

Vantage Private Equity Growth Limited

Quarterly Investor Report — Quarter Ending 31 March 2010



Special points of interest:

- Catalyst Buyout Fund 2 Agrees to Acquire Actrol Parts from GSA Industries
- Advent V Sells SCADAGroup to Schneider Electric, Realising a 3 X return on Investment & an IRR of 44%.
- VPEG's underlying PE investments increase in value by 10.2%

Inside this report:

Performance	2
Key Portfolio Developments	2
Overview of New Underlying Investment	3
Portfolio Structure	4
Industry Spread of VPEG's underlying Investments	5
Movement in Fair value of PE Investments	6
Contact Details	6

SUMMARY

Background

Vantage Private Equity Growth Limited (VPEG) is a multi manager Private Equity investment company structured as an unlisted Australian public company. VPEG is focussed on investing in professionally managed Private Equity funds that invest in businesses that are at a more mature stage of development, and in particular the Later Expansion and Buyout stages of Private Equity investment.

The Company's investment objective for its Investment Portfolio is to achieve attractive medium to long-term returns on Private Equity investments while keeping the volatility of the overall investment portfolio low. This is achieved by investing across a highly diversified portfolio of Private Equity assets with diversification obtained by allocating across manager, geographic region, financing stage, industry sector and vintage year.

VPEG will invest the majority of its Investment Portfolio into Australian based Private Equity funds who in turn are focused on investing into small to mid market sized companies with enterprise value at initial investment of generally between \$20m and \$500m.

VPEG continues to build its investment portfolio and has to date committed \$43m across seven private equity funds.

As at 31 March 2010, VPEG had made seven investment commitments which include, \$8m to each of Archer Capital Fund 4, Catalyst Buyout Fund 2 and Quadrant Private Equity No. 2, \$7m to Next Capital II and \$4m to each of Advent V, Crescent Capital Partners III and Equity Partners Fund No. 3.

Important Information

This report has been prepared by Vantage Asset Management Pty Limited (ABN 50 109 671 123) AFSL 279186 (VAM) (in its capacity as Investment Manager of Vantage Private Equity Growth Limited (ABN 51 112 481 875)). It has been prepared without taking into account the objectives, financial situation or needs of any investor, which should be considered before investing. Investors should seek their own advice about an appropriate investment or investment strategy. It should not be relied upon as personal advice nor is it an offer of any financial product.

Performance

The period 1 January 2010 to 31 March 2010 saw further growth in VPEG's portfolio of private equity investments.

During the period the number of private equity investments within the portfolio, for which funds had been drawn from VPEG, increased to 22 in total, with further funds drawn for three follow on investments, two by a Quadrant Private Equity No.2 investee and one by an Advent V investee.

The table to the right provides a summary of the performance of VPEG's portfolio during the March 10 quarter. As demonstrated VPEG's post tax NAV per share increased from \$1.014 at 31 December 2009 to \$1.030 at 31 March 2010.

The increase in NAV during the quarter was attributed to an increase in the valuation of five underlying private equity investments as at 31 March 2010 as well as income from VPEG's cash & fixed interest investments once again outstripping operational costs.

Month Ending	VPEG NAV per Ordinary Share*
31-Mar-10	1.030
28-Feb-10	1.015
31-Jan-10	1.013
31-Dec-09	1.014

*Net Asset Value (NAV) per share post tax

Key Portfolio Developments

During the period 1 January 2010 to 31 March 2010, VPEG's portfolio of private equity investments expanded as a result of the completion of one new investment (announced last quarter) & two follow on investments.

Draw downs during the quarter were made by Advent V, Equity Partners 3 (EP3), Next Capital II and Quadrant Private Equity No. 2 (QPE2) totaling \$1,072,802.

The majority of capital drawn from VPEG during the quarter contributed toward funding the acquisition of **HRV** Group by EP3 (as detailed in the December 2009 quarterly report) as well as two follow on investments by QPE2 into **Summerset Retirement Villages**.

Further capital was drawn by Advent V for an additional investment into existing investee **Genesis Care**. The remaining capital drawn from VPEG during the quarter contributed toward working capital expenditure (i.e. underlying fund costs and management fees) for those funds that did not make any specific acquisitions during the quarter.

During January 2010, QPE2 invested additional funds into **Summerset Retirement Villages** to support its acquisition of additional land for a future village.

