



Electra Private Equity plc

Half Year Review and Analysis

May 2009



Half Year Results

	31 March 2009 p	30 Sept 2008 p	Change %
Net asset value per share	1,512	1,801	(16.1)%
Share price	578	1,235	(53.0)%
Discount	61.8%	31.4%	
NB FTSE All-share change 20.1%			



Year to 31 March 2009

	31 March 2009 p	31 March 2008 p	Change %
Net asset value per share	1,512	1,910	(20.9)%
Share price	578	1,586	(63.6)%
Discount	61.8%	17.0%	
NB FTSE All-share change 32.2%			



Overall Portfolio Changes

	Six months to 31 March 2009 £m	Year to 30 Sept 2008 £m	Year to 31 Sept 2007 £m
Opening portfolio	505	620	380
Investment	62	114	322
Realisations	(18)	(192)	(303)
Net capital (losses)/gains	(79)	(37)	221
Closing portfolio	470	505	620
Portfolio performance	(15.6)%	(6.0)%	58.2%



Analysis of Valuation Changes

	Valuation at 30 Sept 2008 £m	Capital Gain/(Loss) £m	Change %
Direct unlisted	307	(52)	(16.8)
Secondaries	21	11	52.0
Funds	81	(10)	(11.5)
Listed investments	96	(28)	(29.2)
	505	(79)	(15.6)



Analysis of Valuation Changes

	Net capital gain/(loss) £m	Currency movements £m	Changes before currency movements £m	Change (ex currency) %
Direct unlisted	(52)	28	(80)	(26.1)
Secondaries	11	7	4	17.5
Funds	(10)	12	(22)	(26.7)
Listed investments	(28)	11	(39)	(41.1)
	(79)	58	(137)	(27.2)



Direct Unlisted – Valuation Changes

		* Valuation increase/(decrease) £m	Reason for change
Vasanta		(27.9)	Increase in debt
Capital Safety		(8.0)	Sector
Premier Asset Management		(7.1)	Sector/FUM
Labco		(7.1)	Sector
Baxi		(5.5)	Pension liability
Bizspace		(4.8)	Property yields
Nuaire		(4.9)	Sector
Others	Decreases	(26.7)	
	Increases	12.0	
		(14.7)	Various
		(80.0)	

* Stated prior to currency movements



Top Fifteen Unlisted Investments

Company	Sector	Year of Investment	Cost £m	Valuation at 31 Mar 2009 £m	Net change in period £m	Pre currency change in period £m
Allflex	Animal tagging	* 2007	40.5	57.2	11.9	–
Promontoria	Property holding Co.	2008	16.5	32.5	4.8	–
Lil-lets Group	Feminine hygiene	2007	21.4	21.4	(0.3)	(0.3)
Labco	Medical diagnostics	2008	23.7	20.7	(3.0)	(7.1)
Nuaire	Ventilation systems	2007	23.3	17.9	(4.8)	(4.8)
MPS †	Meat processing systems	2008	20.0	17.6	(2.4)	(2.4)
Vent-Axia	Ventilation systems	2006	15.8	15.8	–	–
Credit Opportunities	Stressed debt	2009	14.2	14.2	–	–
Capital Safety Group	Specialist safety equip	* 2007	17.6	11.4	(4.7)	(8.0)
Thermocoax †	Temperature measurement	2008	3.8	10.8	1.6	–
Amtico	Luxury flooring	2006	22.3	9.7	(3.2)	(3.2)
CH Pharma †	Manufacturer of gels	2007	5.3	9.6	1.3	–
PINE	Nursery school finance	2006/7	12.2	8.9	(1.0)	(1.0)
Baxi	Heating systems	* 2004	22.4	7.5	(5.5)	(5.5)
Cetelon †	Specialist coatings	2008	6.5	5.8	(0.7)	(0.7)
			265.5	261.0	(6.0)	(33.0)

