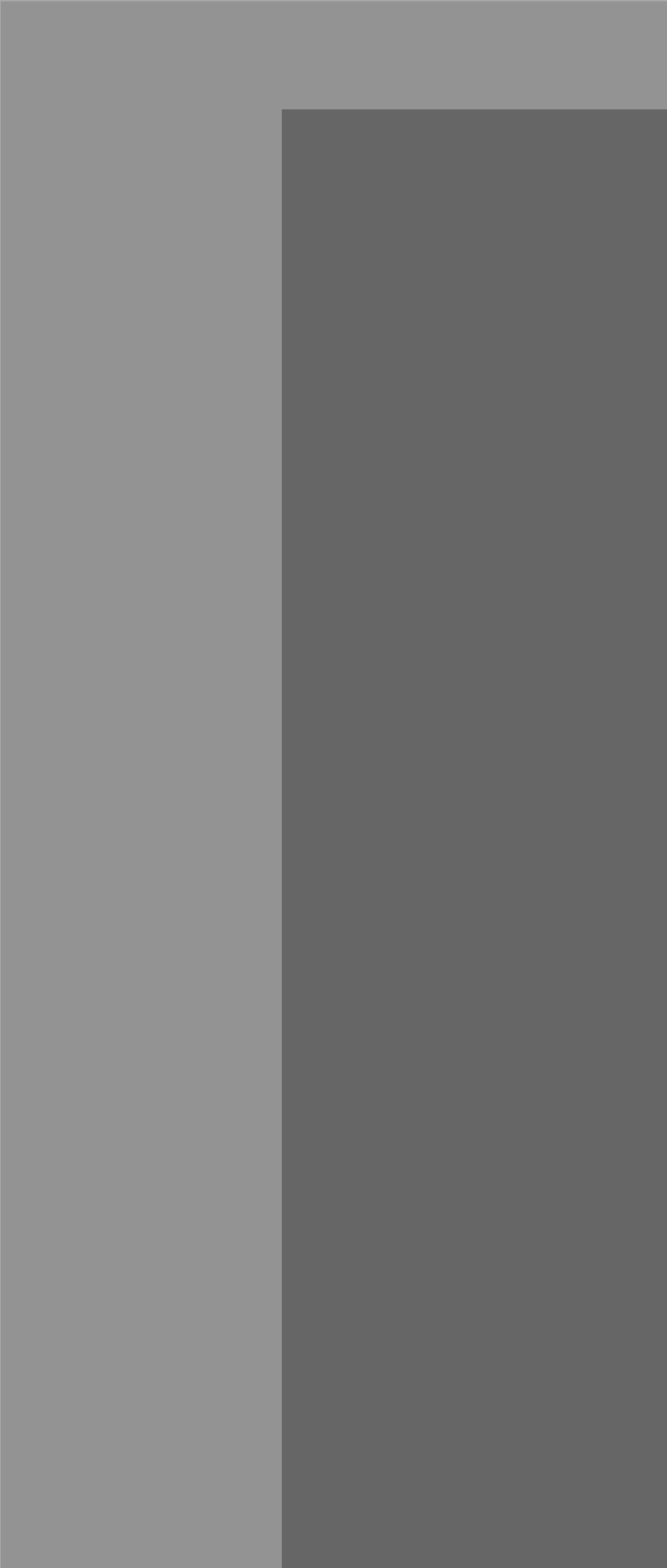


shaPE

Semi-Annual Report

June 2005



Dear Shareholder

We are pleased to present to you shaPE's semi-annual report for the first six months of 2005. During this period, the Net Asset Value (NAV) per share increased from CHF 193.06 per 31 December 2004, to CHF 203.75, which represents an increase of 5.5%. In parallel, shaPE's share price increased by 6.3% to CHF 196.20.

This performance reflects realized and unrealized gains on investments of CHF 9 million, which resulted in a net income of CHF 7.3 million. This represents a gross return on average invested capital of 10.6% and a net return on average invested capital of 8.6%. Although this development was partially due to positive currency effects, it underlines the potential of shaPE's portfolio.

In addition to the solid performance of the existing limited partnerships, shaPE further expanded the portfolio by making five additional commitments during the period. This resulted in an increase of the commitment ratio¹ from 117% to 137%, while the investment ratio² increased from 59% to 66%.

With a target commitment ratio of 140%, shaPE is coming near to the end of the initial portfolio build-up which started at the end of 2001. A significant part of this period was marked by favourable investment conditions with attractive deal-flow and moderate price levels.

With its focus on development capital and buyout transactions in North America and Western Europe, shaPE has been able to benefit from these market conditions by building the foundation of a strong investment portfolio. This portfolio is now gradually growing and maturing, and provided that market conditions do not unexpectedly deteriorate, shaPE is well positioned to show a continued solid performance.

We would like to thank you for your trust and your loyalty.



Martin Vogel
President of the Board of Directors



Benedickt G. Brenninkmeijer
Chief Executive Officer

¹ Total commitments as a percentage of net assets

² Total investments as a percentage of net assets

A Brief Portrait

shaPE Capital AG is an investment company, listed at the SWX Swiss Exchange, that provides access to a diversified portfolio of private equity investments. The Company is based in Zug, with the status of a holding company. Its investment activity is handled by the subsidiary in the Cayman Islands and supported by Baer Select Management Ltd., the Investment Manager, and Robeco Institutional Asset Management B.V., the Investment Advisor. shaPE uses a clearly structured investment strategy to focus on selecting and investing in the most suitable private equity managers around the world. In order to minimize investment risks, the investments are well diversified across regions, development stages, sectors and vintage years. This is combined with a strong focus on managers with superior track records. shaPE does not hedge its foreign currency commitments and investments which may lead to a significant exposure to the fluctuations of such currencies. The fee structure, which includes Management and Performance Fees, a hurdle rate and a high water mark, ensures that the interests of the parties involved are aligned with the investor's interests.

