

SL Capital Partners



Standard Life European Private Equity Trust PLC
Interim Report and Accounts
for the six months ended 31 March 2011

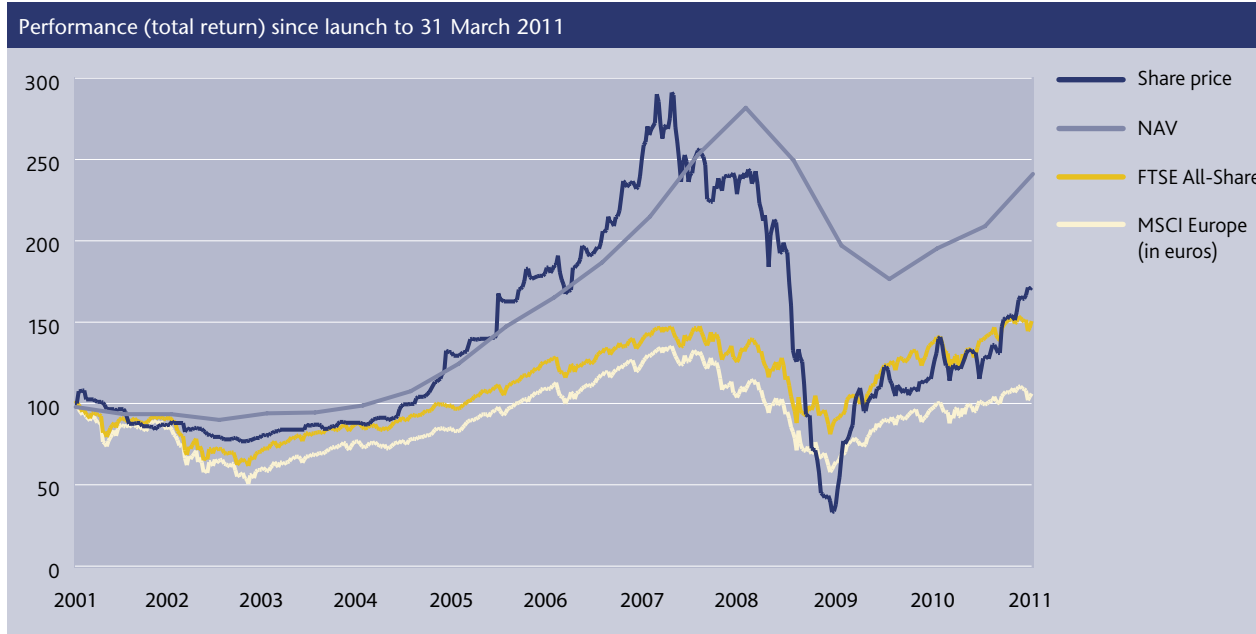
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Objective

To achieve long-term capital gains through holding a diversified portfolio of private equity funds investing predominantly in Europe.

Company Summary

Investment policy	Full details of the Company's investment policy can be found on page 6 of the Annual Report.
Investment manager	SL Capital Partners LLP ("The Manager")
Shareholders' funds	£360.1 million at 31 March 2011
Market capitalisation	£251.9 million at 31 March 2011
Capital structure	<p>161,496,597 ordinary shares of 0.2p each</p> <p>Each ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every ordinary share held.</p> <p>16,242,002 founder A shares of 0.2p each and 17,500,000 founder B shares of 0.2p each</p> <p>The founder shares do not carry any right to vote, except in the case of changes to class rights.</p> <p>The founder shares confer rights to convert into a maximum of 10% of the ordinary share capital subject to certain performance conditions. The first measurement date for conversion was 30 September 2006 and as at 31 March 2011 3,596,981 founder A shares remain convertible into an equivalent number of ordinary shares. 1,257,998 founder A shares have been converted to date.</p>
Management fee	<p>0.8% per annum of the net assets of the Company.</p> <p>The notice period is one year.</p>
Company secretarial and administration fee	<p>£155,927 plus VAT per annum, adjusted in line with the retail prices index on 1 July each year.</p> <p>The notice period is three months.</p>
ISA status	The Company's ordinary shares are eligible for Individual Savings Accounts (ISAs).
AIC membership	The Company is a member of The Association of Investment Companies.



Performance (capital only)	At 31 March 2011	At 30 September 2010	% Change
Net asset value per ordinary share (undiluted)	222.9p	195.3p	14.1
Net asset value per ordinary share (diluted)	220.3p	193.3p	14.0
Share price	156.0p	113.75p	37.1
FTSE All-Share Index ⁽¹⁾	3,067.7	2,867.6	7.0
MSCI Europe Index (in euros) ⁽¹⁾	95.5	90.0	6.1
Discount (difference between share price and diluted net asset value)	29.2%	41.2%	—
Gearing (ratio of borrowing to shareholders' funds)	15.5%	19.2%	—

⁽¹⁾ The Company has no defined benchmark; the indices above are solely for comparative purposes.

Performance (total return)	Six months %	1 year %	Annualised 5 year %	Annualised since launch %
Share price	37.3	33.5	(1.3)	5.6
Net asset value per ordinary share (diluted)	14.1	22.0	7.6	9.4
FTSE All-Share Index ⁽¹⁾	8.5	8.7	3.7	4.2
MSCI Europe Index (in euros) ⁽¹⁾	7.2	8.0	(0.6)	0.6

⁽¹⁾ The Company has no defined benchmark; the indices above are solely for comparative purposes.

Highs/low for the six months ended 31 March 2011		High	Low
Share price (mid)		158.0p	113.0p

Historical Record

Summary financial information since the Company's listing

NAV and share price	Net assets £m	NAV (undiluted) p	NAV (diluted) p	Share price p	Premium/ (discount) to diluted NAV %
At 30 September 2001	151.0	94.3	94.3	96.50	2.3
At 30 September 2002	143.8	90.3	90.3	82.00	(9.2)
At 30 September 2003	148.9	93.6	93.6	82.00	(12.4)
At 30 September 2004	168.6	105.9	105.9	94.50	(10.8)
At 30 September 2005	228.3	143.5	143.5	156.25	8.9
At 30 September 2006	289.8	182.1	179.6	183.50	2.1
At 30 September 2007	385.7	241.3	237.7	226.50	(4.7)
At 30 September 2008	375.5	234.8	231.4	161.00	(30.4)
At 30 September 2009	265.6	164.9	163.4	112.25	(31.3)
At 30 September 2010	315.2	195.3	193.3	113.75	(41.2)
At 31 March 2011	360.1	222.9	220.3	156.00	(29.2)

Performance and dividends	NAV total return %	Share price total return ¹ %	Dividend paid ² £m	Dividend paid per ordinary share p	Expense ratio %
Period to 30 September 2001	(4.3)	(10.2)	—	—	0.70 ³
Year to 30 September 2002	(3.8)	(14.6)	0.7	0.45	0.76 ³
Year to 30 September 2003	5.0	1.6	1.9	1.20	1.07
Year to 30 September 2004	13.8	16.0	0.9	0.55	1.04
Year to 30 September 2005	36.9	67.3	1.9	1.20	1.03
Year to 30 September 2006	26.6	18.7	2.9	1.80	1.01
Year to 30 September 2007	35.4	24.8	3.8	2.40	0.97
Year to 30 September 2008	(1.3)	(27.8)	5.6	3.50	0.99
Year to 30 September 2009	(29.2)	(29.5)	0.6	0.70	0.87
Year to 30 September 2010	18.4	1.4	0.1	0.10	1.02
Six months to 31 March 2011	14.1	37.3	0.2	0.20	1.06 ⁴

¹ Data supplied by Fundamental Data.

² Represents the cash dividend paid during the year, declared for the previous financial year.

³ For the period from the Company's listing until 1 July 2002 no management fee was charged on the Company's cash or money market holdings.

