (2007 Series)	15'000'000	1'982'445
TPG Star, L.P. (2007 Series)	5'000'000	1'503'149
<b>Total Hybrid Funds</b>	<b>30'000'000</b>	<b>3'500'275</b>
<b><u>Grand Total</u></b>	<b><u>1'332'922'393</u></b>	<b><u>177'255'728</u></b>

\* Investment in "Bain Capital IX Co-Investment Fund L.P." is made through "Credit Suisse/CFG BC IX SPV, LLC"

\*\*Investment in "TPG Partners V, L.P." is made through "Credit Suisse/CFG TV SPV, L.P."

\*\*\*Investment in "TPG Biotechnology Partners II, L.P." is made through "Credit Suisse /CFG SPV Investors II, LLC"

\*\*\*\*Investment in "Blue Point Capital Partners II, L.P." is made through "Credit Suisse/CFG BP II SPV, LLC"

\*\*\*\*\*Investment in "Permira IV, L.P." is made through "Credit Suisse/CFG PIV SPV, LLC"

The stated principle investment objectives of investees exceeding 5% of the Company's net asset value as of March 31, 2011 are as follows:

Investment	Investment Focus
CSFB Fund Investment VII Holdings, L.P.	CSFB Fund Investment VII Holdings, L.P. is a diversified portfolio of private equity fund investments, which are weighted towards buyout and venture capital funds in the United States, but also includes international and mezzanine funds. The investment strategy is to generate superior risk-adjusted returns.
Warburg Pincus International Partners, LP	Warburg Pincus International Partners, L.P. ("WPIP") invests in venture capital transactions, developing growth opportunities, buyouts, recapitalizations, and other special situations in companies whose principal place of business is outside of the United States. WPIP invests primarily in seven main industry sectors: business services, communications, financial services, healthcare and life sciences, information technology, media and natural resources. WPIP is the second international private equity fund for Warburg Pincus, a firm with a thirty-year history of private equity investing.
Warburg Pincus Private Equity X, L.P.	Warburg Pincus Private Equity X, L.P. ("WPPE X") specializes in early stage, growth and late stage, growth equity, buyouts, recapitalizations, and other special situations investments. It primarily invests in companies based in North America, Europe, and Asia. The core sectors emphasized in WPPE X are Energy, Financial Services, Healthcare/Life Sciences, Industrial/Consumer and Technology/Media/Telecommunications.
Terra Firma Capital Partners II, L.P.-C	Terra Firma Capital Partners II, L.P. - C ("Terra Firma") employs a contrarian investment strategy. Terra Firma focuses on buying large "orphaned assets" or businesses which it believes most other private equity firms tend to avoid. It primarily targets large, out-of-favour, asset-intensive companies with strong and reliable cash flows, operating primarily in basic service industries. Terra Firma makes equity, debt, equity-related and/or debt-related investments, predominantly in unquoted shares and securities of companies in Europe, with the principal objective of providing investors with a return by means of long-term capital appreciation.

#### (4) Investment in associate

The Company has the following investment in its associate Absolute Investment Services Ltd.:

	CHF	USD
Net asset value December 31, 2009	1'670'735	1'613'925
Distribution of dividend to Absolute Private Equity Ltd.	-1'250'000	-1'198'696
Share of profit from associate	193'493	185'551
Currency translation effect	0	56'007
Net asset value December 31, 2010	614'228	656'787
Share or profit from associate	53'260	56'569
Currency translation effect		16'059
Net asset value March 31, 2011	<u>667'488</u>	<u>729'415</u>

As discussed in Note 1a, Absolute Private Equity Ltd. holds 50% of the share capital of Absolute Investment Services Ltd. of CHF 250'000 as of March 31, 2011 (December 31, 2010: 50%).

Summarized financial information of Absolute Investment Services Ltd. is as follows:

	March 31, 2011 CHF	March 31, 2011 USD	December 31, 2010 CHF	December 31, 2010 USD
Assets	2'795'641	3'055'011	2'219'025	2'372'781
Liabilities	1'460'666	1'596'182	990'570	1'059'207
Equity	1'334'975	1'458'829	1'228'456	1'313'574
Revenue	1'053'188	1'118'627	3'492'001	3'348'678
Profit	106'520	113'138	386'986	371'102

#### (5) Loan

At December 31, 2010 the Company had a new framework agreement with Credit Suisse AG for amounts up to USD 75'000'000. The credit line was not used as at March 31, 2011. The framework agreement will expire on September 30, 2011.