Key Facts and Figures (as at 30 June 2005)

shaPE

Closing Stock Price (CHF)	196.20
Stock Price Change (since initial public offering)	(1.9%)
Stock Price Change (2005)	6.3%
NAV per Share (CHF)	203.75
NAV per Share Change (since initial public offering)	1.9%
NAV per Share Change (2005)	5.5%
Premium/(Discount)	(3.7%)
Capital Invested in % of NAV	66%
Capital Committed in % of NAV	137%

Financial Markets

MSCI World Index Change (2005)	2.3%
Swiss Performance Index Change (2005)	12.2%

Exchange Rate

USD/CHF	1.2810
EUR/CHF	1.5510
GBP/CHF	2.2963

Management Summary

During the second quarter of 2005, shaPE made one additional commitment of GBP 2.8 million to Sovereign Capital Limited Partnership II. This is a UK-based private equity partnership with a focus on buyout and development capital investments in the market for smaller and mid-sized private equity transactions.

Combined with the four additional commitments that were made during the first quarter and described in the report per 31 March 2005, this increased the total of shaPE's commitments to CHF 191 million across 39 limited partnerships which are managed by 34 management teams. The continued commitment activity is represented by an increase of the commitment ratio from 117% per 31 December 2004, to 137% per 30 June 2005. During the same period the investment ratio increased from 59% to 66%.

While new commitments were added to the portfolio, the existing portfolio showed a solid performance. This is reflected by a CHF 7.3 million increase in total NAV, resulting from realized and unrealized gains from investments of CHF 9 million, interest and other

income of CHF 0.4 million and total operating expenses of CHF 2.1 million. Approximately 58% of the gains on investments were caused by favorable currency effects while the remaining 42% were the result of positive developments at the level of the underlying direct investments within shaPE's limited partnerships.

With the additional commitments that were made during the period, shaPE has almost reached its target commitment ratio of 140%. Although this ratio will change due to capital distributions, currency changes and other effects, shaPE is coming close to the end of its portfolio build-up that was initiated after the IPO in November 2001.

As a result, shaPE's additional commitments and its growth going forward will mainly be funded with the distributed returns from the current portfolio which is gradually maturing. It is therefore reassuring that the average invested capital yielded a gross return of 10.6% and a net return of 8.6% during the first six months of 2005.

Based on its focus on development capital and buyout transactions, the quality of the limited partnerships, the vintage years and the geographic diversification of the portfolio as it was built over the past three and a half years, shaPE has a sustained confidence in its future potential.

Market Overview

In the first two quarters of 2005, private equity markets showed a continued positive development with USD 200 billion being raised by private equity firms on a world-wide basis. The strength of the fundraising environment is supported by the documented target allocations of large private equity investors which indicated an estimated USD 180 billion of expected commitments in the next few quarters.

In Europe, private equity firms raised USD 105 billion, representing an increase of 82% compared to the first two quarters of 2004. In the U.S., the volume grew by 62% to USD 85 billion in the first half of 2005. Investment activities especially accelerated in the European buyout

segment where almost 300 deals were completed with a combined volume of EUR 60 billion. This increase is to a large extent caused by larger transaction sizes. The current market development is being supported by robust corporate earnings, improved economic perspectives and low borrowing costs.

As a result of the high level of liquidity made available to private equity firms and the current favorable market conditions, the competition among private equity houses for quality deals is increasing. This provided, price levels both in primary and secondary transactions are expected to increase. What could be characterized as a buyers market during recent years has more and more become a sellers market.

Portfolio Overview

New Commitments

Advent Global Private Equity V-C, L.P.

Fund size: EUR 2.5 billion

Commitment: EUR 4 million

Geographic Focus: Western Europe

Investment Stage: Mid-market buyouts

Overview

In April 2005, Advent International announced the successful closure of Advent International GPE V, L.P.. The fund will focus on mid-market buyouts in Europe and North America with investments in the financial services, media, telecom, retail, healthcare and life science sectors. Since inception, the fund made one investment into Gruppo Argenta, an Italian vending machine firm that operates almost 50,000 vending machines for snacks and drinks in Northern Italy.

Barclays Private Equity European Fund II-E, L.P.

Fund size: EUR 1.65 billion

Commitment: EUR 4 million

Geographic Focus: Western Europe

Investment Stage: Mid-market buyouts

Overview

The partnership, which was closed in February 2005, has a strong focus on mid-market buyouts in the U.K., France, Germany, and Italy. In terms of sectors, the fund will mainly invest in financial services, consumer, and health-

care companies. Since inception, the fund made two investments in Médi-Partenaires, an operator of private hospitals in France, and Kurt Geiger, a retailer with own and third party branded luxury footwear which is sold through department store concessions and proprietary stores.

BC European Capital VIII, L.P.

Fund size: EUR 5.5 billion

Commitment: EUR 4 million

Geographic Focus: Western Europe

Investment Stage: Large buyouts

Overview

In June 2005, BC Partners announced the successful closing of BC European Capital VIII. Currently, the partnership has not made any investments. The fund aims to make 10-20 direct investments in the Western European market for large buyouts with a focus on manufacturing, healthcare, automotive and consumer companies.

Sovereign Capital II, L.P.

Fund size: GBP 2.75 billion

Commitment: GBP 2.75 million

Geographic Focus: Western Europe

Investment Stage: Mid-market buyouts

Overview

The fund was closed in May 2005 by Sovereign Capital Partners and has thus far not made any investments. The partnership targets lower and mid-market buyout and development capital investments in the UK.

Portfolio highlights

3i Europartners IV, L.P.

The fund invested in UK-based flower delivery business Interflora and Care Principles, a company active in the UK healthcare sector. After the reporting date, the partnership announced the acquisition of NCP, the UK market leader in the provision of on-street, off-street and airport parking services.

Accent Equity 2003 Fund, L.P.

In April 2005, the fund made an investment in BakeMark, a manufacturer and distributor of bake-off products with a strong position in the Nordic region. In addition, Accent has acquired a 75% stake in Annas Pepparkakor, a famous and well-established Swedish producer of gingerbread.

Advent GPE IV, L.P.

The fund recently sold its investments in Aviagen International Group, the world's leading poultry science and breeding company, Radio 538, Holland's major commercial radio station, and Mach, a Danish telecom billing service operator.

Apax Europe V, L.P.

The partnership acquired UK-based Travelex, the world's biggest operator of airport currency exchange centers and Tim Hellas, a Greek mobile telecommunication firm. The fund partially divested its holdings in Focus Wickes, a UK-based Do-it-yourself stores operator and New Look, a British consumer company.

Bain Capital European Fund VIII-E, L.P.

The partnership announced the acquisition of Toys R Us, a world-wide toy retailer, alongside KKR and Vornado Reality Trust, two other private equity houses, for a total of USD 6.6 billion in a public-to-private transaction.