⁴ Annualised for 2011

Investment exposure	Fund manager as a % of net assets		Fund investments as a % of net assets		
	Top 5 %	Top 10 %	Top 10 %	Top 20 %	Top 30 %
At 30 September 2001	36.0	45.7	39.2	47.1	47.4
At 30 September 2002	36.6	51.8	42.0	55.5	60.3
At 30 September 2003	49.1	72.3	61.3	81.9	85.2
At 30 September 2004	48.6	76.1	64.9	86.7	89.1
At 30 September 2005	44.9	75.5	60.7	78.3	81.4
At 30 September 2006	40.9	67.4	50.3	74.0	81.4
At 30 September 2007	41.0	66.5	42.5	64.8	80.4
At 30 September 2008	54.5	84.6	55.1	84.0	102.4
At 30 September 2009	55.5	87.2	61.1	93.8	109.0
At 30 September 2010	62.1	96.4	67.9	101.0	116.2
At 31 March 2011	61.1	93.7	69.7	99.5	113.4

"These results demonstrate continuing growth in the Company's NAV and improvement in its cashflows and balance sheet. They carry the expectation that the Company's portfolio of fund investments will generate an ongoing flow of realisations and distributions. This and further growth in NAV will permit the Company to make additional new fund commitments, following the recent €30 million commitment to Montagu IV."



Scott Dobbie, CBE

Results and performance

The six months ended 31 March 2011 continued to provide an improving environment for European private equity, with an increasing flow of distributions and many underlying investee companies reporting rising earnings and equity valuations. Against this background the Company's net asset value per ordinary share ("NAV") rose by 14.1% to 222.9p (diluted – 220.3p), from 195.3p at 30 September 2010 (diluted – 193.3p). At 31 March 2011 the Company's net assets were £360.1 million (30 September 2010 - £315.2 million).

The 27.6p rise in NAV during the period comprised 7.1p of net realised gains and income from the Company's portfolio of 37 private equity fund interests, 20.1p of unrealised gains on the portfolio on a constant exchange rate basis, 3.3p of positive exchange rate movements on the portfolio offset by 2.9p of costs and other movements.

The closing mid-market price of the Company's ordinary shares on 31 March 2011 was 156.0p, an increase of 37.1% over the period and a discount of 29.2% to the diluted NAV. This compares to rises in the FTSE All-Share Index and the MSCI Europe Index (in euros) over this period of 7.0% and 6.1% respectively.

On 29 May 2011 it will be ten years since the Company was listed on the Stock Exchange. Private equity is a long-term asset class and it is appropriate to compare the Company's performance over longer time periods. For the period from listing to 31 March 2011 the Company's NAV and share price both on a compound basis were 9.4% and 5.6% respectively, while the FTSE All-Share Index and the MSCI Europe Index (in euros) on a similar total return basis rose by 4.2% and 0.6% respectively. Given the difficulties for the private equity asset class, and for financial markets generally, over the last couple of years, the Board believes the Company has delivered a very creditable performance over time, both in absolute terms and relative to market indices and the Company's listed peer group.

In line with the Company's dividend policy, the Board has not declared an interim dividend.

Portfolio and valuation

The Company's portfolio comprises 37 private equity fund interests. At 31 March 2011 the value of this portfolio was £410.9 million, of which net unrealised gains arising during the period were £37.7 million. The portfolio valuation was timely and 99.2% by value of the Company's private equity fund interests were valued by the relevant underlying managers at 31 March 2011.

In terms of the breakdown of net unrealised gains, unrealised gains on a constant exchange rate basis were £32.4 million (8.7% of the opening portfolio valuation), while positive exchange rate movements were £5.3 million (1.4% of the opening portfolio valuation). Once again, a majority of the uplift in unrealised gains arose from increased profits at the underlying investee companies, enhanced by the impact of gearing within those companies.

Investment activity and cashflows

The value and volume of all European private equity investment undertaken during the six months to 31 March 2011 rose, with a total of €35.5 billion of transactions by enterprise value reported during the period (six months ended 31 March 2010 - €21.8 billion). Most of this activity took the form of buy-out transactions, principally in the mid and large segments of the market, being transactions with an enterprise value of between €200 million and €2.0 billion. This is the principal area of investment focus for the Company.

In line with the continuing rise in activity levels in the European private equity market, distributions received during the period rose to £36.9 million and the Company funded £29.0 million of draw downs, resulting in a net cash inflow from investment activities of £7.9 million. This was the highest quantum of distributions received by the Company in any six month period since 30 September 2007. The distributions received generated net realised gains and income of £11.8 million, which was equivalent to an average return on the Company's acquisition cost of the realised investments of 1.5 times.

Chairman's Statement

At 31 March 2011 the Company had £123.0 million of outstanding commitments. As previously intimated, due to the age of some of the fund interests held by the Company, the Manager believes that up to £30 million of the Company's existing outstanding commitments are unlikely to be drawn. The remaining outstanding commitments can be expected to be drawn over the next 2-3 years.

During the six month period the Company made no new fund commitments. However, on 4 April 2011, the Company re-commenced its fund investment programme by committing €30.0 million to Montagu IV, a €2.5 billion mid market buy-out fund focused on northern Europe. It is intended that, as the Company continues to receive distributions from its existing fund interests and its net indebtedness declines, new commitments will be made to other private equity funds; such commitments will include new funds being raised and the purchase of selective secondary fund interests.

On 29 November 2010 the Company entered into a new £120 million syndicated revolving credit facility, led by The Royal Bank of Scotland plc. This facility expires on 31 December 2013. At 31 March 2011 the Company's net indebtedness was £51.4 million.

In the period from 31 March 2011 to 25 May 2011 the Company received £9.1 million of distributions and funded £3.3 million of draw downs. At 25 May 2011 the Company's total outstanding commitments, including the new commitment to Montagu IV, were £143.1 million and its net indebtedness was £45.2 million.

The Board

On 1 April 2011 the Company appointed Alastair Barbour as a director. Mr Barbour has recently retired from partnership in KPMG, where he focused on the financial services sector. His wide experience in auditing and advising investment companies and in the valuation of unlisted vehicles will be of material benefit to the Company.

Outlook

The results demonstrate the continuing growth in NAV and the improvement in the Company's cashflows and balance sheet. While there remain uncertainties arising principally from weak economic growth in parts of Europe and the impact of sovereign debt issues, underlying managers are reporting growing earnings at many of their investee companies. The expectation is that the Company's portfolio of fund investments will generate an ongoing flow of realisations and distributions. This and further growth in NAV will allow the Company to make additional new fund commitments over the coming year.

Scott Dobbie CBE
Chairman

26 May 2011

Investment strategy

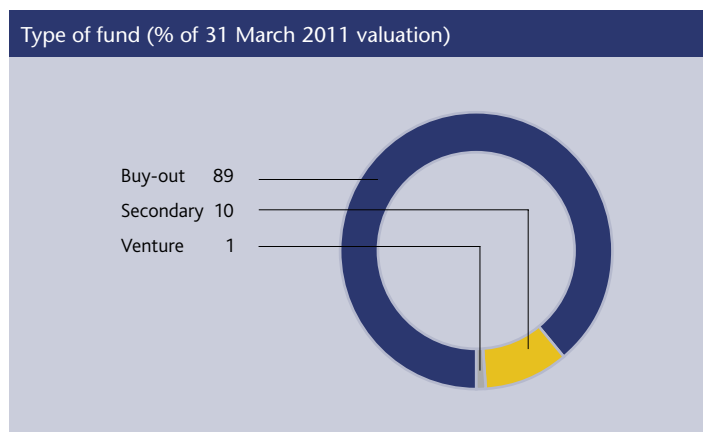
The Company's investment strategy is to invest in the leading European private equity funds focused on mid to large sized buy-outs, which can be categorised as transactions with enterprise values ranging between €200 million and €2.0 billion.