Interest rates are adjusted in line with the prevailing money and capital market rates, and are based on LIBOR plus 2% per annum. The applicable rate as of December 31, 2010 was 2.23%. The framework agreement defines covenants. These are mainly information duties by the Company and the prohibition of other borrowings by the Company or its Subsidiaries. The Company was in compliance with the covenants as of March 31, 2011.

In accordance with the new framework agreement the company is obliged to pay a quarterly commitment fee of 0.25% in arrears. Such fee is calculated on the undrawn part of the facility and was due for the first quarter in the amount of USD 116'539.

## (6) Income tax

The tax effects of temporary differences and operating loss carryforwards that give rise to significant components of deferred tax assets and liabilities are as follows:

	March 31, 2011 USD (in thousands)	December 31, 2010 USD (in thousands)
Deferred tax assets:		
• Operating loss carry forwards	10'498	11'157
• Investments in consolidated Subsidiaries	655	655
Less: valuation allowance	-11'153	-11'812
• ECI from investments	-2'000	-2'000
Net deferred tax liability	<u>-2'000</u>	<u>-2'000</u>

Deferred tax assets and liabilities are presented net in the consolidated statements of assets and liabilities. The deferred tax liability for ECI from investments will reverse at the time the ECI from US sources is distributed by the underlying investments. The tax loss carry forwards are offset against taxable temporary differences. A valuation allowance is set up for the remaining potential tax asset as it is uncertain whether the loss carry forwards can be utilized before they expire.

Reconciliation from the expected tax expense using the applicable federal income tax rate of 7.83% to the effective income tax expense is as follows:

	March 31, 2011 USD (in thousands)	December 31, 2010 USD (in thousands)
Expected tax expense at the federal rate	1,939	12'877
Effect of use of tax losses	-1,939	-12'877
Effect of ECI from investments	-89	-2'851
Other	0	0
Effective income tax expense	<u>-89</u>	<u>-2'851</u>
• of which current tax (benefit) expense	-89	-1'183
• of which deferred tax (benefit) expense	-0	-1'668

As of March 31, 2011, the Company had Swiss federal net operating loss carryforwards of approximately USD 145 million (CHF 133 million). The operating loss carryforwards expire as follows:

	CHF	Expiry date
Loss from financial year 2005	14'675'467	31.12.2012
Loss from financial year 2008	117'752'772	31.12.2015
Loss from financial year 2009	833'207	31.12.2016
Total tax loss carryforwards	<u>133'261'446</u>	

See Note 1i regarding the tax situation of the Company and the Subsidiaries.

## (7) Share capital and net asset value

The share capital (including treasury shares) as of March 31, 2011 consists of 45'112'605 (previous year: 45'112'605) bearer shares with a par value of CHF 10 each, fully paid in. The Company has only one class of shares and each share carries one voting right. The following is a calculation of consolidated net asset value per outstanding share as of March 31, 2011 and December 31, 2010:

	March 31, 2011 USD	December 31, 2010 USD
Net assets attributable to Absolute Private Equity Ltd.	1'049'645'825	1'024'881'166
Total numbers of shares issued	45'112'605	45'112'605
Less: Treasury shares for liquidation	-1'530'000	-1'530'000
Total numbers of shares outstanding	43'582'605	43'582'605
Net asset value per outstanding share attributable to Absolute Private Equity Ltd.	24.09	23.52

At the Annual General Meeting of May 26, 2009, the shareholders entitled the Board of Directors to repurchase up to 10% of the outstanding shares over a period from June 2009 until the Annual General Meeting in the year 2010. The repurchased shares have to be cancelled.

At the Annual General Meeting of May 31, 2010, the shareholders entitled the Board of Director to extend the period to repurchase up to 10% of the outstanding shares until the Annual General Meeting in the year 2011.

Based on these entitlements, Absolute Private Equity Ltd. purchased during the period from September 2, 2009 to December 31, 2009 480'000 treasury shares in the total amount of CHF 4'347'000 over the second trading channel and during the period from January 1, 2010 to March 31, 2011, additional 1'050'000 shares in the amount of CHF 10'669'250. As per March 31, 2011, Absolute Private Equity Ltd. held 1'530'000 treasury shares for a total amount of CHF 15'016'250.

The Board of Directors did not propose any dividends for the years ending December 31, 2010 and 2009.

## (8) Accumulated Other Comprehensive Income (AOCI)

AOCI solely contain foreign exchange transaction differences amounting to USD 21'556'628 as at March 31, 2011 (December 31, 2010: USD 20'721'843).

## (9) Contingent liabilities and pledged assets

At March 31, 2011, the shares of all Subsidiaries as well as the investments, the treasury shares and all cash and cash equivalents of Absolute Private Equity Ltd. are pledged as collateral for the line of credit agreement with Credit Suisse AG, a related party.