Barclays Private Equity European Fund, L.P.

The fund completed five investments in the first half of 2005, including the acquisitions of European Cargo Services, a French cargo sales agent, Gaucho Grill, a UK-based restaurant operator, and Phase Eight, a British design-led retailer.

Green Equity Investors III, L.P.

The partnership announced the sale of Phoenix Scientific, a leading developer and manufacturer of generic pharmaceuticals for the animal health market to IVAX for a combination of cash and IVAX stocks.

Heartland Industrial Partners, L.P.

The partnership's portfolio company Collins & Aikman, a US-based manufacturer of cockpit modules and instrument panels, filed for insolvency in May 2005 due to mounting liquidity issues and the need for immediate cash to fund operations.

Industri Kapital 2000

The fund sold its investment in Laho Equipment, one of the leading construction equipment rental companies in France, and disposed its remaining 8.5% stake in Alfa Laval AB, a global provider of specialized products and engineering solutions. In addition, the fund announced that it had sold Arca Systems, a Swedish producer and provider of plastic-based material handling systems.

JP Morgan Partners Global Investors, L.P.

The fund acquired the drug company Warner Chilcott and PQ Corporation, a privately-held producer of silicate, zeolite, and other performance materials. In addition, AlgoRx Pharmaceuticals, a drug company, and National Waterworks Holdings, a provider of water and wastewater transmission products, filed for an initial public offering.

Kelso Investment Associates VII, L.P.

The partnership announced the acquisitions of Auto Auctions, a provider of auto salvage services to insurance companies, and Coffeyville Resources, a major US-based petroleum refiner and producer and marketer of upgraded nitrogen fertilizer products.

Nordic Capital V, L.P.

In the second quarter, Nordic made an investment in Outokumpu Copper Products Oy. The Finland-based company is a global manufacturer of fabricated copper products with a strong focus on tubes, copper and brass radiator strips and superconductors.

SPC Partners III, L.P.

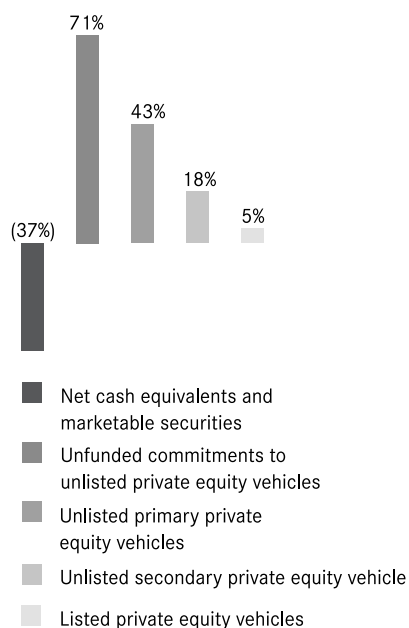
The partnership acquired Genisoy Foods, a leading marketer of soy-based food products, Ideal Snacks, the largest North American producer and supplier of baked snacks, and Maramont Holdings, a US-based caterer for schools, senior centers, community service programs, healthcare facilities, and airlines.

Warburg Pincus International Partners, L.P.

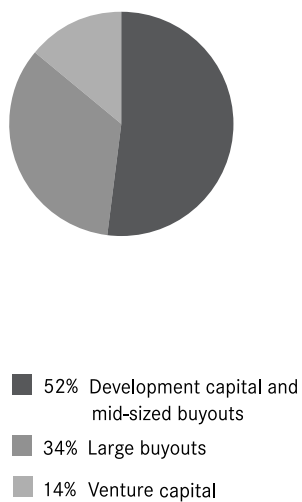
In May 2005, the fund announced the acquisition of The Neiman Marcus Group, a US-based high-end retailer. The partnership together with Texas Pacific Group, acquired the company in a USD 5.1 billion transaction.

Asset Allocation

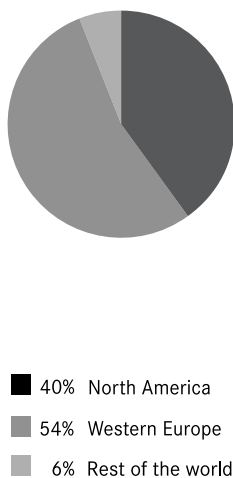
**Asset Allocation
as at 30 June 2005**



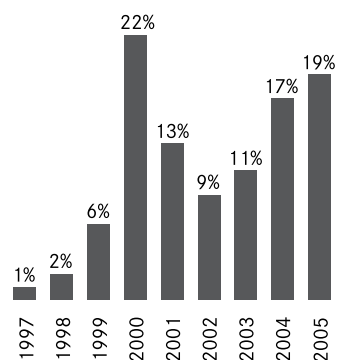
**Commitments to unlisted private
equity vehicles by stage as at
30 June 2005**

