



# Electra Private Equity PLC

**Half Year Review and Analysis**

May 2010

Presented by

electra  
partners



## Results: Six months to 31 March 2010

	31 March 2010 p	30 September 2009 p	Change %
Net asset value per share	1,900	1,720	10.5%
Share price	1,342	1,224	9.6%
Discount	29.4%	28.8%	
NB FTSE All-share change 10.5%			

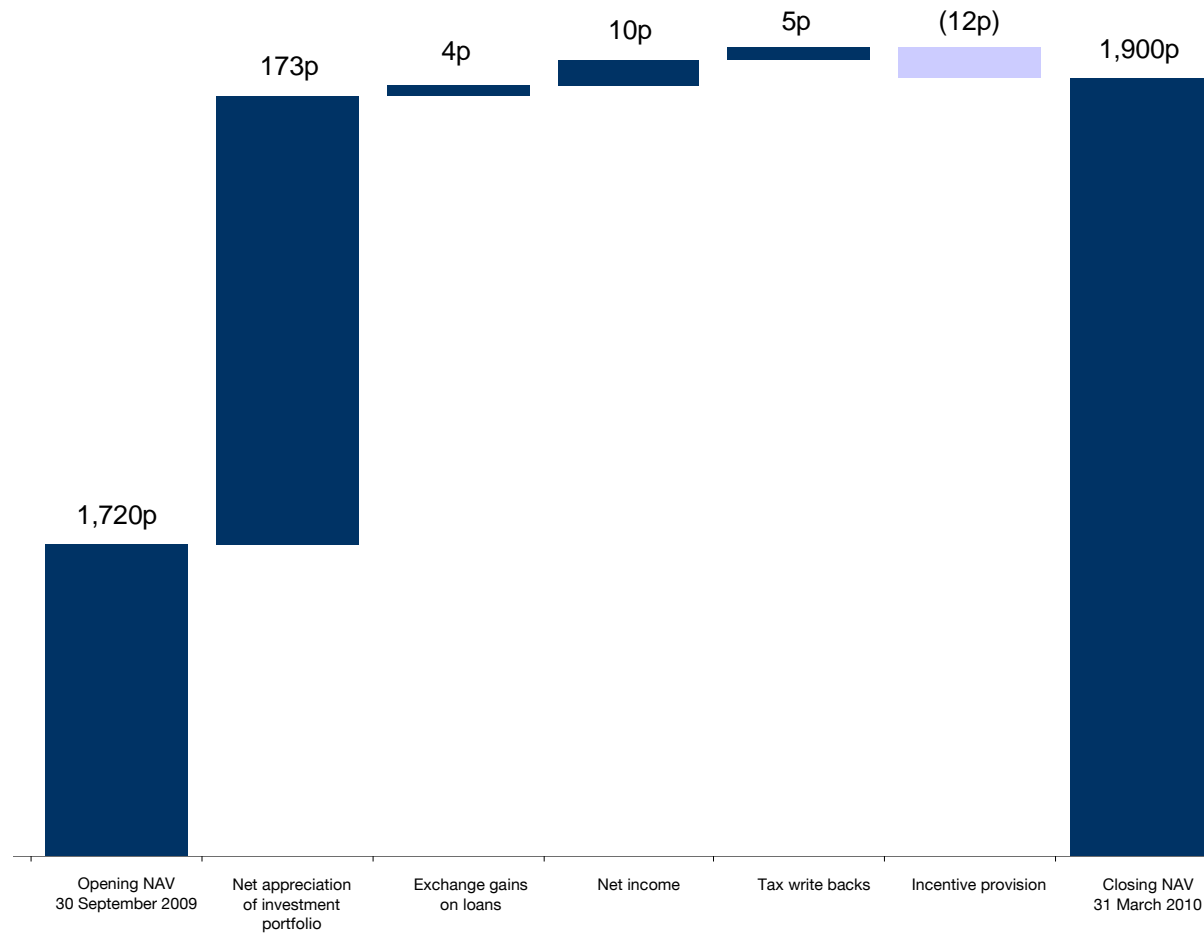


## Year to 31 March 2010

	31 March 2010 p	31 March 2009 p	Change %
Net asset value per share	1,900	1,512	25.7%
Share price	1,342	578	132.2%
Discount	29.4%	61.8%	
NB FTSE All-share change 46.7%			