## (10) Management fees, performance fees and advisory fees

The Investment Management Agreements between the Subsidiaries and Pearl Investment Management Ltd. were modified on February 1, 2010 as far as the management fees are concerned and were subsequently terminated for December 31, 2010.

Taking effect February 1, 2011 Investment Management Agreements were entered into between Barry Ltd., Technissimo Ltd. and Private Invest Ltd. and AlphaCove Advisors Ltd. The management fees are based on the net asset value of these Subsidiaries at a total aggregate annual rate of 0.35% (1.4% until the end of December 2010), accrued as of the end of each month and paid quarterly in arrears.

Total management fees to AlphaCove Advisors Ltd. amounted to USD 335'239 for the period ended March 31, 2011.

The Investment Manager of Barry Ltd, Technissimo Ltd. and Private Invest Ltd is not entitled to a performance fee. For the period ended March 31, 2011, for these entities no performance fees were paid out to the Investment Manager.

Taking effect January 1, 2011 Investment Advisory Agreements were entered into between Privatissimo Ltd., Private Seven Ltd. and Bluebeech SCP and Credit Suisse Asset Management LLC. The advisory fees are based on the net asset value of these Subsidiaries at a total aggregate annual rate of 0.25%, accrued as of the end of each quarter and paid quarterly in arrears.

Under the Investment Advisory Agreement the investment advisor is not entitled to any performance fees.

As Privatissimo Ltd., Private Seven Ltd., Private Invest Ltd. and Bluebeech SPC did not receive distributions from the Investment Vehicles in 2011, no performance fees have been paid out to the Investment Manager.

See note 14 Subsequent events for additional information.

#### (11) Administration fees, custody fees and service fees

Credit Suisse Securities (USA) LLC, a related party, as Administrator of Privatissimo Ltd., Private Seven Ltd., Private Invest Ltd. and Bluebeech SPC is entitled to annual fixed administration fees. For the period ended March 31, 2011, these amounted to USD 175'122. See Note 12 for individual amounts per subsidiary.

Citco Fund Services (Curaçao) N.V., the Administrator of the subsidiary Barry Ltd., and Citco Fund Services (Europe) B.V., the Administrator of the subsidiary Technissimo Ltd., each receive monthly administrative fees at the rate of 0.05% per annum based on the month-end net asset value of the respective Subsidiaries. The Administrators are also reimbursed for out-of-pocket expenses incurred on the Subsidiaries' behalf. For the period ended March 31, 2011, administrative fees amounting to USD 14'374 for Citco Fund Services (Curaçao) N.V., and USD 12'000 for Citco Fund Services (Europe) B.V., were charged.

Citco Global Custody (N.A.) N.V., in its capacity as custodian of Barry Ltd. and Technissimo Ltd. receives monthly custodian fees at a rate of 0.02% per annum based on the month end values of assets in custody. For the period ended March 31, 2011, these amounted to USD 2'207.

Absolute Investment Services Ltd., Zurich, a related party, provides all Absolute Companies with management, marketing and administrative services. Absolute Investment Services Ltd. receives service fees at a rate of 0.3% (0.2% until the end of December 2010) per annum based on the NAV of Absolute Private Equity Ltd., payable quarterly. For the period ended March 31, 2011, these amounted to USD 790'958.

## (12) Related parties

### Overview of significant payments to related parties:

Payer	Recipient	Reason for payment	March 31, 2011 USD	December 31, 2010 USD
Privatissimo Ltd.	Pearl Investment Management Ltd.	Management fees	0	1'384'533
Private Invest Ltd.	Pearl Investment Management Ltd.	Management fees	0	5'546'992
Private Seven Ltd.	Pearl Investment Management Ltd.	Management fees	0	895'404
Barry Ltd.	Pearl Investment Management Ltd.	Management fees	0	1'080'111
Technissimo Ltd.	Pearl Investment Management Ltd.	Management fees	0	326'042
Bluebeech SPC	Pearl Investment Management Ltd.	Management fees	0	2'927'668
Barry Ltd.	Members of the Board	Directors' fees	5'601	24'789
Technissimo Ltd.	Members of the Board	Directors' fees	5'000	20'250
Absolute Private Equity Ltd.	Members of the Board	Directors' fees	39'316	217'199
Private Invest	Members of the Board	Directors' fees	20'000	20'000
Private Seven	Members of the Board	Directors' fees	20'000	20'000
Privatissimo Ltd.	Members of the Board	Directors' fees	20'000	20'000
Bluebeech SPC	Members of the Board	Directors' fees	20'000	20'000
Absolute Private Equity Ltd.	Absolute Investment Services Ltd.	Service fees	790'958	1'698'739
Absolute Private Equity Ltd.	Credit Suisse AG	Interest on loan	63'290	459'266
Privatissimo Ltd.	Credit Suisse AG	Administration Fees	48'666	192'792
Private Seven Ltd.	Credit Suisse AG	Administration Fees	27'375	108'447
Private Invest Ltd.	Credit Suisse AG	Administration Fees	39'541	156'643
Bluebeech SPC	Credit Suisse AG	Administration Fees	59'540	235'870
Absolute Private Equity Ltd.	Credit Suisse AG	Commitment fees	155'957	116'539
Bluebeech SPC	Credit Suisse AG	Advisory fees	154'081	0
Private Seven Ltd.	Credit Suisse AG	Advisory fees	33'548	0
Privatissimo Ltd.	Credit Suisse AG	Advisory fees	57'369	0