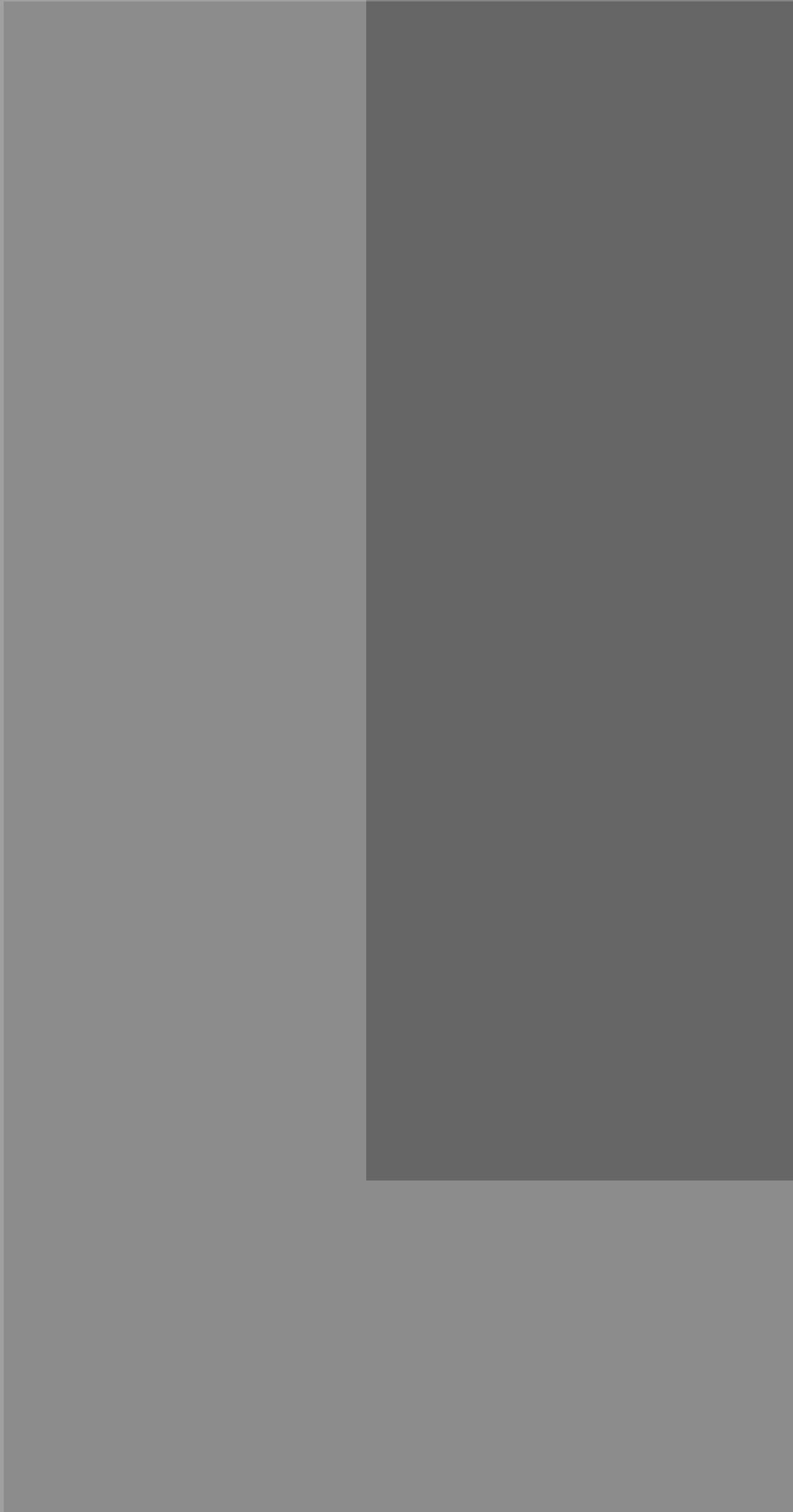


**Commitments to unlisted private
equity vehicles by geography as
at 30 June 2005**



**Commitments to unlisted private
equity vehicles by vintage as at
30 June 2005**





Consolidated Financial Statements

Consolidated Balance Sheet

(Amounts in CHF)	Notes	30.06.05 Unaudited	31.12.04 Audited
Assets			
Cash and cash equivalents		27 055 721	9 879 937
Money market investments		22 992 360	46 882 927
Receivables and accrued income		32 627	12 373
<i>Current Assets</i>		<i>50 080 708</i>	<i>56 775 237</i>
Investments	3	91 331 928	78 151 535
<i>Non-current Assets</i>		<i>91 331 928</i>	<i>78 151 535</i>
Total Assets		141 412 636	134 926 772
Liabilities and Shareholders' Equity			
Payables and other short-term liabilities		2 250 831	3 059 475
Tax Accrual		7 500	15 000
<i>Current Liabilities</i>		<i>2 258 331</i>	<i>3 074 475</i>
Share capital paid-in		68 600 000	68 600 000
Additional paid-in capital		62 397 792	62 397 792
Less treasury shares at cost		(561 708)	(561 708)
Reserves for stock option plan		130 217	100 697
Retained earnings/(Accumulated deficit) carried forward		1 315 516	(1 536 130)
Net income for the period		7 272 488	2 851 646
<i>Shareholders' Equity</i>		<i>139 154 305</i>	<i>131 852 297</i>
Total Liabilities and Shareholders' Equity		141 412 636	134 926 772
Number of shares outstanding at balance sheet date		682 976	682 976
Net Asset Value per share		203.75	193.06

The selected explanatory notes on pages 14 to 20 are an integral part of these consolidated financial statements.

Consolidated Statement of Income

(Amounts in CHF)	Notes	01.01.05 - 30.06.05 Unaudited	01.01.04 - 30.06.04 Unaudited
Operating Income			
Realized gains / (losses) on investments, net	3	505 221	1 721 747
Change in unrealized gains / (losses) on investments, net	3	7 527 713	(1 032 217)
Dividend and interest income from investments	3	984 981	218 114
<i>Income from Investments</i>		<i>9 017 915</i>	<i>907 644</i>
Interest income from current assets		133 357	152 539
Gains / (losses) on foreign exchange		227 637	(278 555)
<i>Income from Current Assets</i>		<i>360 994</i>	<i>(126 016)</i>
Operating Expenses			
Management and advisory fees		(1 320 502)	(1 307 721)
Other expenses		(753 932)	(668 960)
<i>Operating Expenses</i>		<i>(2 074 434)</i>	<i>(1 976 681)</i>
Net Income / (Loss) before Tax		7 304 475	(1 195 053)
Taxes		(31 987)	(7 384)
Net Income / (Loss) for the Period		7 272 488	(1 202 437)
Weighted average number of shares outstanding during period		682 976	685 103
Basic earnings / (loss) per share		10.65	(1.76)
Diluted earnings / (loss) per share		10.60	(1.76)

The selected explanatory notes on pages 14 to 20 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flow

(Amounts in CHF)	01.01.05 - 30.06.05 Unaudited	01.01.04 - 30.06.04 Unaudited
Cash Flow from Operating Activities		
Purchase / Sales of money market investments, net	23 852 335	(3 442 564)
Purchase of investments	(14 670 724)	(9 964 437)
Sale proceeds and capital distributions received from investments	9 512 265	9 300 826
Dividends and interests received from investements	959 136	207 304
Interest received from current assets	172 519	140 076
Operating expenses paid	(2 834 321)	(3 318 928)
Interest paid	(3 576)	(80)
Taxes paid	(39 487)	(14 884)
<i>Cash Flow from (used in) Operating Activities</i>	<i>(16 948 147)</i>	<i>(7 092 687)</i>
Cash Flow from Financing Activities		
Purchase treasury shares	0	(561 708)
<i>Cash Flow from Financing Activities</i>	<i>0</i>	<i>(561 708)</i>
<i>Foreign Exchange Differences on Cash and Cash equivalents</i>	<i>227 637</i>	<i>(278 555)</i>
Net Increase / (Decrease) in Cash and Cash Equivalents	17 175 784	(7 932 950)
Balance of cash and cash equivalents at beginning of period	9 879 937	18 570 443
Balance of cash and Cash Equivalents at the end of Period	27 055 721	10 637 493