# Analysis of Movement in NAV





## Overall Portfolio Changes

	Six months to 31 March 2010 £m	Year to 30 Sept 2009 £m	Year to 30 Sept 2008 £m
Opening portfolio	547	505	620
Investment	138	88	114
Realisations	(75)	(27)	(192)
Net capital gains/(losses)	61	(19)	(37)
Closing portfolio	671	547	505
Portfolio performance	11.2%	(3.8)%	(6.0)%



# Portfolio Changes by Segment

Six months to 31 March 2010

	Valuation at 30 September 2009 £m	Purchases £m	Sales £m	Changes in Valuation £m	Valuation at 31 March 2010 £m
Unlisted	300	121	(62)	38	397
Secondaries	57	0	(4)	12	65
Funds	73	13	(5)	7	88
Listed	117	4	(4)	4	121
	547	138	(75)	61	671



# Valuation Changes by Segment

Six months to 31 March 2010

	Valuation at 30 Sept 2009 £m	Changes in Valuation £m	Change %
Direct unlisted	300	38	12.7
Secondaries	57	12	21.1
Funds	73	7	9.6
Listed investments	117	4	3.4
	547	61	11.2



# Largest Changes in Valuation

Unlisted investments (including secondaries)

Company	Change in 6 months to 31 March 2010 £m	Reason for Change
<b>Gains</b>		
Allflex	12.5	Profit and multiple increase
Steadfast (secondary)	10.4	Strong performance by MPS
Amtico	5.9	Financial restructuring
Premier Asset Management	4.9	Value added acquisition
Capital Safety	3.8	Profit improvement
PINE	3.7	Improvement in yields
SAV Credit	2.8	Value added acquisition
Capitol Health (secondary)	2.8	Profit improvement
Other (10 investments)	10.0	Various
	56.8	
<b>Reductions in value</b>		
Greenpark	(2.9)	Sale process aborted
Other (6 investments)	(5.1)	Various
Net Change	48.8	