The private equity funds in the Company's portfolio principally invest in countries in Europe, which the Manager defines as EU Member States, EU Associate Member States and other western European countries. The Company has the flexibility to invest up to 20% of its gross assets, at the time of purchase, in private equity funds which invest principally outside Europe. At 31 March 2011 the Company had five fund investments – Collier International Partners IV, Collier International Partners V, Pomona Capital V Fund, Pomona Capital VI Fund and Towerbrook Investors II – which are likely to invest a majority of their capital outside Europe. In total these funds represented 12.3% of the Company's gross assets by valuation and 9.6% by cost at 31 March 2011.

Portfolio composition and performance

At 31 March 2011 the Company's portfolio comprised 37 private equity fund interests with a value of £410.9 million which, together with its current assets less liabilities, resulted in the Company having net assets of £360.1 million. This represented an undiluted NAV of 222.9p (diluted NAV – 220.3p).

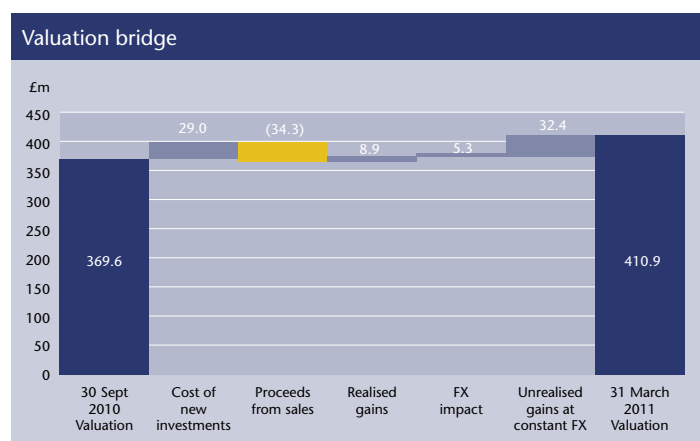
The split of the Company's portfolio by type of private equity fund is set out in the pie chart below. Details of all of the Company's private equity fund investments, and more detailed information on the ten largest fund investments are shown on pages 10 to 13 of this report.



The valuation of the Company's private equity fund interests at 31 March 2011 was carried out by the Manager and has been approved by the Board in accordance with the Company's accounting policies. In undertaking the valuation, the most recent valuation of each fund prepared by the relevant

fund manager has been used, adjusted where necessary for subsequent cash flows. The fund valuations are prepared in accordance with the International Private Equity and Venture Capital Valuation guidelines. These guidelines require investments to be valued at "fair value".

Of the 37 private equity funds in which the Company is invested, 36 of the funds, or 99.2% of the portfolio by value, were valued by their fund managers at 31 March 2011. The Manager continues to believe that the use of such timely valuation information is important.



The value of the Company's portfolio of private equity fund interests increased during the period from £369.6 million at 30 September 2010 to £410.9 million at 31 March 2011. A breakdown of the £41.3 million movement in the Company's portfolio during the period is detailed in the valuation bridge shown above. The increase in value was driven by unrealised gains on the investment portfolio, at constant foreign exchange rates, of £32.4 million, together with £29.0 million of new investments, £8.9 million of realised gains and £5.3 million of unrealised foreign exchange gains. The above increase was partially offset by £34.3 million of realisation proceeds. During the period to 31 March 2011 sterling depreciated by 2.1% relative to the euro and appreciated by 1.7% relative to the US Dollar.

Investment activity

European private equity activity levels continued to rise during the six month period. This was reflected in increased drawdowns by, and distributions from, the Company's portfolio of fund interests and by the net cash inflow of £7.9 million from investment activities. Furthermore, many managers are reporting strong deal pipelines, both in terms of new investment opportunities and the sale of existing portfolio companies. As a result, activity levels are expected to remain robust over the course of 2011.

Manager's Review

Fund commitments

The Company made no new private equity fund commitments during the six month period, reflecting both a quiet European fund raising market and a continued cautious approach on the part of the Board and the Manager. However, on 4 April 2011, the Company re-commenced its new fund commitment programme with a €30.0 million commitment to Montagu IV, a €2.5 billion mid market buy-out fund focused on northern Europe.

It is envisaged that further new commitments will be made during 2011, as the Company continues to receive positive net cashflows from its investment portfolio and as net indebtedness declines. New commitments are likely to be in the form of both new primary fund commitments and the purchase of selective secondary interests. Secondary interests would enable the Company to gain exposure to attractive funds which are already partially invested, thus widening the Company's vintage year diversification whilst adding a lower quantum of outstanding commitments. At 31 March 2011 the Company had £123.0 million of outstanding commitments. After adjusting for excess available liquid resources, such outstanding commitments were equivalent to 15.1% of the Company's net assets.

Analysis of underlying investments

At 31 March 2011 the Company's 37 private equity fund interests were collectively invested in a total of 519 underlying investments. The diversification of the underlying investments, at 31 March 2011, and 30 September 2010 is set out in the four bar charts on page 9.

The bar charts demonstrate the broad diversification that applies by geography and by sector within the Company's underlying portfolio of investments at 31 March 2011. The UK still remains the single largest geographic exposure, although it has fallen from 64% at the time of the Company's listing in 2001 to 25% at 31 March 2011, as other European private equity markets have continued to develop. The broad sector diversification across a wide range of industries, including industrials, consumer services and financials, helps to mitigate the effect of volatility in any individual sector.

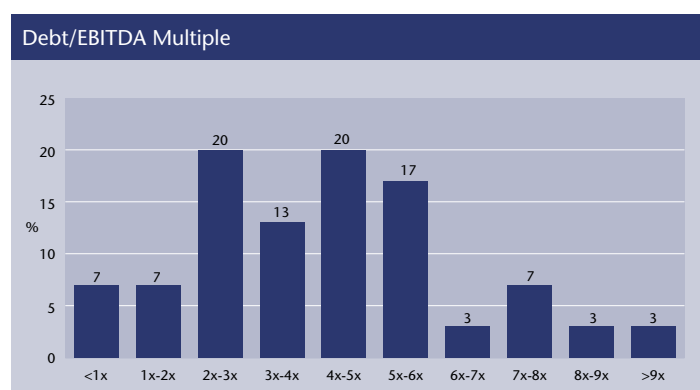
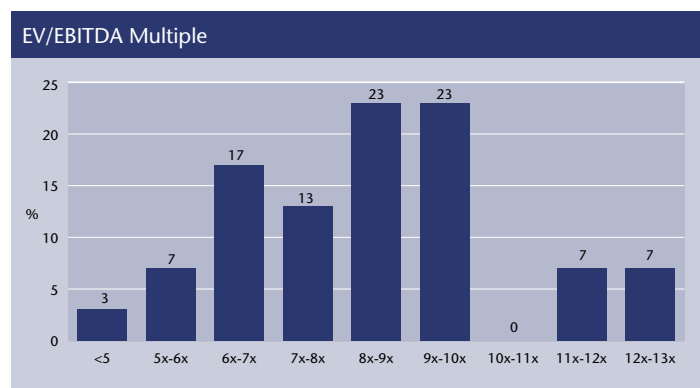
The bar chart showing the maturity exposure of underlying investments highlights the increasing maturity of the portfolio, as a result of the reduced levels of private equity activity over the last two to three years. The bar chart showing value relative to the original cost of underlying investments illustrates that, the portfolio remains healthy with 76% of the portfolio valued at or above cost.