The selected explanatory notes on pages 14 to 20 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Shareholders' Equity

(Amounts in CHF)

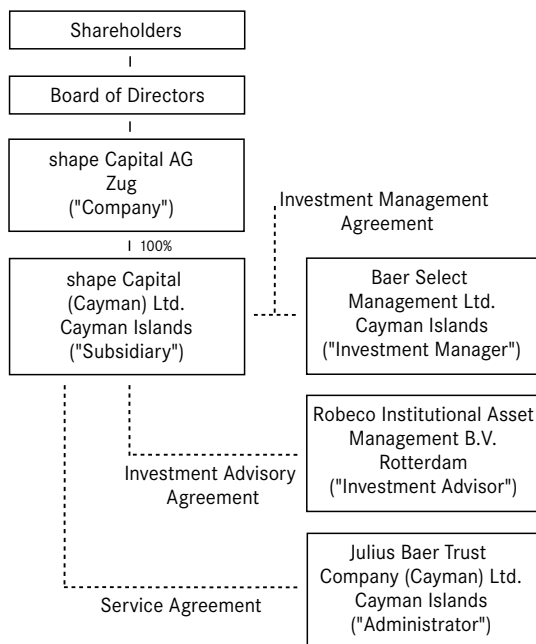
	Share Capital Paid-in	Additional Paid-in Capital	Less Treasury Shares	Other Reserves Stock Options Plan	Retained Earnings	Total Unaudited
Opening Balance 01.01.04	68 600 000	62 397 792	0	50 281	(1 536 130)	129 511 943
Stock options expensed				20 112		20 112
Purchase treasury shares			(561 708)			(561 708)
Net income / (loss) for the period					(1 202 437)	(1 202 437)
Closing Balance 30.06.04	68 600 000	62 397 792	(561 708)	70 393	(2 738 567)	127 767 910
Opening Balance 01.01.05	68 600 000	62 397 792	(561 708)	100 697	1 315 516	131 852 297
Stock options expensed				29 520		29 520
Purchase treasury shares						0
Net income / (loss) for the period					7 272 488	7 272 488
Closing Balance 30.06.05	68 600 000	62 397 792	(561 708)	130 217	8 588 004	139 154 305

The selected explanatory notes on pages 14 to 20 are an integral part of these consolidated financial statements.

Selected explanatory notes to the consolidated financial statements

1. Organization and business activity

shaPE Capital AG is an investment Company, that provides access to a diversified portfolio of private equity investments. The Company was incorporated under the laws of Switzerland on 17 September 2001, and is based in Zug, with the status of a holding company. Its investment activities are conducted by the wholly-owned subsidiary, shaPE Capital (Cayman) Ltd. in the Cayman Islands and supported by Baer Select Management Ltd., the Investment Manager, and Robeco Institutional Asset Management B.V., the Investment Advisor. The Company has one direct employee.



Since November 2001 the shares of the company have been listed on the Swiss Stock Exchange (SWX).

shaPE follows a clearly structured investment strategy to focus on selecting and investing in the most suitable private equity companies around the world. In order to minimize investment risks, shaPE diversifies its investments across different regions, financing stage of companies, sectors and vintage years. The fee structure, which includes Management and Performance Fees, a hurdle rate and a high water mark, ensures that the interests of the parties involved are aligned with the shareholders' interests.

The Company's investment strategy aims to create value for shareholders through long-term capital gains. Accordingly, it is currently not intended to pay any dividend to the shareholders.

2. Accounting policies and valuation principles

(a) Basis of presentation

These consolidated semi-annual financial statements comprise the financial statements of shaPE Capital AG, Zug and its fully-owned subsidiary, shaPE Capital (Cayman) Limited, Cayman Islands. There were no changes in the scope of consolidation during the period under review.

The consolidated semi-annual financial statements are prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as well as the provisions as contained in the Additional Rules for the Listing of Investment Companies of the Swiss Exchange (SWX).

The accounting policies applied for the consolidated semi-annual financial statements correspond to those of the audited consolidated financial statements 2004 as presented in the Annual Report 2004.

(b) Use of estimates

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Accounting policies and valuation principles

The company's accounting policies are disclosed in the Annual Report 2004. In 2004 the Group early adopted changes to the International Financial Reporting Standards. The early adoption did not result in substantial changes of the Group's accounting policies.

Valuation principles used for Investments

Investments in funds, limited partnerships as well as direct investments are classified as “available-for-sale”. All investments are initially recognised at cost and subsequently re-measured at fair value. Changes in the fair value of investments are recognised as “*unrealized gains / (losses) on investments*” in the income statement as they arise.

Unlisted investments

Private equity investments for which market quotations are not readily available are valued at fair value as determined in good faith by the Board of Directors based on the recommendation of the Investment Manager. No third party valuations are used. In this respect, investments in other investment companies which are not publicly traded are normally valued at the underlying net asset value as advised by the managers or administrators of these investment companies, unless the Board of Directors is aware of

reasons why such a valuation would not be the best approximation of fair value. All fair valuations may differ significantly from values that would have been used had ready markets existed, and the differences could be material.

Based on a assessment of all appropriate indicators of fair value, shaPE makes a good faith estimate of the fair values as of the valuation date. In estimating the fair value of fund investments or investments in limited partnerships, shaPE considers all appropriate and applicable factors relevant to their value. Such factors may include, but are not limited to the following:

- Reference to the fund’s / partnership’s most recent reporting information
- Reference to recent transaction prices
- Results of an assessment of the underlying fund’s / partnership’s assets and expected returns
- Results of operational and environmental assessment

Purchases and sales of investments are recognized on the trade date, which is the date that the Group commits to purchase or sell the asset. Cost of purchase includes transaction cost.

Listed investments

When a financial instrument is traded in an active and liquid market, its quoted market price provides the best evidence of fair value. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price and, for an asset to be acquired or liability held, the current offer or asking price. When the current bid and offer prices are unavailable, the price of the most recent transaction may provide evidence of the current fair value provided that there has not been a significant change in economic circumstances between the transaction date and the reporting date.