## (13) Risks

For the risk assessment procedures, please refer to the notes to the financial statements of Absolute Private Equity Ltd. The Company is exposed to various risks in respect to its investments. A summary of these risks is as follows:

### (13 a) Market risk

The markets and certain investment vehicles in which the Company will primarily invest may prove to be highly volatile from time to time as a result of, for example, sudden changes in government policies on taxation and currency repatriation or changes in legislation relating to the level of foreign ownership in companies. Such changes may affect the price at which the Company may liquidate positions to meet repurchase requests or other funding requirements.

### (13 b) Credit risk

The Company is furthermore exposed to the risk that counterparties for cash and cash equivalents, investments or other assets fail to discharge their obligation to repay. Due to the diversified structure of the Company's investment portfolio there is no significant concentration of risk. See note 3 regarding investments.

### (13 c) Operational risk

Operational risk is the risk resulting from inadequate or failed internal processes, people and systems, or from external events.

#### (13 d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Although the Company aims to diversify its investments it is possible that at any given time it may be exposed to liquidity risk due to the non-redeemable nature of some of the investments as well as market circumstances leading to difficulty in selling or liquidating assets. Most of the investments that the Company makes are non redeemable and therefore illiquid, making it difficult to value them, dispose of them or redeem them at the amount at which such investments are included on the Company's consolidated balance sheet. Such occurrences could prohibit the Company from promptly liquidating unfavorable positions and subject it to substantial losses.

#### (13 e) Indemnifications

In the ordinary course of its business, Absolute Private Equity Ltd. may enter into contracts or agreements that contain indemnifications or warranties. Future events could occur that lead to the execution of these provisions against Absolute Private Equity Ltd. Based on its history and experience, management feels that the likelihood of such an event is remote.

#### (14) Subsequent events

With effect from February 1, 2011, AlphaCove Advisors Ltd. in Nassau/Bahamas assumed the function of Investment Manager for the Subsidiaries Barry Ltd., Technissimo Ltd., and Private Invest Ltd. The management fees to be paid by the Subsidiaries will amount to 0.35% of NAV p.a.

The service fee incurred in accordance with the Service Level Agreement between the Company and Absolute Investment Services AG was increased to 0.30% of NAV p.a. as of January 1, 2011.

On June 7, 2011, HarbourVest Partners, LLC ("HarbourVest") published the offer prospectus for its tender offer to acquire all the issued and outstanding bearer shares of Absolute Private Equity Ltd. currently in circulation for a price of USD 17.25 per share through HarbourVest-managed secondary funds together with HarbourVest Global Private Equity Limited. The Company's Board of Directors has reviewed this public tender offer and recommends its shareholders to accept the offer in accordance with its detailed report contained in the offer prospectus. The tender offer respectively its completion is amongst others subject to the condition that at least 50.01% of all the Company's shares are tendered. The transaction is scheduled for completion by end of August 2011.

Subsequent events have been evaluated through June 24, 2011, which is the date the financial statements were available to be issued.

The Board of Directors authorized the consolidated financial statements for issue on June 24, 2011.