Valuation and leverage multiple analysis

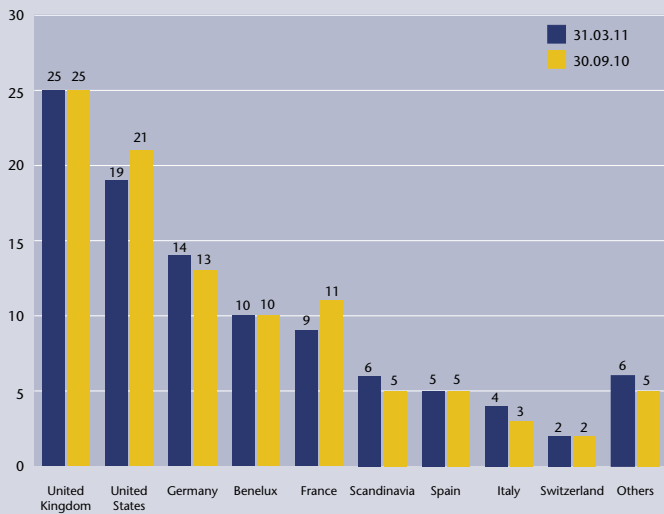
The bar charts below show the valuation and leverage multiples of the thirty largest underlying portfolio companies held by the Company's private equity fund interests at 31 December 2010, which in aggregate represented 43.9% of the Company's then net assets. This analysis is at 31 December 2010 due to the fact that most private equity funds provide detailed information on the underlying portfolio companies twice a year, in June and December, rather than quarterly.

The valuation multiples of each underlying portfolio company are derived using the relevant listed comparable companies, adjusted where appropriate, in line with the International Private Equity and Venture Capital Valuation guidelines.

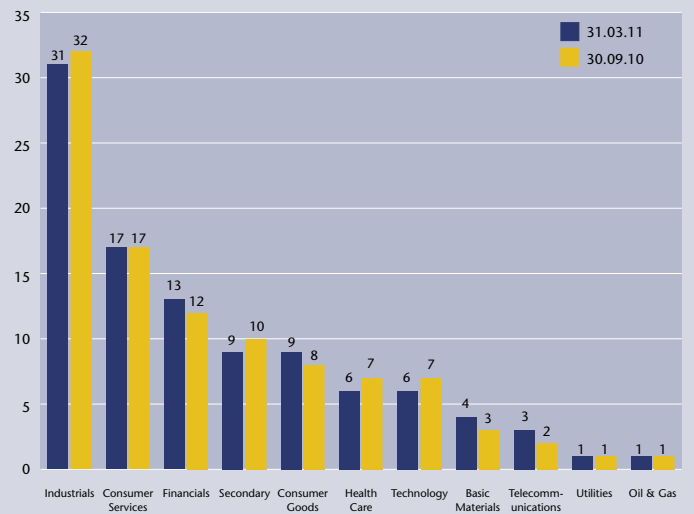
The median valuation and leverage multiples for the top thirty underlying portfolio companies are 8-9x EV/EBITDA and 4-5x Debt/EBITDA respectively. The Manager believes that these valuation and leverage multiples are in line with the European private equity market for similar sized deals and vintages.



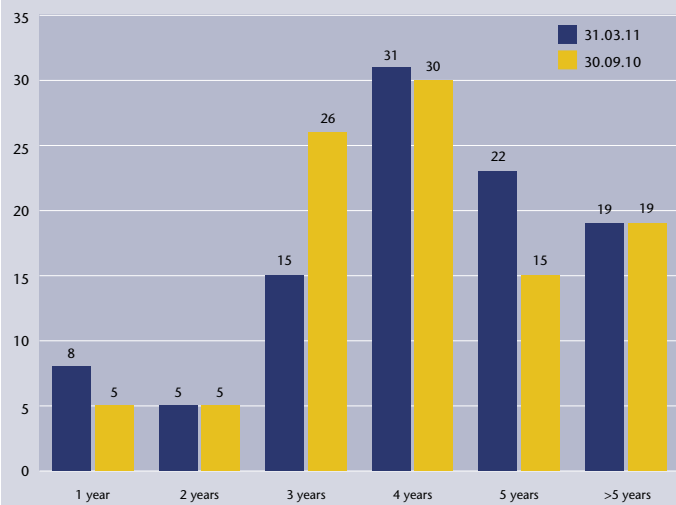
Geographic exposure (% of valuation)



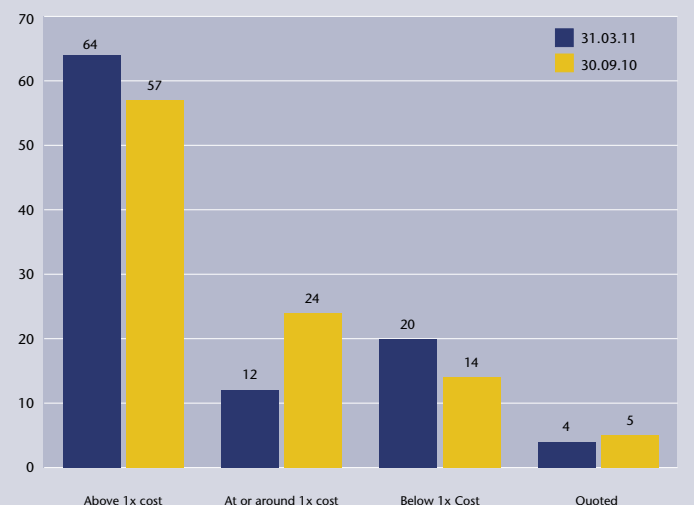
Sector exposure (% of valuation)



Maturity exposure (% of valuation)



Value relative to original cost (% of valuation)



Fund Investments

at 31 March 2011

The private equity funds in which the Company invests usually take the form of limited partnerships. Contractual commitments are made to the funds and these are drawn down by the managers of the funds as required for investment over time. Details of all of the Company's fund investments, by valuation, and a description of the ten largest fund investments follow:

Year of commitment	Fund	Type	Number of investments	Valuation date*	Outstanding commitments £'000	Cost £'000	Valuation £'000	% of net assets
2007	Barclays European Fund III	Buy-out	30	31.3.11	10,804	38,410	44,256	12.3
2006	Charterhouse Capital Partners VIII	Buy-out	11	31.3.11	10,418	34,286	37,334	10.4
2007	Industri Kapital 2007	Buy-out	7	31.3.11	12,141	29,792	32,618	9.1
2007	Apax Europe VII	Buy-out	22	31.3.11	7,432	21,816	28,620	7.9
2005	Candover 2005 Fund	Buy-out	9	31.3.11	2,737	39,952	24,373	6.8
2005	Advent Global Private Equity V	Buy-out	14	31.3.11	1,394	7,270	17,929	5.0
2008	CVC European Equity Partners V	Buy-out	13	31.3.11	15,651	14,512	16,931	4.7
2006	3i Eurofund V	Buy-out	24	31.3.11	7,791	22,071	16,652	4.6
2006	Coller International Partners V	Secondary	45	31.3.11	7,299	12,728	16,424	4.6
2006	HgCapital 5	Buy-out	14	31.3.11	3,722	13,245	15,383	4.3
2006	Cinven Fourth Fund	Buy-out	13	31.3.11	5,612	10,887	14,956	4.1
2006	Permira IV	Buy-out	13	31.3.11	1,792	16,738	13,268	3.7
2000	CVC European Equity Partners III	Buy-out	8	31.3.11	917	5,622	12,217	3.4
2006	Towerbrook Investors II	Buy-out	10	31.3.11	3,799	8,170	11,918	3.3
2005	Pomona Capital VI Fund	Secondary	40	31.3.11	1,703	10,057	11,390	3.2
2005	CVC European Equity Partners IV	Buy-out	16	31.3.11	1,973	7,150	10,209	2.8
2001	Cinven Third Fund	Buy-out	6	31.3.11	1,027	7,204	9,876	2.7
2006	Terra Firma Capital Partners III	Buy-out	4	31.3.11	8,489	18,001	8,166	2.3
2002	Coller International Partners IV	Secondary	37	31.3.11	2,620	2,046	7,874	2.2
2002	Charterhouse Capital Partners VII	Buy-out	6	31.3.11	3,003	7,822	7,778	2.1
2005	Barclays European Fund II	Buy-out	20	31.3.11	2,173	10,522	7,462	2.1
2004	Industri Kapital 2004	Buy-out	6	31.3.11	14	7,986	6,975	1.9
2002	Barclays European Fund	Buy-out	6	31.3.11	1,482	3,188	6,439	1.8
2008	Advent Global Private Equity VI	Buy-out	17	31.3.11	4,980	5,607	6,088	1.7
2006	CVC Tandem Fund	Buy-out	16	31.3.11	1,016	4,538	5,551	1.5
2001	Alchemy Investment Plan	Buy-out	4	31.3.11	-	7,669	5,173	1.4
2001	Candover 2001 Fund	Buy-out	5	31.3.11	-	8,561	3,529	1.0
2001	Scottish Equity Partners II	Venture capital	11	31.12.10	-	4,271	3,466	1.0
2001	Pomona Capital V Fund	Secondary	75	31.3.11	105	6,746	3,425	1.0
1998	CVC European Equity Partners II	Buy-out	8	31.3.11	1,078	2,725	1,940	0.5
1999	Apax Europe IV	Balanced	3	31.3.11	-	7,681	1,483	0.4
2001	MUST 4	Buy-out	5	31.3.11	1,856	3,299	894	0.2
1997	Apax UK VI	Balanced	-	31.3.11	-	3,190	261	0.1
1995	Phildrew Fourth	Buy-out	1	31.3.11	-	498	20	-
1998	Phildrew Fifth	Buy-out	-	31.3.11	-	5,864	11	-
1998	Candover 1997 Fund	Buy-out	-	31.3.11	-	510	-	-
1997	Global Rights Development Fund	Development	-	31.3.11	-	827	-	-
Total portfolio investments [†]			519		123,028	411,461	410,889	114.1
Current assets less liabilities							(50,829)	(14.1)
Shareholders' funds							360,060	100.0