When there is infrequent activity in a market, the market is not well established or small volumes are traded relative to the number of trading units of a financial instrument to be valued, quoted market prices may not be indicative of the fair value of the instrument. In these circumstances, as well as when a quoted market price is not available, estimation techniques may be used to determine the fair value with sufficient reliability.

3. Investments

	Strategic Focus	Geographic Focus	Vintage	CCY	Commitment Original Currency CCY	Commitment Reporting Currency CHF	Fair Value as at 01.01.2005 CHF	Invested Capital 2005 CHF	Returned Capital 2005 CHF	Realized Gain/(Loss) 2005 CHF	Change in Unrealized Gain/(Loss) 2005 CHF	Fair Value as at 30.06.2005 CHF	Cost Value as at 30.06.2005 CHF	Divid./Interest Received 2005 CHF
Unlisted Investments														
3i Europartners IVa, L.P.	Development Capital	Europe	2003	EUR	1 000 000	1 551 000	637 890	158 730			39 679	836 299	780 048	
Accent Equity 2003 Fund, L.P.	Development Capital	Western Europe	2003	EUR	2 500 000	3 877 500	823 213	174 270			3 501	1 000 984	1 118 679	
Advent Global Private Equity IV-D, L.P.	Development Capital	Western Europe	2001	EUR	5 500 000	8 530 500	7 865 040	1 108 471	(1 409 226)	129 124	340 588	8 033 997	5 474 151	
Advent Global Private Equity V-C, L.P.	Development Capital	Western Europe	2005	EUR	4 000 000	6 204 000	0	154 462			638	155 100	154 462	
APAX Europe V-A, L.P.	Development Capital and Buyouts	Western Europe	2001	EUR	7 500 000	11 632 500	6 153 387	406 356	(1 125 955)	388 874	2 261 131	8 083 793	6 432 923	233 008
APAX Europe VI-A, L.P.	Development Capital and Buyouts	Western Europe	2005	EUR	3 000 000	4 653 000	0	580 205			1 420	581 625	580 205	
Atlas Venture Fund VI, L.P.	Venture Capital	North America and Western Europe	2000	USD	4 650 000	5 956 650	2 070 608	426 233	(45 707)	45 706	208 281	2 705 121	3 518 297	
Bain Capital VIII-E, L.P.	Development Capital and Buyouts	Western Europe	2004	EUR	2 500 000	3 877 500	286 100				990	287 090	285 419	
Barclays Private Equity European Fund D	Development Capital	Western Europe	2002	EUR	2 500 000	3 877 500	3 423 615	651 542	(569 649)	178 899	(379 536)	3 304 871	2 943 811	225 763
Barclays Private Equity European Fund II	Development Capital	Western Europe	2005	EUR	4 000 000	6 204 000	0				0	0	0	
BC European Capital VIII, L.P.	Buyouts	Western Europe	2005	EUR	4 000 000	6 204 000	0				0	0	0	
Bencis Buyout Fund II, L.P.	Development Capital	Western Europe	2004	EUR	2 500 000	3 877 500	397 695	574 693			4 338	976 726	969 403	
Capital International Equity Fund IV, L.P.	Development Capital	Rest of the World	2004	USD	4 000 000	5 124 000	821 580	841 445	(85 691)		22 144	1 599 478	1 708 569	2 904
Crimson@Velocity, L.P.	Venture Capital	North America and Pacific Rim	2000	USD	3 000 000	3 843 000	1 658 169	825 960	(112 248)	(6 089)	301 395	2 667 187	3 725 154	
Exponent Private Equity Partners L.P.	Development Capital	Western Europe	2004	GBP	1 000 000	2 296 300	22 051	26 152			2 211	50 414	49 295	
Freeman Spogli Equity Partners V, L.P.	Development Capital and Buyouts	United States	2004	USD	3 000 000	3 843 000	258 130	920 255	(165 231)	(1 904)	77 741	1 088 991	1 163 176	
Friedmann, Fleischer & Lowe II, L.P.	Development Capital and Buyouts	United States	2004	USD	1 000 000	1 281 000	22 742	75 260			(19 101)	78 901	113 704	
Forward Ventures V, L.P.	Venture Capital	United States	2004	USD	3 000 000	3 843 000	270 638	468 564			65 328	804 530	944 751	
Green Equity Investors IV, L.P.	Development Capital and Buyouts	United States	2003	USD	4 500 000	5 764 500	926 309	485 657	(422 240)	40 025	404 168	1 433 919	1 191 620	
Institutional Venture Partners XI, L.P.	Venture Capital	North America	2004	USD	4 000 000	5 124 000	0	933 400			91 480	1 024 880	933 400	
J.P. Morgan Partners Global Investors, L.P.	Venture Capital and Development Capital	Global	2001	USD	4 096 247	5 247 292	2 314 182	278 870			408 430	3 001 482	3 208 642	
Kelso Investment Associates VII, L.P.	Development Capital and Buyouts	United States	2004	USD	2 000 000	2 562 000	18 763	694 056	(35 570)	(7)	44 833	722 075	715 835	603
Lindsay, Goldberg & Bessemer, L.P.	Development Capital and Buyouts	United States	2002	USD	5 000 000	6 405 000	1 719 802	1 447 164	(843 647)	186 566	780 642	3 290 527	2 632 346	29 249
Nordic Capital V, L.P.	Development Capital	Europe	2003	EUR	1 000 000	1 551 000	479 615	682 793			(8 732)	1 153 676	1 240 732	
PAI Europe IV, L.P.	Development Capital and Buyouts	Western Europe	2005	EUR	3 000 000	4 653 000	0	46 685			(108)	46 577	46 685	
Permira Europe III, L.P.	Buyouts	Europe	2004	EUR	2 000 000	3 102 000	692 451				(8 460)	683 991	736 793	
Sovereign Capital L.P. II	Development Capital	Western Europe	2004	GBP	2 750 000	6 314 825	0	241 612			1 088	242 700	241 612	
SPC Partners III, L.P.	Buyouts	United States	2003	USD	3 000 000	3 843 000	657 036	768 141			66 746	1 491 923	1 451 275	
TA Atlantic and Pacific V, L.P.	Venture Capital and Development Capital	North America and Western Europe	2005	USD	2 500 000	3 202 500	0	304 191			16 084	320 275	304 191	
The 3rd Cinven Fund (No. 1), L.P.	Buyouts	Western Europe	2002	EUR	5 000 000	7 755 000	3 646 498	690 671	(474 830)	25 391	313 422	4 201 152	3 603 378	93 165
Wellspring Capital Partners III, L.P.	Development Capital	United States	2003	USD	4 000 000	5 124 000	1 962 467	114 853	(16 186)	(1 289)	257 666	2 317 511	2 389 053	
Willis Stein & Partners III, L.P.	Development Capital	North America	2000	USD	7 500 000	9 607 500	6 341 685	212 362	(39 758)	(89 094)	871 823	7 297 018	7 991 236	354 506
Warburg Pincus International Partners L.P.	Development Capital and Buyouts	Western Europe and Rest of the World	2000	USD	3 500 000	4 483 500	2 684 547	339 790	(356 571)	(21 032)	472 616	3 119 350	2 105 300	
RGS Capital, L.P. [1]	Various [1]	Various [1]	[1]	USD	23 007 955	29 473 190	26 567 668	37 881	(3 804 136)	(396 022)	(274 388)	22 131 003	14 811 716	
<i>Total Unlisted Investments</i>						<i>190 888 258</i>	<i>72 721 881</i>	<i>14 670 724</i>	<i>(9 506 645)</i>	<i>479 148</i>	<i>6 368 058</i>	<i>84 733 166</i>	<i>73 565 861</i>	<i>939 198</i>

