

Dear Investor

While public equity markets further declined during August (MSCI World TR -1.4% in USD terms), listed private equity developed inconsistently (LPX 50 plus 3.3% and LPX Indirect minus 3.6% in Euro terms).

On the currency front the US Dollar continued its rebound and appreciated significantly against the Swiss Franc by 5.2% (now up by 14.2% from its record low in March and down by 2.9% year to date). The Euro and the British Pound as the second major investee currencies of shaPE lost 1.1% and 3.4% respectively against the Swiss Franc during the month (year to date now down by 2.3% and 10.9% respectively).

Market data	31.08.08	31.07.08	Change mtm	31.12.07	Change ytd
MSCI World TR (USD)	3'120.9	3'165.4	-1.4%	3'628.1	-14.0%
LPX 50 TR (EUR)	1'073.3	1'039.1	3.3%	1'312.6	-18.2%
LPX Indirect (EUR)	71.5	74.1	-3.6%	88.2	-18.9%
USD / CHF	1.1017	1.0474	5.2%	1.1341	-2.9%
EUR / CHF	1.6169	1.6345	-1.1%	1.6550	-2.3%
GBP / CHF	2.0052	2.0768	-3.4%	2.2497	-10.9%

Performance and Portfolio Development

The NAV per share increased by CHF 2.26 from CHF 270.82 to CHF 273.08 (+0.8%). The share price remained unchanged at CHF 254.00 implying a discount of -7.0%. Year to date, the NAV per share and the share price have moved down by -3.6% and -7.3% respectively.

As in July, the appreciation of the US Dollar against the Swiss Franc contributed substantially to the overall NAV increase. Excluding currency effects, the gains on the investment portfolio were down slightly by -0.7% (resulting from a plus of 0.5% in realized investment gains and a minus of 1.2% in unrealized gains due to lowered investment valuations).

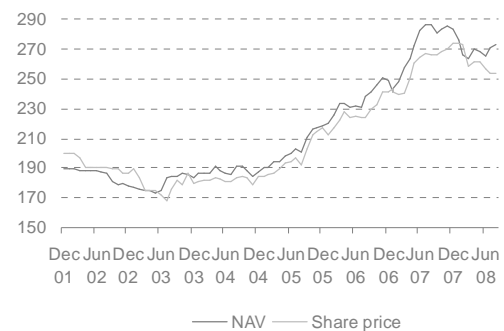
With total capital calls of CHF 2.2 million paid to underlying partnerships and CHF 1.9 million received in distributions, August turned out as one of the more quiet months so far this year in terms of exit- and investment activity. As a consequence, the investment level remained unchanged at 95%.

No new commitments have been added to the unlisted investment portfolio during the month. Hence, the commitment ratio (i.e. total capital commitments in relation to total NAV) remained unchanged at 160%.

Development of key figures	31.08.08	31.07.08	Change mtm	31.12.07*	Change ytd
NAV per share (CHF)	273.08	270.82	0.8%	283.38	-3.6%
Closing price SWX (CHF)	254.00	254.00	0.0%	274.00	-7.3%
Premium / (discount) to NAV	-7.0%	-6.2%	-0.8%	-3.3%	-3.7%
Investment level	95%	95%	0%	88%	7%
Total commitments vs. NAV	160%	160%	0%	139%	21%
Undrawn commitments vs. NAV	78%	78%	0%	69%	9%
No. of listed PE investments	2	2	0	3	-1
FV listed PE investments (CHFm)	13.1	12.6	3.9%	17.6	-4.5
No. of unlisted PE investments	67	67	0	64	3
FV unlisted PE investments (CHFm)	224.3	221.5	1.3%	211.4	12.9

*The NAV per 31 December 2007 reflects audited information as disclosed in the Annual Report 2007.

Share price vs. NAV
Dec 2001 - Aug 2008



Market Development

While the most recent developments during the third week of September have further demonstrated the severity of the situation on the financial markets, they did not change our assessment of the private equity market. However, it seems more evident than ever that the large buyout segment will not revitalize in the near and more distant future. While deteriorated economic outlooks might further hinder public exit channels, lowered valuations will also provide attractive investment opportunities, especially in the smaller- and mid-market buyout segment as well as in the turnaround and distressed space. With a total of CHF 145 million in unfunded commitments allocated to these segments, we consider shaPE to be well-positioned to profit from the intriguing times ahead.

Pfaffikon SZ, September 2008

Simon Lamprecht