## Interim Financial Statements for Absolute Private Equity Ltd.

Balance sheet as of		March 31, 2011	December 31, 2010
Assets	Note	CHF	CHF
<b>Current assets</b>			
Cash and cash equivalents at Credit Suisse AG, a related party		47'507'056	1'905'746
Treasury shares	2	15'016'250	15'016'250
Investments		1	7'455'150
Withholding tax receivables		3'021	1'342
Convertible loan to Jade Invest SA		2'525'000	2'525'000
Receivable from Jade Invest SA		1'744'770	942'041
Other receivables		195'220	193'279
		<u>66'991'318</u>	<u>28'038'807</u>
<b>Non-current assets</b>			
Private Invest Ltd.	1	351'854'511	368'380'311
Private Seven Ltd.	1	49'104'127	51'708'175
Privatissimo Ltd.	1	79'344'494	89'342'567
Barry Ltd.	1	37'261'798	45'492'893
Absolute Investment Services Ltd.	1	125'000	125'000
Swiss Oil & Gas Investment Corp.	1	28'991'894	30'777'978
Jade Invest SA	1	19'244'461	19'244'461
Bluebeech SPC	1	221'074'331	216'973'893
Platypus Inv. Management Pty Ltd.	1	18'936	18'936
Technissimo Ltd.	1	8'748'237	29'979'564
		<u>795'767'788</u>	<u>852'043'778</u>
<b>Total assets</b>		<u>862'759'106</u>	<u>880'082'585</u>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Time loan due to Credit Suisse AG, a related party		0	14'028'000
Accounts payable		250'613	633'409
Accrued expenses		1'151'892	335'000
Current tax liability		8'536	26'000
		<u>1'411'041</u>	<u>15'022'409</u>
<b>Shareholders' equity</b>			
Share capital	3	451'126'050	451'126'050
Legal reserves		314'506'602	314'506'602
Reserve for treasury shares 2nd trading line	2	15'016'250	15'016'250
Free reserves		234'770'865	234'770'865
Other retained losses		-150'359'591	-276'185'768
Net (loss) gain for the period		-3'712'112	125'826'177
		<u>861'348'064</u>	<u>865'060'176</u>
<b>Total liabilities and Shareholders' equity</b>		<u>862'759'106</u>	<u>880'082'585</u>

## Income statement for the periods

January 1, 2011 to  
March 31, 2011  
CHF

	Note	
<b>Income</b>		
Interest income		4'797
Dividends from subsidiaries		2'749'500
Appreciation in value of subsidiaries	1	0
Fee income from Jade Invest SA		0
Foreign exchange gains		379'665
Gains on investments		178'492
		<u>3'312'454</u>
<b>Expenses</b>		
Valuation adjustments on subsidiaries	1	-4'390'132
Interest on time loan due to Credit Suisse AG, a related party		-67'687
Bank and broker expenses		-148'986
Other financial expenses		-12'171
Foreign exchange losses		-1'181'051
Directors' fees		-37'016
Legal and professional fees		-364'038
Service fees		-744'687
Losses on investments		0
General and other expenses		-43'187
Federal turnover tax		-475
Capital taxes		0
		<u>-6'989'428</u>
Loss before income taxes		-3'676'974
Income taxes		-35'138
Net profit (loss) for the period		<u><u>-3'712'112</u></u>

## Notes to the financial statements

### (1) Investments

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Private Invest Ltd., Cayman Islands incorporated July 31, 2000; Investment Company	USD 50'000 USD 1/share		
Carrying amount at December 31, 2009		100%	324'413'836
Capital surplus increase (USD 18.72 million)			20'148'859
Capital surplus repayment (USD 19.6 million)			-20'537'295
Appreciation in value			44'354'910
Carrying amount at December 31, 2010		100%	368'380'310
Capital surplus repayment (USD 18.0 million)			-16'525'800
Carrying amount at March 31, 2011		100%	<u>351'854'511</u>
Private Seven Ltd., Cayman Islands incorporated July 31, 2000; Investment Company	USD 50'000 USD 1/share		
Carrying amount at December 31, 2009		100%	62'224'444
Capital surplus increase (USD 3.244 million)			3'291'138
Capital surplus repayment (USD 5.233 million)			-5'424'193
Valuation adjustment			-8'383'214
Carrying amount at December 31, 2010		100%	51'708'175
Valuation adjustment			-2'604'048
Carrying amount at March 31, 2011		100%	<u>49'104'127</u>
Privatissimo Ltd., Cayman Islands incorporated July 31, 2000; Investment Company	USD 50'000 USD 1/share		
Carrying amount at December 31, 2009		100%	87'679'224
Capital surplus increase (USD 5.353 million)			5'291'100
Capital surplus repayment (USD 28.95 million)			-30'790'300
Appreciation in value			27'162'543
Carrying amount at December 31, 2010		100%	89'342'567
Capital surplus increase (USD 0.335 million)			315'537
Capital surplus repayment (USD 10.9 million)			-10'313'610
Carrying amount at March 31, 2011		100%	<u>79'344'494</u>

Privatissimo Ltd., Private Seven Ltd. and Private Invest Ltd. are duly organized and existing under the laws of the Cayman Islands. These entities invest in private equity investment vehicles and were incorporated on July 31, 2000 with a share capital of USD 50'000 each.