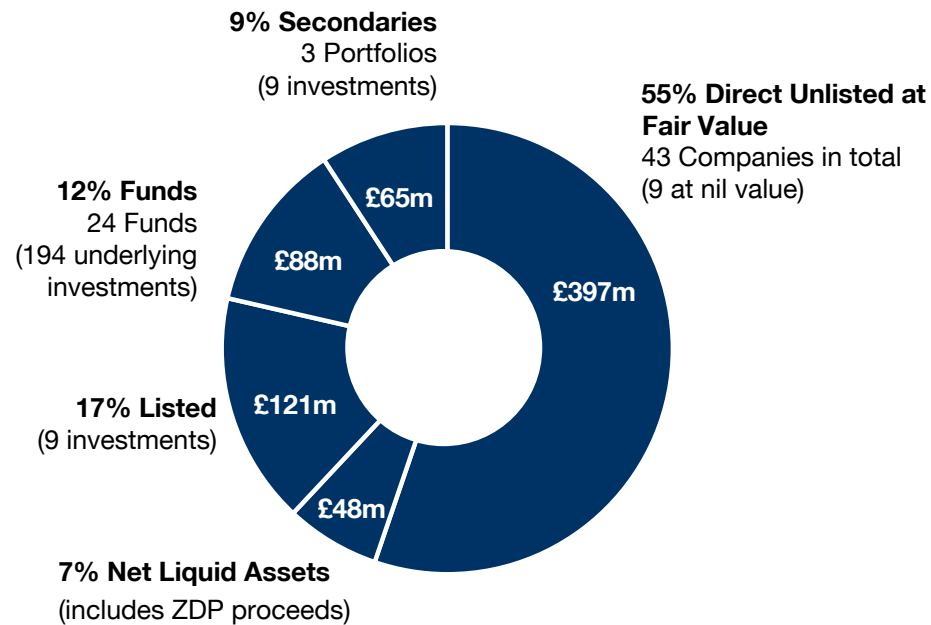




# Overall Portfolio Analysis

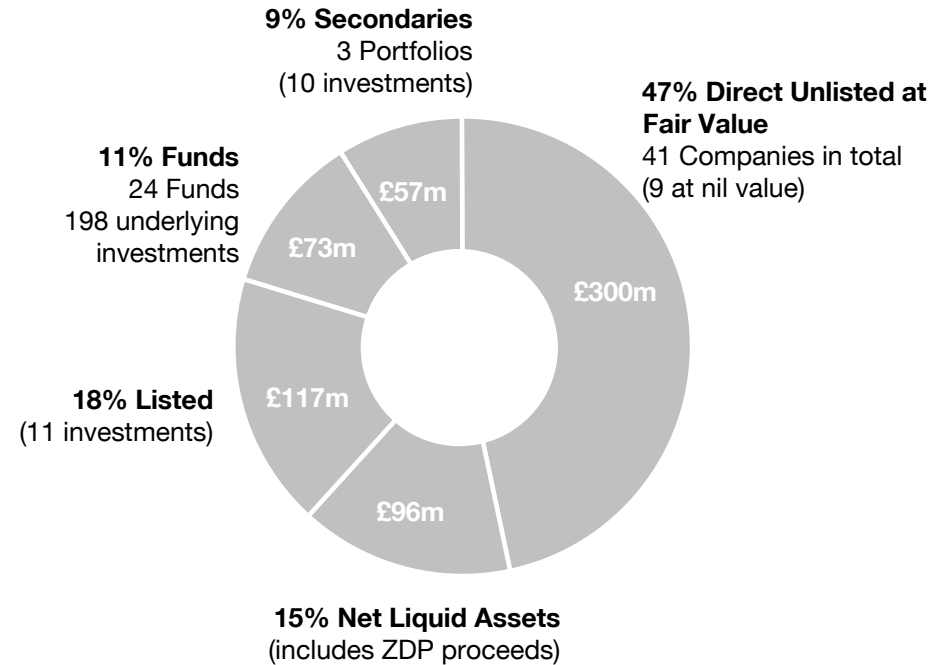
**Total Portfolio £719 million**

31 March 2010



**Total Portfolio £643 million**

30 September 2009





# Unlisted Investments

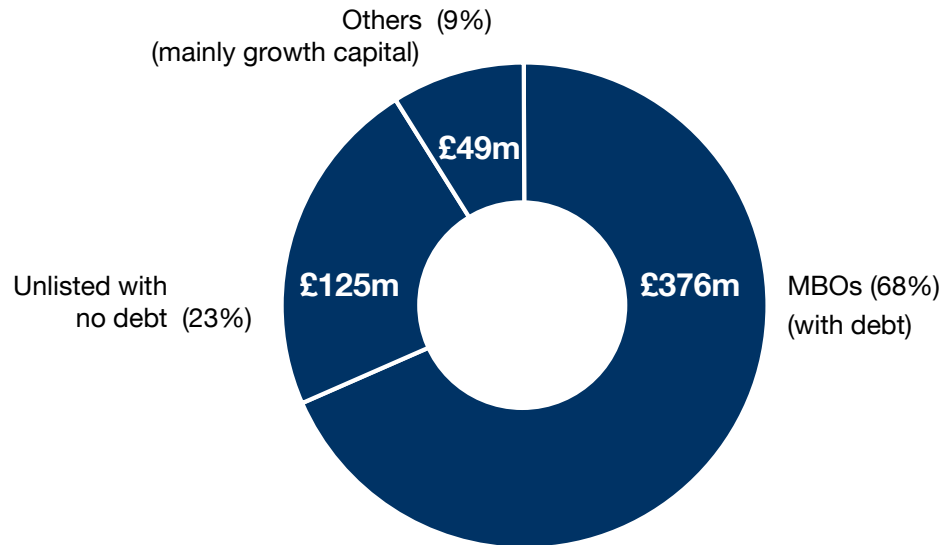
(Including Secondaries)