On 5 February 2010, EP3 completed the acquisition of a majority shareholding in E-Co Products Group Limited a new company formed to acquire the **HRV** group of companies.

Also during February 2010, Advent V increased its investments in **Genesis Care** to support fund an agreed expansion strategy, initially with the acquisition of an additional cardiology business.

During the quarter, QPE2 & co-investors reached agreement to purchase the remaining 49% of **Summerset Retirement Villages**, from AMP Capital Investors, with the transaction completed in early April 2010.

Additionally, during the quarter, Catalyst Buyout Fund 2 offered to acquire 100% of **Actrol Parts** from GSA Industries (Aust) Pty Ltd. Funding for the acquisition was called from CBF2 investors, including VPEG, during April with the transaction completed in early May 2010.

Finally during the quarter, Advent V reached agreement for the sale of investee **SCADAgroup** to Schneider Electric. The sale was completed on 23 April 2010 with proceeds from the sale distributed to investors, including VPEG, on 29 April 2010.

“The majority of capital drawn from VPEG during the quarter contributed toward the acquisition of HRV by EP3 as well as follow on investments into Summerset Retirement Villages by QPE2.”

Overview of New Underlying Investments & Exits

New Investment — Actrol Parts

During the Quarter **Catalyst Buyout Fund 2** agreed to acquire 100% of the Actrol Parts business from the privately owned GSA Group, with the acquisition completed during April 2010.



Actrol is one of the largest wholesalers and distributors of equipment, gas and parts to the refrigeration and air-conditioning markets in Australia. Actrol has been operating in the Australian market for over 70 years and grew primarily through the acquisition of a number of smaller, independent, regional players. The business was acquired by GSA in 1986, but has remained a largely standalone operation.

Actrol has a national presence with 49 branches across Australia. Actrol's primary customers are refrigeration and air-conditioning contractors. The business has a broad base of customers with over 7,200 active customers and with the top 20 customers representing less than 15% of total sales. The majority of sales relate to either scheduled or emergency repairs and are therefore non-discretionary in nature, leading to a stable earnings profile.

Actrol has access to all of the major brands in the refrigeration and air-conditioning market and distributes over 6,000 different products per annum. Its product catalogue is generally regarded as being the industry "bible" and contains over 12,000 sku's.

Recent Exit — SCADAgrouP

During the quarter Advent Private Capital Pty Ltd (Advent) reached agreement for the sale of two of its fund's investments in **SCADAgrouP** Pty Ltd to Schneider Electric.



SCADAgrouP is a Newcastle based, global provider of systems integration services and SCADA products to the water, waste water and oil and gas industries.

The agreed valuation for the sale was AUD\$200m, with a small retention for working capital adjustments and warranties. The sale price represents 11 times forecast FY10 EBITA, which reflects the fact that the Company has been built up to be a world class strategic asset, under the stewardship of Advent.

Two of Advent's funds invested approximately AUD\$18.5m into SCADAgrouP. The Advent IV fund invested in March 2006 to fund a secondary buyout of the business and the Advent V fund (a VPEG investee) invested in June 2007 to fund an additional acquisition.

Advent Management announced that Advent V would make a return of 3 times its total investment in SCADAgrouP representing an Internal Rate of Return (IRR) of 44%.

PORTFOLIO STRUCTURE

VPEG's Portfolio Structure – 31 March 2010

The tables and charts below provide information on the breakdown of VPEG's investments as at 31 March 2010.

Current Investment Portfolio Allocation*

The following table provides the split of VPEG's current investment portfolio across cash, fixed interest securities (term deposits) and Private Equity (drawn down).

The drawn down Private Equity component of the portfolio is further broken down by the investment stage (Later Expansion or Buyout) of the underlying investments that currently make up VPEG's Private Equity portfolio.

Cash	Fixed Interest	Private Equity (Drawn Down)	
		5.0%	50.3%
		Buyout	33.9%

*As a percentage of VPEG's Investment Portfolio (or Gross Assets). As at 31 March 2010 VPEG's Gross Assets were \$ 36.6 million (unaudited) pre tax.

During the March 10 Quarter VPEG's exposure to private equity investments grew from 40.7% to 44.7% with the cash and fixed interest component of the investment portfolio reducing from 59.3% to 55.3%. The increase in Private Equity exposure was due to the completion of the HRV Acquisition by Equity Partners 3, as well as the follow on investments by Advent V & QPE2.