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Barry Ltd., Cayman Islands incorporated July 31, 2001; Investment Company	USD 50'000 USD 1/share		
Carrying amount at December 31, 2009		100%	52'461'873
Capital surplus increase (USD 1.6 million)			1'654'560
Capital surplus repayment (USD 8.087 million)			-8'623'540
Carrying amount at December 31, 2010		100%	45'492'893
Capital surplus increase (USD 9.58 million)			9'267'885
Capital surplus repayment (USD 17.7 million)			-17'498'980
Carrying amount at March 31, 2011		100%	<u>37'261'798</u>

Barry Ltd. is duly organized and existing under the laws of the Cayman Islands and primarily invests in a portfolio of securities, financial instruments and partnership interests. The company was incorporated on July 31, 2001 with a share capital of USD 50'000.

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Absolute Investment Services Ltd., Zurich incorporated November 19, 2004; Service Company	CHF 250'000 CHF 100/share		
Carrying amount at December 31, 2009		50%	125'000
Carrying amount at December 31, 2010		50%	125'000
Carrying amount at March 31, 2011		50%	<u>125'000</u>

Absolute Investment Services Ltd., Zurich, provides Absolute Private Equity Ltd. and Absolute Invest Ltd. with management, marketing and administrative services. The company was incorporated on November 19, 2004. As of March 31, 2011 and December 31, 2010 the Company held 50% (CHF 125'000) of the share capital of CHF 250'000. Absolute Invest Ltd. holds the remaining 50%. Absolute Invest Ltd. is a related party investment company.

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Swiss Oil & Gas Inv. Corp., Delaware incorporated May 6, 2005; Investment Company	USD 15 USD 0.01/share		
Carrying amount at December 31, 2009		100%	23'814'006
Capital increase (USD 9.99 million)			10'434'420
Valuation adjustment			-3'470'447
Carrying amount at December 31, 2010		100%	30'777'978
Valuation adjustment			-1'786'084
Carrying amount at March 31, 2011		100%	<u>28'991'894</u>

Swiss Oil & Gas Investment Corporation is duly organized and existing under the laws of the state of Delaware and invests primarily in partnership interests. The company was incorporated on May 6, 2005 with a share capital of USD 15.

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Jade Invest SA, Neuchâtel incorporated June 30, 2005; Investment Company	CHF 31'852'663 CHF 1/share		
Carrying amount at December 31, 2009		31.56%	15'830'575
Appreciation in value			3'413'886
Carrying amount at December 31, 2010		31.56%	19'244'461
Appreciation in value			0
Carrying amount at March 31, 2011		31.56%	<u>19'244'461</u>

On March 2011 Absolute Private Equity holds 31.56 % of Jade Invest SA. Within the next 5 years the convertible loan of CHF 2'525'000 will increase the participation. Jade Invest SA invests in private equity investment vehicles particularly in start-up and spin-off companies.

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Bluebeech SPC, Cayman Islands incorporated August 10, 2005; Investment Company	USD 50'000 USD 0.01/share		
Carrying amount at December 31, 2009		100%	158'663'955
Capital surplus increase (USD 31.399 million)			32'849'892
Appreciation in value			25'460'046
Carrying amount at December 31, 2010		100%	216'973'893
Capital surplus increase (USD 4.343 million)			4'100'438
Carrying amount at March 31, 2011		100%	<u>221'074'331</u>

Bluebeech SPC is duly organized and existing under the laws of the Cayman Islands and invests in private equity investment vehicles. The company was incorporated on August 10, 2005 with a share capital of USD 50'000.

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Platypus Investment Management Pty Limited incorporated December 6, 2005; Investment Company	AUD 50'000 AUD 1/share		
Purchase price		40.00%	149'415
Valuation adjustment			-130'479
Carrying amount at December 31, 2010		40.00%	18'936
Valuation adjustment			0
Carrying amount at March 31, 2011		40.00%	<u>18'936</u>

Platypus Investment Management Pty Limited, Sydney was incorporated on December 6, 2005. On June 7, 2010 Absolute Private Equity Ltd. purchased from Absolute Investment Services Ltd., a related party, 70 shares of the company. Platypus Investment Management Pty Limited funds is the management arm of financial services, health and retirement living services provider Australian Unity and is duly licensed by the Australian Securities & Investments Commission (ASIC).