* valuation date refers to the date of the last valuation prepared by the manager of the relevant fund.

† the 519 underlying investments represent holdings in 493 separate companies.

Ten Largest Fund Investments

at 31 March 2011

Barclays European Fund III		31 March 2011	30 September 2010
<p>Barclays European Fund III is a €1.8 billion private equity fund focused on European middle market buy-outs. The fund is managed, alongside €800 million from Barclays Bank, by Barclays Private Equity, the private equity arm of Barclays PLC. The manager operates from offices in London, Paris, Munich, Zurich, Milan, Birmingham, Manchester and Reading with just under half of the investments sourced in the UK.</p>	Value (£'000)	44,256	37,076
	Cost (£'000)	38,410	40,572
	Commitment (€'000)	60,000	60,000
	Amount Funded	79.7%	83.9%
	Holding in Fund	3.3%	3.3%
	Income (£'000)	–	–
Charterhouse Capital Partners VIII		31 March 2011	30 September 2010
<p>Charterhouse Capital Partners VIII is a €4.0 billion private equity fund focused on European buy-outs. The fund is managed by Charterhouse Capital Partners, one of the oldest private equity firms in the UK. The manager operates across western Europe from its London office and has a long track record of delivering superior returns for investors. The investment strategy is to target large corporate buy-outs with an equity requirement of €200 million to €450 million per transaction.</p>	Value (£'000)	37,334	32,381
	Cost (£'000)	34,286	33,783
	Commitment (€'000)	60,000	60,000
	Amount Funded	80.4%	79.4%
	Holding in Fund	1.5%	1.5%
	Income (£'000)	–	–
Industri Kapital 2007		31 March 2011	30 September 2010
<p>Industri Kapital 2007 is a €1.7 billion private equity fund focused on northern European buy-outs. The fund is managed by IK Investment Partners, which is headquartered in Stockholm, Sweden with further offices in the UK, Norway, France and Germany. IK targets the buy-out of businesses with enterprise values of between €100 million and €500 million. Since its formation in 1989, IK has consistently generated strong performance across several funds.</p>	Value (£'000)	32,618	21,154
	Cost (£'000)	29,792	17,666
	Commitment (€'000)	50,000	50,000
	Amount Funded	72.6%	44.7%
	Holding in Fund	3.0%	3.0%
	Income (£'000)	–	–
Apax Europe VII		31 March 2011	30 September 2010
<p>Apax Europe VII is a €1.1 billion private equity fund focused on the European market. The fund is managed by Apax Partners, one of the leading and most experienced private equity managers in Europe, where it operates from offices in London, Munich, Milan, Stockholm, Tel Aviv and Madrid. Apax Europe VII focuses on buy-outs and targets Apax Partners' six chosen sectors of information technology, telecommunications, healthcare, media, financial services and retail.</p>	Value (£'000)	28,620	28,287
	Cost (£'000)	21,816	24,412
	Commitment (€'000)	41,385	41,385
	Amount Funded	79.7%	76.6%
	Holding in Fund	0.4%	0.4%
	Income (£'000)	565	–
Candover 2005 Fund		31 March 2011	30 September 2010
<p>The Candover 2005 Fund is a €3.5 billion private equity fund focused on European buy-outs. The fund is managed by Candover Partners Limited, a subsidiary of Arle Capital Partners. Historically, Candover concentrated on larger buy-outs in the UK market, however, investments in continental Europe are a significant part of the manager's and this fund's strategy.</p>	Value (£'000)	24,373	19,978
	Cost (£'000)	39,952	37,635
	Commitment (€'000)	60,000	60,000
	Amount Funded	94.8%	90.3%
	Holding in Fund	1.7%	1.7%
	Income (£'000)	–	–

Ten Largest Fund Investments

at 31 March 2011

Advent Global Private Equity V		31 March 2011	30 September 2010
<p>Advent Global Private Equity V is a €2.5 billion private equity fund focused on global buy-outs. The Company's commitment is to the euro denominated partnership that only invests in European transactions. The fund is managed by Advent International, which has a strong track record in Europe, where it operates from offices in London, Paris, Frankfurt, Milan, Madrid and Amsterdam. Advent targets middle market buy-out transactions across a wide range of sectors.</p>	Value (£'000)	17,929	18,617
	Cost (£'000)	7,270	10,338
	Commitment (€'000)	22,500	22,500
	Amount Funded	93.0%	93.0%
	Holding in Fund	8.0%	8.0%
	Income (£'000)	–	–
CVC European Equity Partners V		31 March 2011	30 September 2010
<p>CVC European Equity Partners V is a €10.7 billion private equity fund focused on European buy-outs. The fund is managed by CVC Capital Partners Europe, a leading global manager of buy-outs with a long-track record. CVC operates across Europe from offices in London, Paris, Frankfurt, Amsterdam, Brussels, Copenhagen, Madrid, Stockholm, Zurich and Milan. CVC targets medium and large sized buy-out transactions.</p>	Value (£'000)	16,931	12,109
	Cost (£'000)	14,512	10,530
	Commitment (€'000)	35,000	35,000
	Amount Funded	49.5%	36.3%
	Holding in Fund	0.4%	0.4%
	Income (£'000)	16	192
3i Eurofund V		31 March 2011	30 September 2010
<p>3i Eurofund V is a €5.0 billion private equity fund, including a commitment of €2.8 billion from 3i Group plc, focused on mid to large sized European buy-outs. The fund is managed by 3i Buyouts, a division of 3i Group plc, an investment company listed on the London Stock Exchange. 3i is one of the oldest and most experienced private equity managers in Europe and operates from a network of offices, including Amsterdam, London, Madrid, Paris and Stockholm. 3i targets buy-out transactions with enterprise values of between €250 million and €1.0 billion, across a wide range of sectors.</p>	Value (£'000)	16,652	13,809
	Cost (£'000)	22,071	18,614
	Commitment (€'000)	40,000	40,000
	Amount Funded	78.0%	67.8%
	Holding in Fund	0.8%	0.8%
	Income (£'000)	–	–
Coller International Partners V		31 March 2011	30 September 2010
<p>Coller International Partners V is a \$4.5 billion private equity fund focused on secondary private equity opportunities. The fund is managed by Coller Capital, one of the most established managers of secondary funds, which was founded in 1990 and is led by Jeremy Coller. The manager operates from offices in London and New York and targets secondary positions in buy-out and venture funds globally.</p>	Value (£'000)	16,424	14,527
	Cost (£'000)	12,728	12,137
	Commitment (\$'000)	40,000	40,000
	Amount Funded	70.8%	63.0%
	Holding in Fund	0.8%	0.8%
	Income (£'000)	–	–
HgCapital 5		31 March 2011	30 September 2010
<p>HgCapital 5 is a £830 million private equity fund focused on buy-outs of companies with enterprise values of between £100 and £500 million, located in the UK, Germany and the Benelux region. The fund is managed by HgCapital, which has offices in London and Munich. The manager was established in 2000, following a management buy-out from Merrill Lynch.</p>	Value (£'000)	15,383	15,176
	Cost (£'000)	13,245	15,427
	Commitment (€'000)	20,300	20,300
	Amount Funded	81.7%	82.7%
	Holding in Fund	2.4%	2.4%
	Income (£'000)	–	–