Company	Sector	Year of Investment	Cost £m	Valuation at 31 Mar 2010 £m	Net Change in Period £m
Allflex	Animal tagging	* 2007	40.5	63.2	12.5
BDR Thermea	Heating systems	* 2009	32.1	55.6	(0.3)
Promontoria	Property holding Co.	2008	16.5	32.1	1.7
Premier	Financial Services	2008	55.8	31.8	4.9
esure	Motor and home insurance	2010	29.7	29.7	-
MPS †	Meat processing systems	2008	17.5	27.9	6.4
Lil-lets Group	Feminine hygiene	2007	21.4	21.1	-
Nuaire	Ventilation systems	2007	23.1	20.5	1.4
Labco	Medical diagnostics	2008	23.7	19.8	(0.5)
Vent-Axia	Ventilation systems	2006	15.8	15.8	-
PINE	Nursery school finance	2006/7	14.2	13.0	3.7
Amtico	Luxury flooring	* 2006	22.3	12.4	5.9
CH Pharma †	Manufacturer of gels	2007	5.3	12.4	(0.3)
Thermocoax †	Temperature measurement	2007	4.4	12.2	(0.3)
Capital Safety Group	Specialist safety equipment	* 2007	17.6	10.1	3.8
Kalle	Food casings	2010	9.0	9.3	0.2
SAV Credit	Credit card operator	2005	24.2	8.0	2.8
Supervia	Commuter Rail	1998	17.1	5.8	0.3
			390.2	400.7	42.2
Other investments			126.6	60.8	6.6
Direct unlisted and Secondaries			516.8	461.5	48.8



# Investment Portfolio Debt Analysis

**Investment Portfolio £550 million**  
(excluding listed)  
31 March 2010



**Management buyouts £376 million**  
(with debt)

Debt/EBITDA Ratio	%	£m	Average Ratio	No of Co's
7 – 8	3	10	7.3	1
6 - 7	-	0	-	0
5 – 6	-	0	-	0
4 – 5	17	64	4.5	1
3 – 4	20	75	3.5	4
2 – 3	29	109	2.3	10
1 – 2	13	49	1.8	2
LBO Funds	18	69	n/a	140
	100	376		

**Weighted Average Debt/EBITDA Ratio 3.0**  
(excluding Funds)

30 September 2009: 3.2  
31 March 2009: 3.9



## Fund Commitments

At 31 March 2010 Electra had £85 million committed to private equity funds of which 9 are active.

Three funds account for 60% of total commitments.

	£m	% of Fund Drawn
TCR (France)	23.1	34%
Cognetas (Europe)	12.0	78%
GEAM Worldwide	15.8	0%
	<hr/> 50.9	

In the six months to 31 March 2010, calls from all funds amounted to £13.0 million and proceeds to £4.7 million, a net call of £8.3 million.

64% of commitments are to funds with less than 35% called.



# Electra Liquidity Position

Net Liquid Assets.

	31 March 2010 £m	30 September 2009 £m
FRNs	-	54
Liquidity funds	154	175
Cash	62	37
	216	266
Borrowings	(168)	(170)
Net Liquid Assets	48	96

Borrowings currently used to provide currency hedge (Euros 49% and US\$ 27%) and to provide compliance with Section 842.

Total bank facilities of £185 million.

Listed portfolio of £121 million. Can be realised over time.