Subsidiaries Name / (Purpose)	Share capital as per March 31, 2011	Percentage held	CHF
Technissimo Ltd., Cayman Islands Incorporated March 14, 2000; Investment Company	USD 50'000 USD 1/share		
Carrying amount at December 31, 2009		100%	17'193'358
Capital surplus increase (USD 0.286 million)			296'786
Capital surplus repayment (USD 2 million)			-2'035'630
Appreciation in value			14'525'051
Carrying amount at December 31, 2010		100%	29'979'564
Capital surplus increase (USD 0.02 million)			18'632
Capital surplus repayment (USD 22.453 million)			-21'249'959
Carrying amount at March 31, 2011		100%	<u>8'748'237</u>

Technissimo Ltd. is duly organized and existing under the laws of the Cayman Islands. The company was incorporated on March 14, 2000 with a share capital of USD 50'000.

#### Summary of all subsidiaries

Subsidiaries' Name / Purpose	CHF
Carrying amount of subsidiaries at December 31, 2009	742'406'272
Capital increases	73'966'754
Capital decreases	-67'410'958
Valuation adjustments	-11'984'140
Purchase of shares in subsidiaries	149'415
Appreciation in value	114'916'435
Carrying amount of subsidiaries at December 31, 2010	852'043'778
Capital increases	13'702'492
Capital decreases	-65'588'349
Valuation adjustments	-4'390'132
Carrying amount of subsidiaries at March 31, 2011	<u>795'767'788</u>

A list of further details of subsidiaries is set out in Note 1 to the consolidated financial statements of Absolute Private Equity Ltd. as of March 31, 2011. The values of the subsidiaries have been adjusted to reflect the net asset value of the Subsidiaries at period end.

## (2) Treasury shares

At the Annual General Meeting of May 26, 2009, the shareholders entitled the Board of Directors to repurchase up to 10% of the outstanding shares over a period from June 2009 until the Annual General Meeting in the year 2010. The repurchased shares have to be cancelled.

At the Annual General Meeting of May 31, 2010, the shareholders entitled the Board of Director to extend the period to repurchase up to 10% of the outstanding shares until the Annual General Meeting in the year 2011.

Based on these entitlements, Absolute Private Equity Ltd. purchased during the period from September 2, 2009 to December 31, 2009 480'000 treasury shares in the total amount of CHF 4'347'000 over the second trading channel and during the period from January 1, 2010 to December 31, 2010, additional 1'050'000 shares in the amount of CHF 10'669'250. As per March 31, 2011 Absolute Private Equity Ltd. held 1'530'000 treasury shares for a total amount of CHF 15'016'250.

## (3) Share capital

	March 31, 2011		December 31, 2010	
	Total nominal value CHF	Number of shares	Total nominal value CHF	Number of shares
Share capital (bearer shares)	451'126'050	45'112'605	451'126'050	45'112'605
Total share capital	451'126'050	45'112'605	451'126'050	45'112'605

All bearer shares are entitled to dividend. Legal reserves are partially restricted on the distribution of dividends and repayments.

## (4) Significant shareholders

As of March 31, 2011, the following shareholders held more than 3% of all shares of the Company:

- § Credit Suisse Group, 20.02% (Prior year 10.65%)
- § AIG Financial Products Corp, 5.16% (Prior year 5.16%)
- § Alpine Select AG, Sumara AG, 5.06% (Prior year 5.06%)
- § Absolute Private Equity AG (own shares), 3.39% (Prior year 3.39%)
- § Abrams David C., Brookline, MA USA 3.52 %, (Prior year 0%)

There are no shareholders' agreements in place.

## (5) Pledged assets

The shares of Private Invest Ltd., Private Seven Ltd., Privatissimo Ltd., Barry Ltd., Absolute Investment Services Ltd., Swiss Oil & Gas Investment Corp., Jade Invest SA, Innobridge SA, Bluebeech SPC, Platypus Investment Management Pty Ltd. and Technissimo Ltd., the treasury shares and all cash and cash equivalents of Absolute Private Equity Ltd. with a book value of CHF 858'291'095 are pledged as collateral for the time loan due to Credit Suisse, a related party, the credit line was not used as per March 31, 2011.

## (6) Compensations for members of governing bodies

The members of the Board of Directors of Absolute Private Equity Ltd. are entitled to an aggregate and individual compensation in the form of an annual lump-sum payment, which is paid out in cash for the last financial year after grant of discharge by the Annual General Meeting. For additional meetings, in the event of extraordinary circumstances, a further amount of CHF 5'000 net per meeting can be paid out, quarterly, to each Member of the Board, in order to compensate their extra efforts. This meeting shall be held on request of the Chairman.