Top 30 Underlying Investments

at 31 March 2011

The table below summarises the top 30 underlying investments, by value, in the Company's portfolio of private equity funds. The valuations are gross, before any carry provision.

Entity	Description	Fund	Year of Investment	% of net assets
Acromas	Provider of financial, insurance, travel and road side assistance services	Charterhouse Capital Partners VII & VIII, CVC European Equity Partners IV & CVC Tandem Fund	2004	3.1
Elior	Catering provider	Charterhouse Capital Partners VII & VIII	2006	2.8
Stork	Manufacturing and engineering conglomerate	Candover 2005 Fund	2008	2.2
Vivarte	Footwear and apparel retailer	Charterhouse Capital Partners VIII	2007	2.1
Global Refund	Travel related payment services	Barclays European Fund III	2007	2.0
bpost	Belgian postal service	CVC European Equity Partners III, IV & CVC Tandem	2006	2.0
Parques Reunidos	Amusement parks	Candover 2005 Fund	2007	1.9
Amadeus	Travel distribution services	Cinven Third Fund	2005	1.7
ista	Heat and water metering	Charterhouse Capital Partners VIII	2007	1.5
Converteam	Manufacturer of power conversion machinery	Barclays European Fund III	2008	1.4
Cengage Learning	Publisher of books for the higher education sector	Apax Europe VII	2007	1.4
Evonik Industries	Speciality chemicals, power generation and real estate	CVC European Equity Partners V & CVC Tandem	2008	1.4
Jack Wolfskin	Outdoor equipment retailer	Barclays European Fund	2005	1.3
Jimmy Choo	Produces women's luxury footwear and handbags	TowerBrook Investors II	2007	1.3
Schenck Process	Provider of industrial weighing and measuring solutions	Industri Kapital 2007	2007	1.2
AWAS/Pegasus	Aircraft lessor	Terra Firma Capital Partners III	2007	1.2
Flabeg	Manufacturer of industrial mirror glass components	Industri Kapital 2007	2008	1.1
Agros Nova	Producer of food and drink products	Industri Kapital 2007	2010	1.1
Flint (Xsys/BASF)	Manufacturer of printing inks	CVC European Equity Partners III	2004	1.0
Numéricable/Completel	French cable operator	Cinven Third Fund	2005	1.0
Minimax	Producer of fire suppression systems	Industri Kapital 2004 & Industri Kapital 2007	2006	1.0
Etanco	Producer of building fastener and fixing systems	Industri Kapital 2007	2008	1.0
Not disclosed	Supplier of oxo chemicals and derivatives	Advent Global Private Equity V	2007	0.9
Weather Investments	Portfolio of telecom operators	Apax Europe VII	2008	0.9
PHS	UK business services	Charterhouse Capital Partners VII	2005	0.9
Kestrel Holdings	Specialist mortgage lending	Alchemy Plan - SLEPET	2004	0.9
Bankrate	Internet based banking and finance network	Apax Europe VII	2009	0.9
A-Plan Holdings	Retail insurance broking	Barclays European Fund III	2008	0.9
TriZetto Group	Provider of software and services to the healthcare insurance industry	Apax Europe VII	2008	0.9
Trader Media Group	UK publisher of print and online classified advertising	Apax Europe VII	2007	0.9
Total of Top 30 Underlying Investments				41.9

Principal Risks and Uncertainties

The principal risks facing the Company relate to the Company's investment activities and include the following:-

- market risk;
- currency risk;
- over-commitment risk;
- liquidity risk;
- credit risk;
- interest rate risk; and
- operating and control environment risk

Information on each of these risks, and an explanation of how they are managed, is contained in the Company's Annual Report for the year ended 30 September 2010.

The Company's principal risks and uncertainties have not changed materially since the date of that Report and are not expected to change materially for the remaining six months of the Company's financial year.

Directors' Responsibility Statement

The Directors are responsible for preparing the half-yearly financial report, in accordance with applicable laws and regulations. The Directors confirm that to the best of their knowledge:-

- the condensed set of financial statements within the half-yearly financial report has been prepared in accordance with the UK Accounting Standards Board's Statement "Half-yearly financial reports";
- the Chairman's Statement and Manager's Review (together constituting the interim management report) includes a fair view of the information required by 4.2.7R of the FSA's Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year;
- the Statement of Principal Risks and Uncertainties shown above is a fair review of the information required by DTR 4.2.7R; and
- in accordance with 4.2.8R of the FSA's Disclosure and Transparency Rules there have been no related party transactions during the first six months of the financial year and, therefore, nothing to report on any material effect by such a transaction on the financial position or the performance of the Company during that period.

The half-yearly financial report was approved by the Board on 26 May 2011.

Signed on behalf of the Board of Directors of Standard Life European Private Equity Trust PLC

Scott Dobbie CBE
Chairman

Edinburgh
26 May 2011

Independent review report to Standard Life European Private Equity Trust PLC

Introduction

We have been engaged by Standard Life European Private Equity Trust PLC (the "Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2011, which comprise the Income Statement, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, the Cashflow Statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice). The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the Statement "Half-yearly financial reports" issued by the UK Accounting Standards Board.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2011 is not prepared, in all material respects, in accordance with the Statement "Half-yearly financial reports" issued by the UK Accounting Standards Board and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP

Chartered Accountants

Edinburgh

26 May 2011

Income Statement

		For the six months to 31 March 2011 (unaudited)		
	Notes	Revenue £'000	Capital £'000	Total £'000
TOTAL CAPITAL GAINS ON INVESTMENTS		—	46,577	46,577
Currency (losses)/gains		—	(950)	(950)
Income	4	2,588	—	2,588
Investment management fee		(141)	(1,271)	(1,412)
Administrative expenses		(374)	—	(374)
NET RETURN BEFORE FINANCE COSTS AND TAXATION		<u>2,073</u>	<u>44,356</u>	<u>46,429</u>
Finance costs		(144)	(1,294)	(1,438)
RETURN ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,929</u>	<u>43,062</u>	<u>44,991</u>
Taxation on ordinary activities		(334)	317	(17)
RETURN ON ORDINARY ACTIVITIES AFTER TAXATION		<u>1,595</u>	<u>43,379</u>	<u>44,974</u>
Net return per ordinary share	6	0.99p	26.87p	27.86p
Diluted net return per ordinary share	6	0.98p	26.72p	27.70p

The Total column of this statement represents the profit and loss account of the Company.

The Company has no recognised gains or losses other than those recognised in the Income Statement above.

All revenue and capital items in the above statement derived from continuing operations.

No operations were acquired or discontinued in the period.