# Investment Activity

Prospects for higher levels of activity remain positive

- overall pricing levels coming down slowly
- credit shortages encouraging divestment
- improving visibility of earnings
- debt market available for established private equity participants

Activity has increased over the last six months

- more deals reviewed
- more sales contemplated
- corresponding increase in actual purchases and realisations

Caution still required as some transactions remain highly priced in view of current overhang of private equity funds



# Summary

Electra has :

- significant investment capacity
- commitments at low level
- existing portfolio with good upside and cash generation potential

**Well placed to benefit in current market conditions**

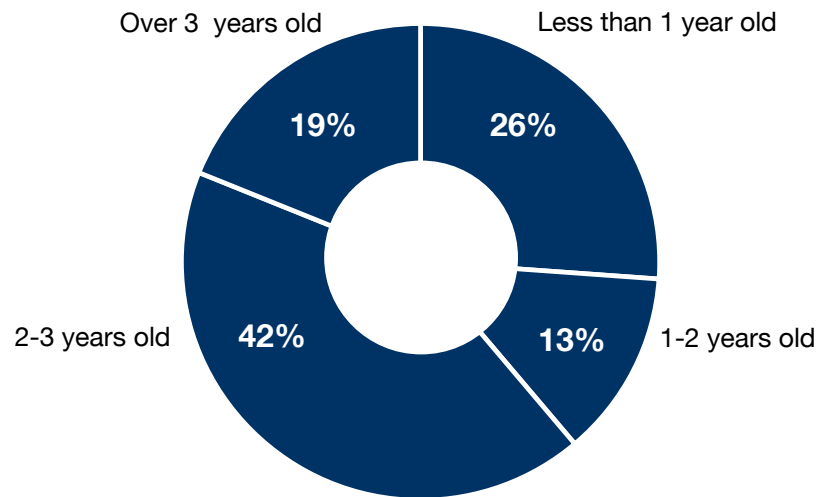


# Investment Portfolio<sup>\*</sup>

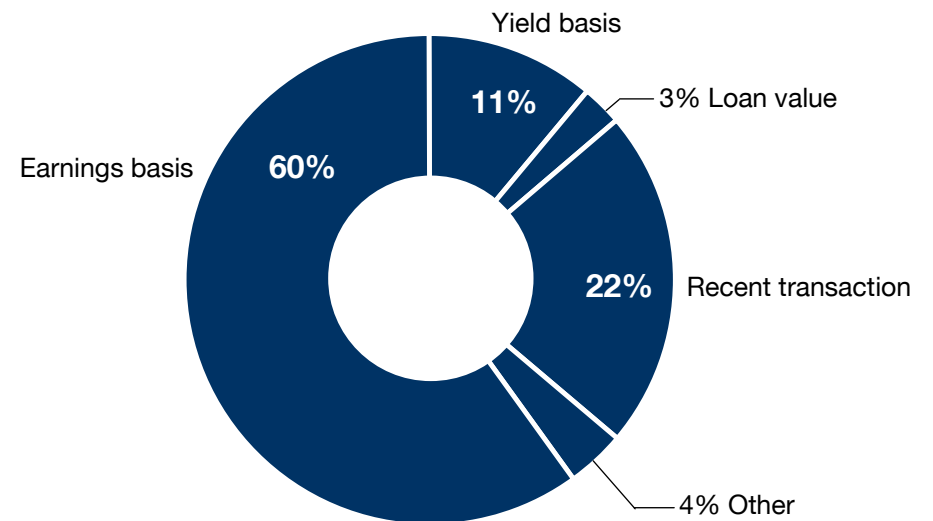
at 31 March 2010

## Addendum

**Age Profile** By last financing



**Valuation Basis**



**Total £462 million**

<sup>\*</sup> Includes Direct Unlisted investment and Secondaries