The following table presents the compensation for the last and the current financial years:

Member of the Board of Directors of Absolute Private Equity Ltd.	Function	2011		2010	
		Compensation net CHF	Compensation gross <sup>3</sup> CHF	Compensation net CHF	Compensation gross <sup>3</sup> CHF
Thomas Amstutz	Chairman	75'000	79'830	75'000	79'830
Dr. Kurt Arnold <sup>4</sup>	Member	0	0	0	0
Daniel Brupbacher <sup>1</sup>	Member	0	0	0	0
Hans Rudolf Zehnder	Member	50'000	51'766	50'000	51'766
Hans-Rudolf Zehnder <sup>2</sup>	Member	0	0	10'000	10'532
Roland Müller-Ineichen <sup>5</sup>	Member	50'000	53'220	50'000	53'220
Roland Müller-Ineichen <sup>5, 2</sup>	Member	0	0	15'000	15'966
<b>Total</b>		<b>175'000</b>	<b>184'816</b>	<b>200'000</b>	<b>211'314</b>

<sup>1</sup> Members of the Board of Directors who are employed and remunerated by Credit Suisse Group have waived their compensation payments.

<sup>2</sup> Extraordinary compensation

<sup>3</sup> Including social expenses (AHV/IV/ALV)

<sup>4</sup> Until May 31, 2010

<sup>5</sup> Since May 31, 2010

The Board members Hans Rudolf Zehnder and Thomas Amstutz are also members of the Board of Directors of Absolute Investment Services Ltd., an entity jointly owned by Absolute Private Equity Ltd. and Absolute Invest Ltd. In their function as members of the Board of Directors of Absolute Investment Services Ltd., they are not entitled to any compensation. Thomas Amstutz is furthermore the Chief Executive Officer (CEO) of Absolute Investment Services Ltd.

Absolute Investment Services Ltd. is the Company's service provider. For the services rendered until March 31, 2011, Absolute Investment Services Ltd. is entitled to receive a Service Fee in the amount of CHF 744'687 from Absolute Private Equity Ltd. Amongst others, these revenues are used to compensate the CEO of Absolute Investment Services Ltd.

The Board of Directors did not hold any options on shares of the Company as of March 31, 2011 and December 31, 2010. No guarantees, loans, advances or credits were granted to any member of the Board of Directors.

Absolute Private Equity Ltd. does not have an Advisory Board.

During the year under review, Absolute Private Equity Ltd. did not pay out any direct or indirect compensation or allocate any shares or options to former members of governing bodies (2010: None).

During the year under review, no compensations that are not customary in the market were paid directly or indirectly to persons, who are close to members of governing bodies or close to former members of governing bodies (2010: None).

## Share ownership of the Board of Directors

The following table shows the individual and aggregate number of shares of Absolute Private Equity Ltd. held by members of the Board of Directors as of March 31, 2011 and December 31, 2010:

Member	Function	March 31, 2011		December 31, 2010	
		Amount of bearer shares	Voting rights in %	Amount of bearer shares	Voting rights in %
Thomas Amstutz	Chairman	249'000	<1	249'000	<1
Dr. Kurt Arnold <sup>1</sup>	Member	0	<1	0	<1
Daniel Brupbacher	Member	0	0	0	0
Hans Rudolf Zehnder	Member	40'000	<1	40'000	<1
Roland Müller-Ineichen <sup>2</sup>	Member	0	0	0	0
<b>Total</b>		<b>289'000</b>	<b>&lt;1</b>	<b>289'000</b>	<b>&lt;1</b>

<sup>1</sup> Until May 31, 2010

<sup>2</sup> Since May 31, 2010

## Company's share ownership

As of March 31, 2011 the Company held 3.39% of its outstanding voting shares (1'530'000 treasury shares). As of December 31, 2010, the Company's share ownership also amounted to 3.39% of its outstanding voting shares 1'530'000 treasury shares.

## (7) Risk assessment

The Board of Directors performed an analysis of key risks that affect the company based on data and tools used as part of the risk management process. Risk management essentially covers market risk, credit risk, operational risk and liquidity risk. In performing the risk analysis, the Board of Directors considered the internal control system which monitors and mitigates the risks. Refer to note 12 of the consolidated financial statements for further details.

## (8) Principle of capital contribution

As from January 1, 2011 the Swiss tax legislation has allowed the distribution of paid-in capital without any tax consequences. The necessary measures have been taken and the necessary changes in the reserves were approved by the Annual General Meeting held on May 26, 2011. The capital accounts have been adjusted accordingly in the statements as per December 31, 2010.

## (9) Subsequent events

Mr. Daniel Brupbacher has acted as Board Member until the Annual General Meeting held on May 26, 2011.

There are no further facts which require disclosure in accordance with Art. 663b of the Swiss Code of Obligations.