Income Statement

For the six months to 31 March 2010 (unaudited)			For the year ended 30 September 2010 (audited)		
Revenue	Capital	Total	Revenue	Capital	Total
£'000	£'000	£'000	£'000	£'000	£'000
—	29,662	29,662	—	51,693	51,693
—	789	789	—	944	944
754	—	754	1,714	—	1,714
(116)	(1,039)	(1,155)	(238)	(2,138)	(2,376)
(303)	—	(303)	(581)	—	(581)
335	29,412	29,747	895	50,499	51,394
(92)	(830)	(922)	(191)	(1,716)	(1,907)
243	28,582	28,825	704	48,783	49,487
(59)	49	(10)	(161)	141	(20)
184	28,631	28,815	543	48,924	49,467
0.12p	17.77p	17.89p	0.34p	30.36p	30.70p
0.12p	17.76p	17.88p	0.34p	30.30p	30.64p

Reconciliation of Movements in Shareholders' Funds

For the six months ended 31 March 2011 (unaudited)

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2010	357	79,650	79,148	3	150,422	5,662	315,242
Total recognised gains	—	—	—	—	43,379	1,595	44,974
Scrip issue of ordinary shares	—	167	—	—	—	—	167
Dividends paid	—	—	—	—	—	(323)	(323)
Balance at 31 March 2011	357	79,817	79,148	3	193,801	6,934	360,060

For the six months ended 31 March 2010 (unaudited)

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2009	356	79,356	79,148	3	101,498	5,280	265,641
Total recognised gains	—	—	—	—	28,631	184	28,815
Scrip issue of ordinary shares	1	77	—	—	—	—	78
Dividends paid	—	—	—	—	—	(161)	(161)
Balance at 31 March 2010	357	79,433	79,148	3	130,129	5,303	294,373

For the year ended 30 September 2010 (audited)

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2009	356	79,356	79,148	3	101,498	5,280	265,641
Total recognised gains	—	—	—	—	48,924	543	49,467
Conversion of founder A shares	—	217	—	—	—	—	217
Scrip Issue of ordinary shares	1	77	—	—	—	—	78
Dividends paid	—	—	—	—	—	(161)	(161)
Balance at 30 September 2010	357	79,650	79,148	3	150,422	5,662	315,242

Balance Sheet

	Notes	At 31 March 2011 (unaudited) £'000	At 31 March 2010 (unaudited) £'000	At 30 September 2010 (audited) £'000
NON-CURRENT ASSETS				
Investments at fair value through profit or loss	7	410,889	328,745	369,630
CURRENT ASSETS				
Debtors		865	130	108
Cash and short term deposits		4,380	2,806	6,403
		<u>5,245</u>	<u>2,936</u>	<u>6,511</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank loan	9	(55,774)	(37,019)	(60,645)
Other creditors		(300)	(289)	(254)
		<u>(56,074)</u>	<u>(37,308)</u>	<u>(60,899)</u>
NET CURRENT LIABILITIES				
		<u>(50,829)</u>	<u>(34,372)</u>	<u>(54,388)</u>
NET ASSETS				
		<u>360,060</u>	<u>294,373</u>	<u>315,242</u>
CAPITAL AND RESERVES				
Called up share capital		357	357	357
Share premium		79,817	79,433	79,650
Special reserve		79,148	79,148	79,148
Capital redemption reserve		3	3	3
Capital reserves		193,801	130,129	150,422
Revenue reserve		6,934	5,303	5,662
		<u>360,060</u>	<u>294,373</u>	<u>315,242</u>
TOTAL SHAREHOLDERS' FUNDS				
ANALYSIS OF SHAREHOLDERS' FUNDS				
Equity interests (ordinary shares)		360,026	294,339	315,208
Non-equity interests (founder shares)		34	34	34
		<u>360,060</u>	<u>294,373</u>	<u>315,242</u>
TOTAL SHAREHOLDERS' FUNDS				
Net asset value per equity share	8	222.9p	182.6p	195.3p
Net asset value per equity share (diluted)	8	220.3p	180.7p	193.3p

Cashflow Statement

	Six months to 31 March 2011 (unaudited) £'000	Six months to 31 March 2010 (unaudited) £'000	Year to 30 September 2010 (audited) £'000
Net return before finance costs and taxation	46,429	29,747	51,394
Adjusted for:			
Gains on disposal of unquoted investments	(8,884)	(755)	(3,795)
Revaluation of unquoted investments	(37,693)	(28,907)	(47,898)
Currency losses/(gains)	950	(789)	(944)
(Increase)/decrease in debtors	(757)	31	53
Increase/(decrease) in creditors	57	(9)	(34)
Tax deducted from non - UK income	(17)	(18)	(28)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	85	(700)	(1,252)
NET CASH OUTFLOW FROM SERVICING OF FINANCE	(1,449)	(926)	(1,921)
NET CASH INFLOW FROM TAXATION	—	8	8
FINANCIAL INVESTMENT			
Purchase of investments	(28,968)	(17,499)	(47,994)
Disposal of underlying investments	34,286	9,620	21,273
Disposal of fund investments	—	1,902	1,890
NET CASH INFLOW/(OUTFLOW) FROM FINANCIAL INVESTMENT	5,318	(5,977)	(24,831)
ORDINARY DIVIDEND PAID	(150)	(78)	(78)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	3,804	(7,673)	(28,074)
Net (costs)/proceeds of issue of ordinary shares	(6)	(5)	212
Net (repayment)/drawdown of loan	(4,871)	7,317	30,943
NET CASH (OUTFLOW)/INFLOW FROM FINANCING	(4,877)	7,312	31,155
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,073)	(361)	3,081
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
(Decrease)/increase in cash as above	(1,073)	(361)	3,081
Net repayment/(drawdown) of loan	4,871	(7,317)	(30,943)
Currency movements	(950)	789	944
MOVEMENT IN NET DEBT IN THE PERIOD	2,848	(6,889)	(26,918)
Opening net debt	(54,242)	(27,324)	(27,324)
CLOSING NET DEBT	(51,394)	(34,213)	(54,242)
REPRESENTED BY:			
Cash and short term deposits	4,380	2,806	6,403
Bank loans	(55,774)	(37,019)	(60,645)
	(51,394)	(34,213)	(54,242)

1 Financial Information

The financial information in this report comprises non-statutory accounts as defined in sections 434-436 of the Companies Act 2006. The financial information for the year ended 30 September 2010 has been extracted from the published accounts that have been delivered to the Registrar of Companies and on which the report of the auditors was unqualified under section 498 of the Companies Act 2006.

The auditors have reviewed the financial information for the six months ended 31 March 2011 in accordance with the applicable standards issued by the Auditing Practices Board for use in the United Kingdom. The independent auditors review report is on page 15.

2 Basis of preparation and going concern

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of investments, and in accordance with applicable UK Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (issued in January 2009). They have also been prepared on the assumption that approval as an investment trust will continue to be granted by HM Revenue & Customs. The financial statements have been prepared on a going concern basis. The financial statements, and the net asset value per equity share figures, have been prepared in accordance with UK Generally Accepted Accounting Principles ("UK GAAP"). The Directors consider the Company's functional currency to be sterling, as the Company is registered in Scotland, the Company's shareholders are predominantly based in the UK and the Company is subject to the UK's regulatory environment. The interim accounts have been prepared using the same accounting policies as the preceding Annual Accounts. In addition, they have been prepared in accordance with the Statement "Half-yearly financial reports" issued by the UK Accounting Standards Board and the applicable guidance within the Disclosure and Transparency Rules of the Financial Services Authority.