**Investments
(continued)**

	Strategic Focus	Geographic Focus	Vintage	CCY	Commitment Original Currency CCY	Commitment Reporting Currency CHF	Fair Value as at 01.01.2005 CHF	Invested Capital 2005 CHF	Returned Capital 2005 CHF	Realized Gain/(Loss) 2005 CHF	Change in Unrealized Gain/ (Loss) 2005 CHF	Fair Value as at 30.06.2005 CHF	Cost Value as at 30.06.2005 CHF	Divid./Interest Received 2005 CHF
Unlisted Investments														
[1] Fund Investments held and gross commitments made by RGS Capital L.P. (Amounts reflecting 40% stake of shaPE Capital)														
Bain Capital VI Co-Investment Fund, L.P.	Development Capital	United States	1998	USD	3 000 000		2 523 017		(628 713)		427 401	2 321 705	588 985	
Deutsche Europ. Partners IV (No. 2), L.P.	Buyouts	Europe	1999	EUR	6 000 000		2 071 360	21 059	(302 099)		14 584	1 804 904	1 418 388	
Green Equity Investors III, L.P.	Development Capital and Buyouts	United States	1999	USD	1 800 000		1 638 048	7 090	(607 165)		474 081	1 512 054	214 121	
Heartland Industrial Partners L.P.	Development Capital	United States	2000	USD	5 200 000		5 527 557			(1 646 848)		3 880 709	5 703 612	
Industri Kapital 2000	Development Capital	Europe	2000	EUR	10 249 110		13 322 384		(2 109 900)		161 099	11 373 583	5 644 598	
Stonebridge Partners Equity Fund II, L.P.	Development Capital	United States	1997	USD	2 200 000		1 476 270	9 900	(505 696)		(26 520)	953 954	1 170 537	
Net cash held within RGS Capital L.P.							9 032	(168)	349 437	0	(74 207)	284 094	71 475	
<i>Total RGS Capital, L.P.</i>							<i>26 567 668</i>	<i>37 881</i>	<i>(3 804 136)</i>	<i>0</i>	<i>(274 388)</i>	<i>22 131 003</i>	<i>14 811 716</i>	<i>0</i>

Total unfunded commitment as at 30 June 2005 CHF 97.3 Mio.

	Strategic Focus	Geographic Focus	CCY	Number of Shares 01.01.2005 shares held	Number of Shares 31.03.2005 shares held	Fair Value as at 01.01.2005 CHF	Purchases 2005 CHF	Sales 2005 CHF	Realized Gain/(Loss) 2005 CHF	Change in Unrealized Gain/ (Loss) 2005 CHF	Fair Value as at 30.06.2005 CHF	Cost Value as at 30.06.2005 CHF	Divid./Interest Received 2005 CHF
Listed Investments													
Electra Investment Trust Plc.	Development Capital	Global	GBP	59 526	59 526	1 109 926				291 142	1 401 068	802 978	
Pantheon Intl. Participation Plc.	Generalist with a focus on Development Capital	North America and Western Europe	GBP	149 678	149 678	1 718 990				516 815	2 235 805	1 589 560	
3i Group Plc.	Generalist with a focus on Development Capital	Western Europe	GBP	122 361	122 361	1 779 290				125 738	1 905 028	1 688 573	40 114
Capital Southwest Corp.	Generalist with a focus on Buyouts	North America	USD	9 200	9 200	821 448				235 413	1 056 861	952 495	1 584
<i>Total Listed Investments</i>						<i>5 429 654</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1 169 108</i>	<i>6 598 762</i>	<i>5 033 606</i>	<i>41 698</i>

Summary

Investment Category	Commitment Reporting Currency CHF	Fair Value as at 01.01.2005 CHF	Invested Capital 2005 CHF	Returned Capital 2005 CHF	Realized Gain/(Loss) 2005 CHF	Change in Unrealized Gain/ (Loss) 2005 CHF	Fair Value as at 30.06.2005 CHF	Cost Value as at 30.06.2005 CHF	Divid./Interest Received 2005 CHF
<i>Total Unlisted Investments</i>	<i>190 888 258</i>	<i>72 721 881</i>	<i>14 670 724</i>	<i>(9 506 645)</i>	<i>479 148</i>	<i>6 368 058</i>	<i>84 733 166</i>	<i>73 565 861</i>	<i>939 198</i>
<i>Total Listed Investments</i>	<i>0</i>	<i>5 429 654</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1 169 108</i>	<i>6 598 762</i>	<i>5 033 606</i>	<i>41 698</i>
Total Investments	190 888 258	78 151 535	14 670 724	(9 506 645)	479 148	7 537 166	91 331 928	78 599 467	980 896

Total unfunded commitment as at 30 June 2005 CHF 97.3 Mio.