Private Equity Portfolio

VPEG, with commitments to seven Private Equity funds, ultimately holds interests in twenty two underlying company investments to which funds have been drawn. VPEG's Private Equity portfolio and commitments, as at 31 March 2010, were as follows:

"VPEG ultimately holds interests in twenty two underlying company investments"

Private Equity Fund Name	Fund Size	Vintage Year	Investment Focus	VPEG Commitment	Capital Drawn Down	No. of Investee Companies
Advent V	\$300m	2006	Small to Mid Market Expansion / Buyout	\$4.0m	\$2.64m	6
Archer Capital Fund 4	\$1,360m	2007	Mid Market Buyout	\$8.0m	\$2.72m	5
Catalyst Buyout Fund 2	\$438m	2008	Mid Market Buyout	\$8.0m	\$0.46m	0
Crescent Capital Partners III	\$400m	2006	Small to Mid Market Expansion / Buyout	\$4.0m	\$2.89m	5
Equity Partners Fund No. 3	\$76m	2007	Small Market Expansion / Buyout	\$4.0m	\$1.05m	2
Next Capital II	\$285m	2008	Small to Mid Market Expansion / Buyout	\$7.0m	\$0.32m	0
Quadrant Private Equity No. 2	\$500m	2007	Mid Market Expansion / Buyout	\$8.0m	\$5.90m	4

PORTFOLIO STRUCTURE — continued

Summary of VPEG's Top 10 Underlying Private Equity Investments

The table below provides an overview of the top ten underlying private equity investments in VPEG's portfolio, for which funds had been drawn from VPEG, as at 31 March 2010.

Genesis Care moved into the Top 10 during the quarter, as a result of Advent V's follow on investment and now represents 2.2% of VPEG's total investment portfolio.

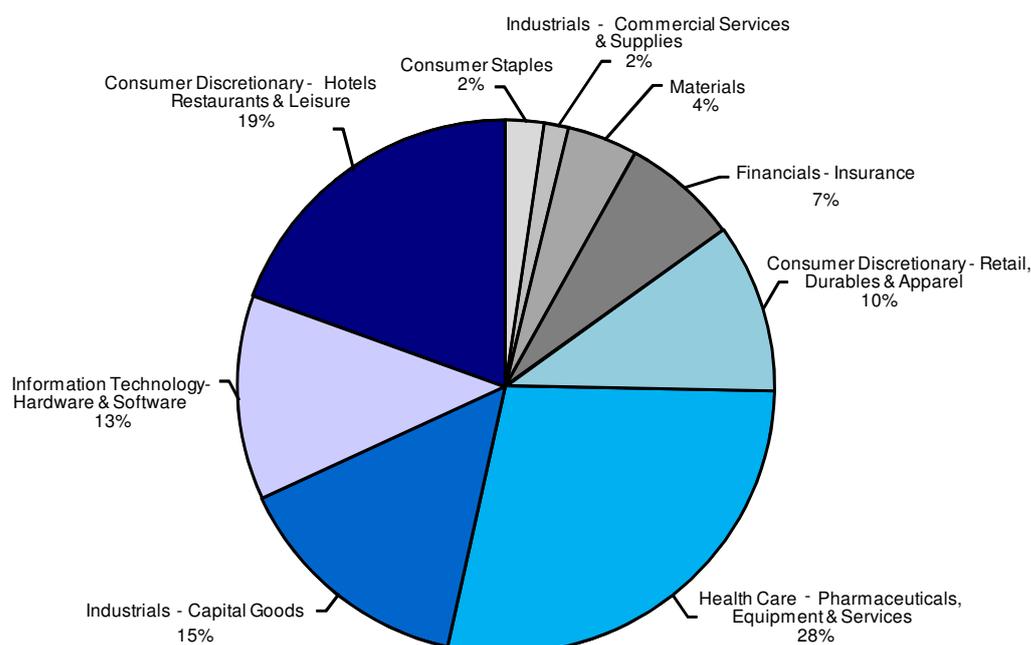
Rank	Investment	Description	% of VPEG NAV*	Cumulative % of VPEG NAV*
1	Quick Service Restaurants	Chicken Fast Food Retailing	5.3%	5.3%
2	MYOB	Developer, Marketer & Distributor of Business Software Systems	4.8%	10.1%
3	IVF Australia	Owner Operator of Fertility Clinics in NSW & Victoria	3.7%	13.8%
4	Independent Pub Group	Owner of Gaming Hotels in Qld, SA & NSW	3.2%	17.1%
5	Cover More	Provider of Travel Insurance & Emergency Care Services	3.1%	20.1%
6	Summerset Retirement Villages	Owner & Operator of Retirement Villages in NZ	3.0%	23.1%
7	National Hearing Care	Independent Distributor of Hearing Aids	2.5%	25.7%
8	Genesis Care	National Network of Cardiology & Radiation Oncology Practices	2.2%	27.8%
9	Skins	Compression Sports Apparel Designer & Marketer	2.0%	29.8%
10	Integrated Packaging Group	Manufacturer & Distributor of Packaging Products	1.9%	31.7%