3. Exchange rates	At 31 March 2011	At 31 March 2010	At 30 September 2010
Rates of exchange to sterling were:			
Euro	1.1296	1.1211	1.1543
US Dollar	1.6030	1.5169	1.5758

4. Income	Six months ended 31 March 2011 £'000	Six months ended 31 March 2010 £'000	Year ended 30 September 2010 £'000
Income from unquoted investments	2,587	753	1,713
Deposit interest	1	—	—
Other income	—	1	1
Total income	2,588	754	1,714

5 Dividend on Ordinary shares

A dividend of 0.20p per ordinary share, declared as a final dividend, was paid on 28 January 2011 in respect of the year ended 30 September 2010 (dividend of 0.10p per ordinary share paid on 29 January 2010).

The Company issued 123,804 ordinary shares of 0.2p as a result of elections received following a scrip dividend offer in respect of the 2010 final dividend. One new ordinary share was issued for every 139.8p otherwise payable as a cash dividend.

There will be no interim dividend for the six months ended 31 March 2011. Shareholders are reminded that the objective of the Company is long-term capital appreciation.

Notes to the Accounts

6. Net return per ordinary share	Six months ended 31 March 2011		Six months ended 31 March 2010		Year ended 30 September 2010	
	p	£'000	p	£'000	p	£'000
The net return per ordinary share is based on the following figures:						
Revenue net return	0.99	1,595	0.12	184	0.34	543
Capital net return	26.87	43,379	17.77	28,631	30.36	48,924
Total net return	27.86	44,974	17.89	28,815	30.70	49,467
Weighted average number of ordinary shares in issue	161,414,968		161,094,549		161,122,847	

	Six months ended 31 March 2011		Six months ended 31 March 2010		Year ended 30 September 2010	
	p	£'000	p	£'000	p	£'000
The fully diluted net return per ordinary share is based on the following figures:						
Revenue net return (fully diluted)	0.98	1,595	0.12	184	0.34	543
Capital net return (fully diluted)	26.72	43,379	17.76	28,631	30.30	48,924
Total net return (fully diluted)	27.70	44,974	17.88	28,815	30.64	49,467

Fully diluted net returns have been calculated on the basis set out in Financial Reporting Standard 22 'Earnings per share' ('FRS 22'). For the six months ended 31 March 2011, this is based on 162,374,866 shares, comprising the weighted average 161,414,968 ordinary shares and 959,898 founder A shares deemed to be issued for no consideration on exercise of all founder A shares by reference to the average share price of the ordinary shares during the period. For the six months ended 31 March 2010, this is based on 161,170,919 shares, comprising the weighted average 161,094,549 ordinary shares and 76,370 founder A shares capable of conversion. For the year ended 30 September 2010, this is based on the weighted average of 161,434,348 ordinary shares, comprising the weighted average 161,122,847 ordinary shares and 311,501 founder A shares capable of conversion.

7. Fixed asset investments	At 31 March 2011	At 31 March 2010	At 30 September 2010
	£'000	£'000	£'000
Fair value through profit or loss:			
Opening market value	369,630	293,106	293,106
Opening investment holding losses	38,265	86,163	86,163
Opening book cost	407,895	379,269	379,269
Movements in the period:			
Additions at cost	28,968	17,499	47,994
Disposals of underlying investments by funds	(34,286)	(9,620)	(21,273)
Disposals of fund investments by way of secondary sales	—	(1,902)	(1,890)
	402,577	385,246	404,100
Gains on disposal of underlying investments	11,285	3,720	8,433
Losses on disposal of fund investments	(2,401)	(2,965)	(4,638)
Closing book cost	411,461	386,001	407,895
Closing investment holding losses	(572)	(57,256)	(38,265)
Closing market value	410,889	328,745	369,630

8. Net asset value per ordinary share

	At 31 March 2011	At 31 March 2010	At 30 September 2010
Basic:			
Ordinary shareholders' funds	£360,026,000	£294,339,000	£315,207,880
Number of ordinary shares in issue	161,496,597	161,149,772	161,372,793
Net asset value per ordinary share	222.9p	182.6p	195.3p
Diluted:			
Ordinary shareholders' funds	£363,622,981	£298,159,002	£318,804,861
Number of ordinary shares in issue	165,093,578	164,969,774	164,969,774
Net asset value per ordinary share	220.3p	180.7p	193.3p

During the period the Company issued 123,804 ordinary shares of 0.2p as a result of elections received following a scrip dividend offer in respect of the 2010 final dividend. One new ordinary share was issued for every 139.8p otherwise payable as a cash dividend.

For the six months ended 31 March 2011, the diluted NAV per ordinary share is based on the number of shares in issue of 165,093,578, being 161,496,597 ordinary shares and 3,596,981 founder A shares.

The net asset value per ordinary share and ordinary shareholders' funds are calculated in accordance with the Company's articles of association.

9 Bank loans

	At 31 March 2011 £'000	At 31 March 2010 £'000	At 30 September 2010 £'000
Unsecured bank loans repayable within one year:			
€63,000,000 at 3.448% repayable 28 April 2011	55,774	—	—
€20,000,000 at 3.118% repayable 25 October 2010	—	—	17,327
€50,000,000 at 3.121% repayable 29 October 2010	—	—	43,318
€10,000,000 at 2.906% repayable 19 April 2010	—	8,920	—
€1,500,000 at 2.901% repayable 26 April 2010	—	1,338	—
€30,000,000 at 2.899% repayable 30 April 2010	—	26,761	—
	55,774	37,019	60,645

At 31 March 2011, the Company had a £120 million committed, multi-currency syndicated revolving credit facility led by The Royal Bank of Scotland plc of which £55.8m has been drawn down in euros. The facility expires on 31 December 2013. The interest rate on this facility is LIBOR plus 2.5% and the commitment fee payable on non-utilisation is 1.0% per annum.

10 Parent undertaking and related party transactions

The ultimate parent undertaking of the Company is Standard Life PLC. The accounts of the ultimate parent undertaking are the only group accounts incorporating the accounts of the Company.

There are no changes in the related parties' transactions described in the last annual report that have had a material effect on the financial position or performance of the Company during the period ended 31 March 2011.

Information for Investors

Registered address

This report has been mailed to shareholders at the address shown on the Company's share register. Any change of address should be advised to the Registrars at the following address under the signature of the shareholder:

Equiniti Limited
34 South Gyle Crescent
South Gyle Business Park
Edinburgh EH12 9EB
United Kingdom

Registrars' shareholder helpline: 0871 384 2618*

Registrars' broker helpline: 0906 559 6025

* Calls to this number are charged at 8p per minute from a BT landline. Other telephone providers costs may vary.

If your shares are held via nominees you should contact them with any change of address.

Ordinary share price and net asset value

The Company's ordinary share price is published in the Financial Times.

The Stock Exchange code for the Company's ordinary shares is SEP.

The Company's Sedol number is 3047468 and the ISIN number is GB0030474687.

In view of the unlisted nature of the Company's investment portfolio, the NAV is announced to the Stock Exchange quarterly.

ISA (Individual Savings Accounts)

Lump sum and regular savings ISAs in the Company's ordinary shares are offered by Standard Life Savings Limited. These provide a tax efficient vehicle for investors wishing to invest up to £10,680 in the tax year 2011/2012. There is an initial charge of 1.25% and no annual management charge for the plans. Further details are available from Standard Life Savings Limited, 12 Blenheim Place, Edinburgh EH7 5ZR, or by telephoning 0845 602 4247.

Investment Manager

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Telephone: 0131 245 0055

Fax: 0131 245 6105

SL Capital Partners LLP is authorised and regulated by the Financial Services Authority and is a subsidiary of Standard Life Investments Limited. Standard Life Investments Limited may record and monitor telephone calls to help improve customer service.

Financial Calendar

September – Quarterly trading statement announced

December – Preliminary results for the year announced

December – Annual report and accounts published

January – Annual General Meeting

March – Quarterly trading statement announced

May – Interim results announced

June – Interim report published

Directors

Scott Dobbie CBE, Chairman
Alastair Barbour
Hamish Buchan
Jonathan Taylor
Edmond Warner
David Warnock
Donald Workman

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