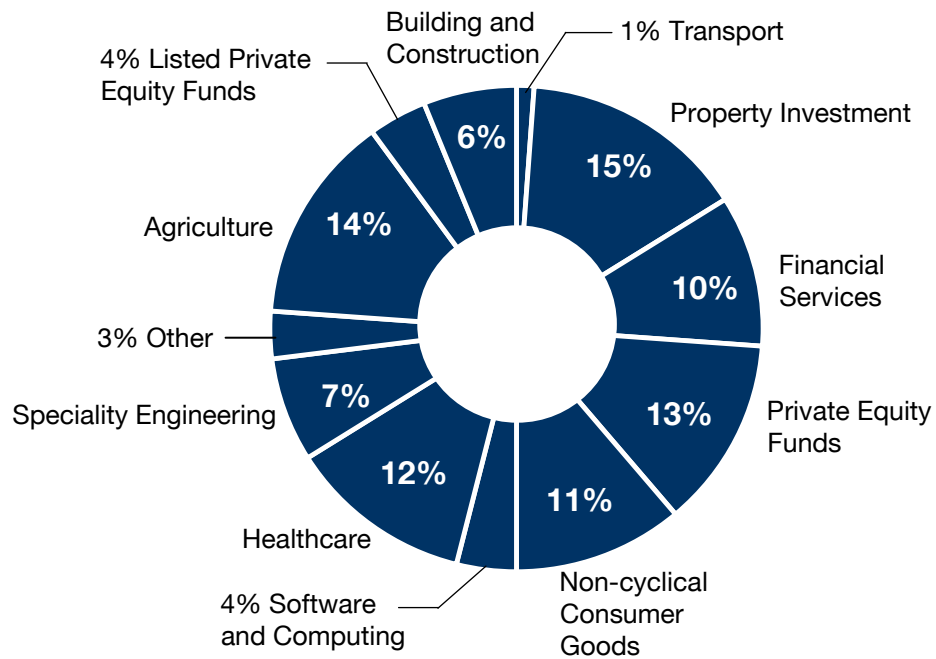


# Investment Portfolio

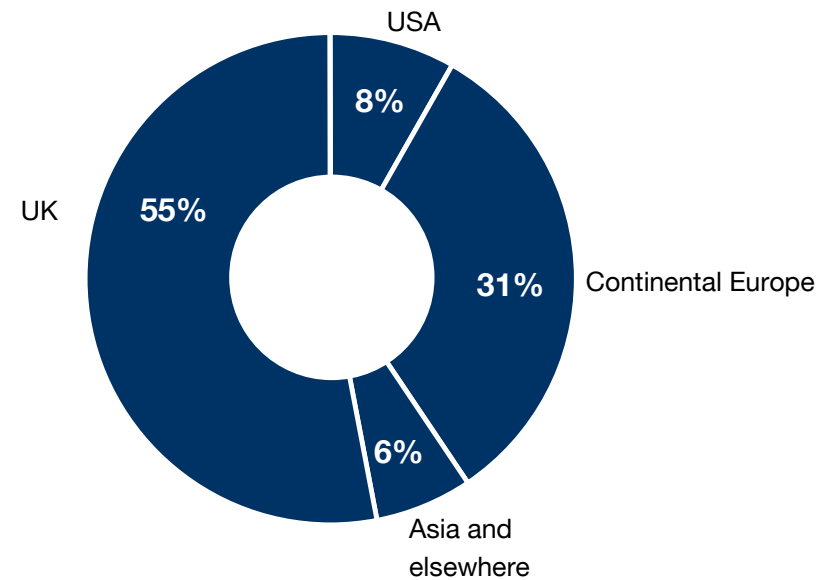
at 31 March 2010

## Addendum

### Classification and Distribution



### Geographic Split





# Listed Portfolio

## Addendum

	Country	No of Shares '000	Value at 31 March 2010 £m
London & Stamford	UK	29,700	35.3
Zensar Technologies	India	5,151	20.6
Dinamia	Spain	1,666	15.2
Moser Baer	India	9,960	10.7
Orthofix	USA	329	7.9
Millicom	USA	110	6.5
Candover	UK	950	6.2
Hornby	UK	2,995	3.8
Meghmani	India	28,389	3.0
Sundry (mainly in process of sale)			11.2
			120.4



## Team

### Well resourced

- 16 investment professionals
- Backed by a 24-strong team skilled in finance, compliance, investor relations and marketing

### Experienced

- Senior management have worked together since 1992
- In private equity long enough to invest through several business cycles
- Flexible, fast-acting
- Investment professionals average over 16 years in private equity



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