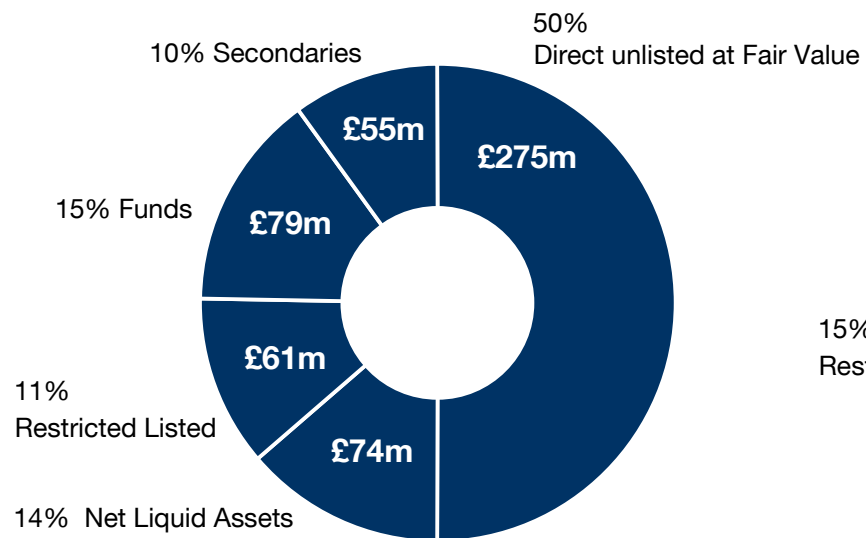


Overall Portfolio Analysis



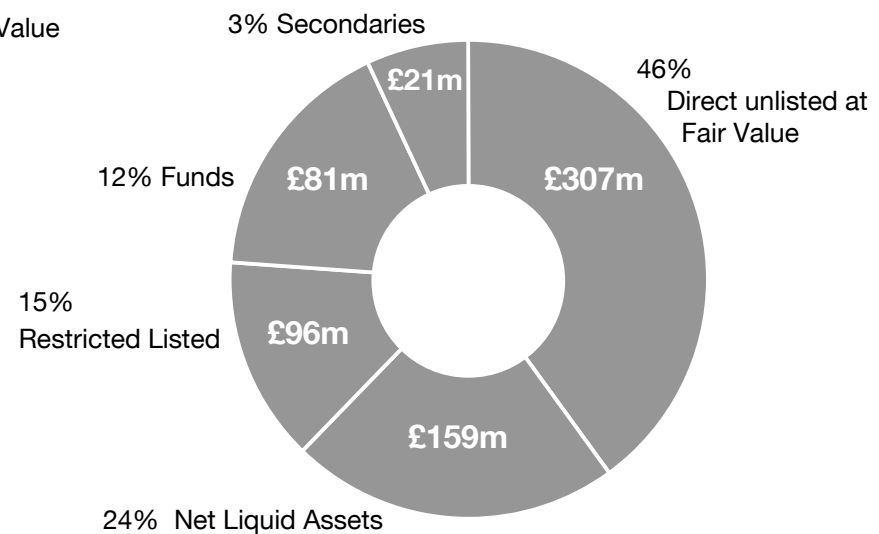
Total Portfolio £544 million

31 March 2009



Total Portfolio £664 million

30 September 2008

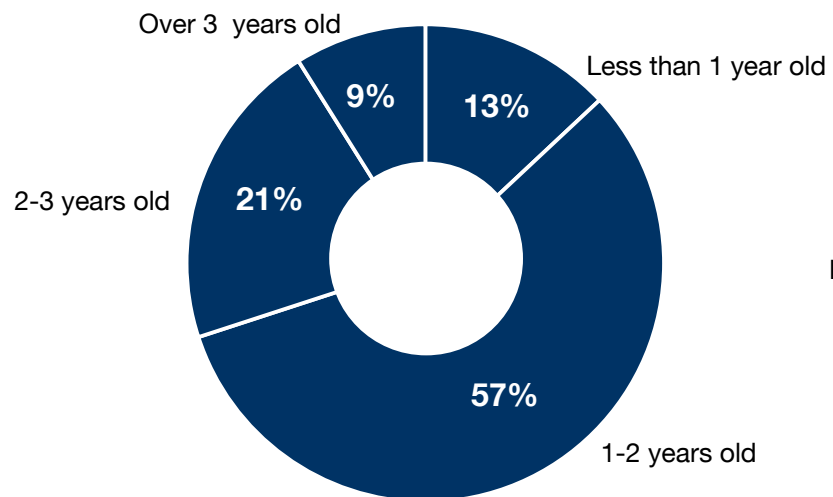




Direct Investment Portfolio

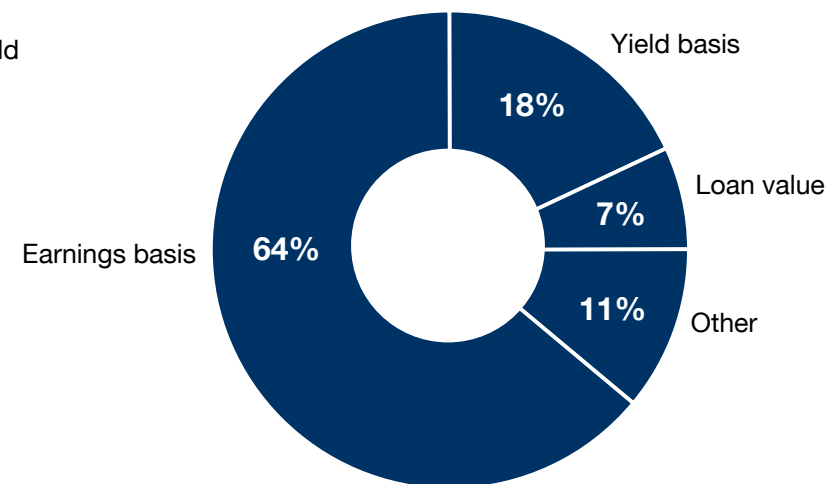
Age Profile

31 March 2009



Valuation Basis

31 March 2009

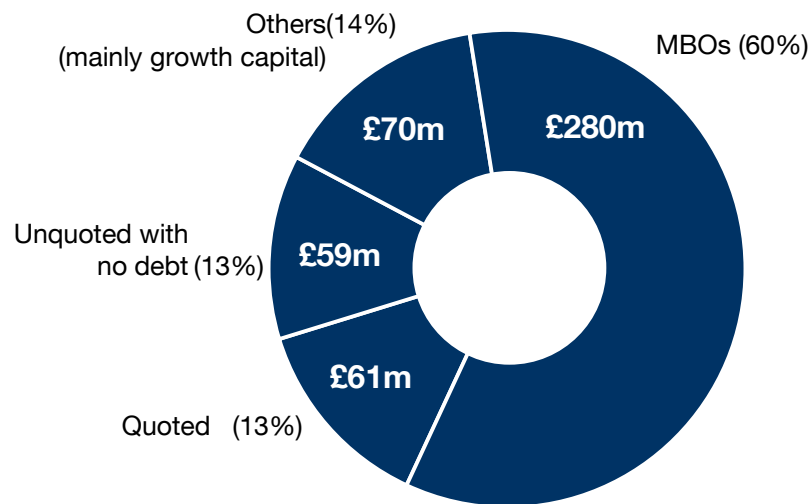




Investment Portfolio Debt Analysis

Investment Portfolio £470 million

31 March 2009



Management buyouts £280 million

Debt/EBITDA Ratio	%	£m	Average Ratio
5 – 6	19	69	5.4
4 – 5	–	–	–
3 – 4	28	78	3.7
2 – 3	4	17	2.8
1 – 2	5	16	1.9
Secondaries	18	46	2.8
LBO Funds	19	54	n/a
	100	280	

Weighted Average Debt/EBITDA Ratio 3.9
(excluding Funds)



Fund Commitments

At 31 March 2009 Electra had £109m committed to private equity funds of which 11 are active

Three funds account for 60% of total commitments

	£m
TCR (France)	28.1
Cognetas (Europe)	20.1
GEAM	16.8
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	65.0

In the six months to 31 March 2009, calls from all funds amounted to £10.3m and proceeds to £2.2m. Call-downs likely to be spread over 3-4 years

65% of commitments are to funds with less than 20% called



Electra Liquidity Position

Net Liquid Resources

	31 March 2009 £m	30 September 2008 £m
FRNs	129	275
Liquidity funds	120	–
Cash	30	42
	<hr/>	<hr/>
	279	317
Borrowings	(205)	(158)
	<hr/>	<hr/>
Net Liquid Resources	74	159

Borrowings used to provide currency hedge (Euros 84% and US\$ 41%) and to provide compliance with Section 842

Bank facilities of £250 million expire in September 2010 – new facilities currently in negotiation



Investment Activity

Priority is to protect existing portfolio

Realisations unlikely to produce significant cash flow in the short term

New investment at low level until conditions stabilise and greater visibility of earnings

Medium term will produce excellent opportunities



Summary

Electra has :

- net liquid resources (no net borrowings)
- easily manageable level of commitments
- conservatively valued portfolio with modest debt levels and good defensive qualities
- a flexible mandate to maximise benefit from investment opportunities ahead

Well placed to meet the challenges of the current market and create value in the future