4. Major Shareholders

The following shareholders have disclosed a participation exceeding 5% of the share capital of the company:

(Holding in % of share capital at date of disclosure)	Date of disclosure	30.06.2005 Holding in %	31.12.2004 Holding in %
Bank Julius Baer & Co. Ltd., Zürich	10.08.2004	20.03%	20.03%

In order to hedge the market risk related to the stock option plan (see Annual Report 2004 – Note 13 of the consolidated financial statements), the company has acquired 3'024 own shares at a price of CHF 185.75 per share in May 2004.

5. Related party transactions

Entities of Julius Baer Group are considered as related parties. In the period under review, the following related party transactions took place:

Baer Select Management Ltd, Cayman acts as Investment Manager of the company. The consolidated semi-annual financial statements contain accruals of CHF 0.67 Mio. for Management Fees owed for the period under review. The fee will be payable within 60 days after the end of the company's fiscal year only.

Julius Baer Trust Company (Cayman) Ltd. and Julius Baer Family Office AG, Zug provide administrative services for the companies in the Cayman Island and in Zug. The consolidated semi-annual financial statements include payments or accruals of CHF 0.17 Mio. for the services rendered in the first half of the year.

Based on an office rent contract with Julius Baer Family Office AG, Zug a rent of CHF 13'740 was paid for the first half of the year.

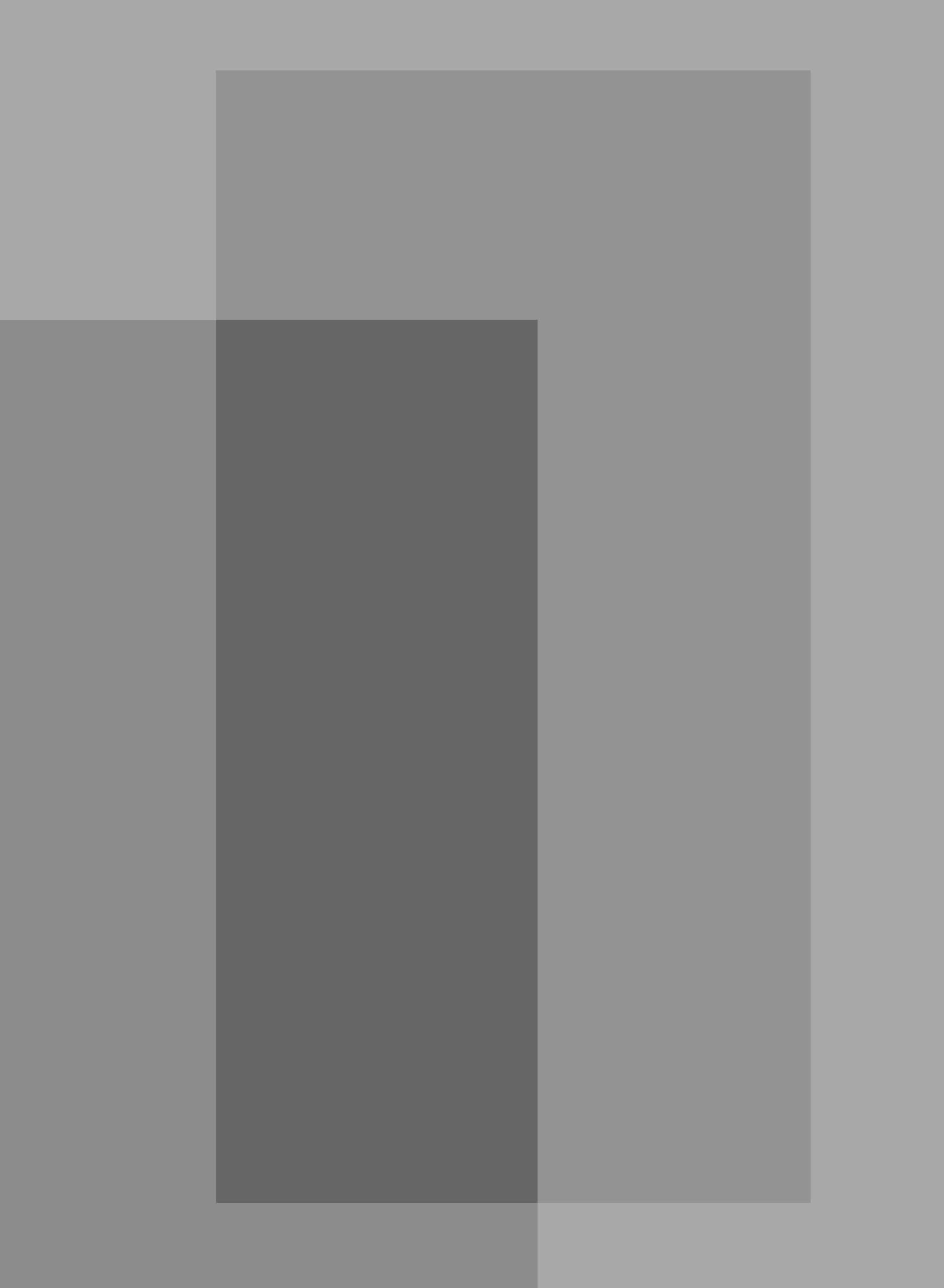
Bank Julius Baer & Co. Ltd., Zurich (prior year: New York) acts as custodian for the money market investments and the listed investments held by the company. For the period under review the custodian fee amounts to approx. CHF 23'000. Furthermore, all the companies cash accounts are held with Bank Julius Baer & Co. Ltd. in New York and Zurich. Interests are paid at market rates.

6. Commitments, contingencies and off-balance sheet transactions

Capital commitments to Limited Partnerships are disclosed in Note 3. For the company's contingent liability with respect to the stock option plan we refer to Note 13 of the Consolidated Financial Statements 2004.

7. Events subsequent to the balance sheet date

There have been no material events that could impair the integrity of the information presented in the financial statements of 30 June 2005.



Information for Investors

Swiss Security Number	1.288.584
ISIN	CH0012885841
Ticker	SHPN

Accounting Standards

IFRS

Organization

Board of Directors	Martin Vogel Juerg W. Sturzenegger Daniel Sauter
Chief Executive Officer	Benedickt G. Brenninkmeijer
Investment Advisor	Robeco Institutional Asset Management B.V., Rotterdam
Management	Baer Select Management Ltd., Cayman Islands
Auditors	PricewaterhouseCoopers

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