Newsletter

April 2010

shaPE

Dear Investor

While public equity markets moved sideways, the listed private equity sector continued its advance in April with the LPX 50 TR and the LPX Indirect gaining 3.7% and 4.6% in Euro terms.

The US Dollar gained 2.3% and also the Euro advanced slightly by 0.6% against the Swiss Franc during the month.

Market data	30.04.10	31.03.10	Change mtm	31.12.09	Change ytd
MSCI World TR (USD)	**2'887.0**	2'886.6	0.0%	2'796.0	3.3%
LPX 50 TR (EUR)	**854.9**	824.6	3.7%	692.0	23.5%
LPX Indirect (EUR)	**38.9**	37.2	4.6%	30.2	28.7%
USD / CHF	**1.0773**	1.0535	2.3%	1.0355	4.0%
EUR / CHF	**1.4323**	1.4236	0.6%	1.4823	-3.4%
GBP / CHF	**1.6466**	1.6008	2.9%	1.6736	-1.6%

Despite the overall positive share price performance, discounts of LPE vehicles remained unchanged or even increased again in April (mostly due to higher reported NAVs). RBS reports a universe discount of -41.1% for listed PE funds of funds compared to -38.7% per end of March.

Performance and portfolio development

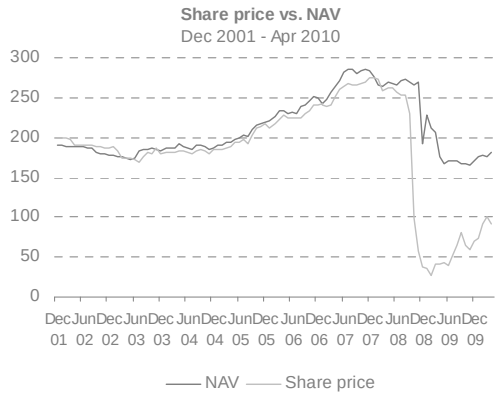
During April, the NAV per share increased by CHF 6.54 to CHF 181.78 (+3.7%). On one hand side, the strengthened US Dollar and Euro had helped. Also, the incoming Q1 reports showed further upward valuations in the single digit range compared to year end valuations. The April 2010 NAV has still roughly four fifth of the underlying funds valued with year end figures; roughly one fifth is based on Q1 2010 valuations. Although not all funds in the portfolio perform a quarterly revaluation, we expect that the additional incoming Q1 reports will lead to a further small increase in the overall NAV. As the share price declined by 8% during the month, the discount vs. NAV now stands at -49.4% which is higher than the universe average but again in line with the discounts observed for the peer vehicles listed on the SIX Swiss Exchange.

At the beginning of the month, the first of the previously announced three secondary sales had closed (see press release of 12 March 2010). The sold USD 10 million commitment to Friedman Fleischer & Lowe III, L.P. was mainly unfunded and therefore led to a significant reduction in total unfunded commitments, while the incurred write-down was small. Also in April, shaPE decided to sell its position in the AIM listed investment company Evolvence India Holdings (EIH Plc). The sale generated approximately CHF 7 million cash.

With the two transactions shaPE further shortened the duration of its portfolio and generated a more comfortable cash cushion.

Development of key figures	30.04.10	31.03.10	Change mtm	31.12.09*	Change ytd
Total NAV (CHFm)	**143.3**	139.8	3.5	143.3	-
NAV per share (CHF)	**181.78**	175.24	3.7%	171.51	6.0%
Closing price SWX (CHF)	**92.00**	100.00	-8.0%	69.50	32.4%
Premium / (discount)	**(49.4%)**	(42.9%)	-6.5%	(59.5%)	10.1%
Net cash (CHFm)	**7.3**	0.9	6.4	7.5	-0.2
Investment level	**95%**	99%	-5%	95%	0%
Total commitments vs. NAV	**168%**	179%	-11%	176%	-8%
Undrawn commitments vs. NAV	**58%**	65%	-8%	68%	-10%
No. of PE investments	**46**	48	-2	48	-2
FV of PE investments (CHFm)	**136.0**	138.8	-2.8	135.9	0.1

*Please note that the NAV per 31.12.2009 reflects audited information.



Market development

While discounts in the listed private equity universe narrowed considerably over the first few months of 2010, the secondary market for private equity fund LP interests witnessed an even stronger recovery. As a logical consequence of the realization strategy, shaPE carefully monitors these developments. As previously explained, shaPE could selectively and opportunistically sell further LP interests over the coming few quarters. This will however only be done, if shaPE does not see a significant additional upside with holding on to these funds. Current pricing makes us believe that holding on to the funds is the best decision for the time being in most of the situations.

Freienbach, 20 May 2010

Simon Lamprecht

Please note that the financial data in this newsletter is unaudited information and is based on sources deemed by shaPE to be reliable; however the accuracy of the information cannot be guaranteed and no liability shall be accepted in this respect. Due to an information time lag in the reporting of the investments, the NAV reported in this newsletter may differ from the NAV published by the company at the respective date and from the NAV that will be published in the annual report of the company per the respective date. This newsletter is for information only and does not constitute an offer to subscribe.

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