*As at 31 March 2010 (unaudited) calculated on VPEG's pre tax NAV.

Industry Spread of VPEG's Underlying Investments

With the completion of the acquisition of HRV by Equity Partners 3 during the quarter, as well as the improvement in valuation of a further five underlying companies in the portfolio, the "Industrials —Capital Goods", "Information Technology" & "Financials" sector exposures all expanded up to 2% each.

The "Health Care—Pharmaceuticals, Equipment & Services" sector (currently 28%), remains the single largest sector exposure in VPEG's private equity investment portfolio.



PORTFOLIO STRUCTURE — continued

Movement in the Fair Value of Companies within VPEG's Private Equity Portfolio

The chart to the right provides a breakdown of the movement in the holding value of underlying companies within VPEG's Private Equity (PE) portfolio from December 09 to March 10 as a percentage of the value of the entire PE portfolio (as at 31 December 09).

As demonstrated by the chart 24% of underlying companies within VPEG's portfolio, by value, had an increase in their holding value at 31 March 10 compared with their value as at 31 December 09. Furthermore the increase in the total holding value of the five companies falling within this band, across the period, was 32.9%.

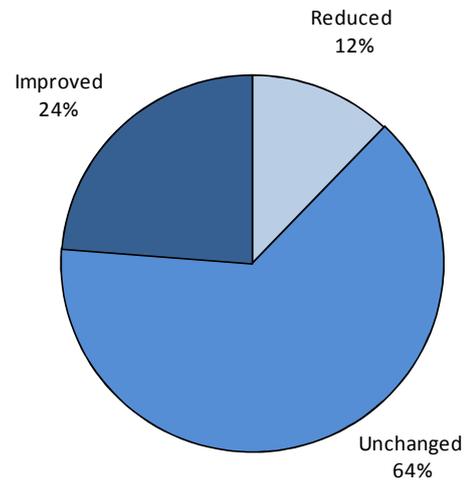
By contrast only 12% of companies, by value, within the portfolio, underwent a reduction in their holding value at 31 March 10 compared with that at 31 December 09. The reduction in the total holding value of the five companies falling within this band across the period was 7.5%.

Finally, 64% of all companies within the PE portfolio by value, maintained their holding value across the period. This band consisted of ten companies and excluded the new & follow on investments made by underlying managers between 31 December 09 and 31 March 10.

In summary and as a result of the revaluation exercise conducted at 31 March 10 by the underlying managers, the increase in the total value of VPEG's PE holdings across the first three months of 2010 was 10.2%.

This improvement in value once again demonstrates the robust nature of VPEG's underlying private equity portfolio that, despite continuing market uncertainty during the first quarter of 2010, were able to maintain or improve their earnings and subsequent value across the period.

Movement in Underlying Company Fair Values as a Proportion of VPEG's Total PE Portfolio¹



Notes; 1. Percentage values represent the proportion of companies falling within each band as a percentage of the total value of the PE portfolio as at 31 December 09. Fair value movement occurring between 31 Dec 09 & 31 Mar 10.

CONTACT DETAILS

Vantage Private Equity Growth Limited

Level 31
88 Phillip Street
Sydney NSW, 2000 Australia

Email: enquiries@vpeg.info

Internet: www.vpeg.info

Investment Manager

Vantage Asset Management Pty Limited
Managing Director - Michael Tobin

Phone: +612 8211 0477

Securities Registry

Computershare Investor Services Pty Limited
Level 3, 60 Carrington St
Sydney NSW 2000 Australia

Phone: 1300 755 368 or +613 9415 4122 if calling from outside Australia