

Vantage Private Equity Growth Limited

Quarterly Investor Report — Quarter Ending 30 September 2012



Special points of interest:

- Advent V Makes Follow on Investment Into Heavy Earthmoving Equipment Company Orionstone
- Equity Partners 3 Acquires Additional Shares in HRV Group by buying out a shareholder
- VPEG's Total Investment Portfolio Exposure to Private Equity Reduces to 68.7% Following Exit of Genesis Care From the Portfolio

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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 has invested 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's investment portfolio continues to expand and with total commitments of \$43m across seven private equity funds, it currently holds interests in 31 underlying companies.

As at 30 September 2012, VPEG's investment commitments included, \$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 July 2012 to 30 September 2012 saw continued activity within VPEG's private equity investment portfolio.

During the period two follow on investments were completed into existing investee companies.

As a result the total number of investments held within VPEG's underlying private equity portfolio at quarter end remained at thirty one.

The table to the right provides a summary of the performance of VPEG's portfolio during the September 12 quarter.

As demonstrated VPEG's NAV increased from 1.035 to 1.046 per share.

The increase in VPEG's NAV during the period was due predominately to increases in the valuations of some of the underlying investee companies which were re-valued at quarter end.

Month Ending	VPEG NAV per Ordinary Share*
30-Sep-12	1.046
31-Aug-12	1.045
31-Jul-12	1.033
30-Jun-12	1.035

*Net Asset Value (NAV) per share post tax

Key Portfolio Developments

During the period 1 July 2012 to 30 September 2012, continued activity within VPEG's portfolio of private equity investments, saw the completion of two follow on investments.

Draw downs during the quarter were made by Advent V, Catalyst Buyout Fund 2, Equity Partners 3, Next Capital II and Quadrant Private Equity No. 2, totaling \$419,632.

The majority of capital drawn from VPEG during the quarter contributed toward funding the two follow on investments completed, one by each of Advent V & Equity Partners 3.

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.

In addition, \$1,663,402 in distributions were received during the quarter from Advent V and Archer Fund 4. The majority of these distributions represented VPEG's share of the proceeds of the sale of Advent's **Genesis Care** investment (detailed in the June Quarter report), which was completed during the period, with the remaining distributions resulting from interest proceeds from a number of Archer 4's investments.

In July 2012, Equity Partners 3 acquired additional shares in **HRV Group** following the buy-out of shares from other minor shareholders to take their shareholding to a majority stake in the company.

Also during July 2012 Advent V acquired additional shares in investee company **Orionstone**, increasing their share in the company to a significant minority interest.

“The majority of capital drawn from VPEG during the quarter contributed toward funding the two follow on investments completed”

PORTFOLIO STRUCTURE

VPEG's Portfolio Structure – 30 September 2012

The tables and charts below provide information on the breakdown of VPEG's investments as at 30 September 2012.

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.

The 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	
8.2%	23.1%	Later Expansion	19.7%
		Buyout	48.9%

*As a percentage of VPEG's Investment Portfolio (or Gross Assets). As at 30 September 2012 VPEG's Gross Assets were \$ 37.75 million (unaudited) pre tax.

During the September 12 Quarter VPEG's exposure to private equity investments decreased from 73.43% to 68.67% with the cash and fixed interest component of the portfolio increasing from 26.6% to 31.3%. The reduction in Private Equity exposure and the resulting increase in the cash and fixed interest component of the portfolio was due to the receipt of sale proceeds from the completion of the exit of the Genesis Care investment from the portfolio, reported last quarter.

Private Equity Portfolio

VPEG, with commitments to seven Private Equity funds, held interests in thirty one underlying company investments, at quarter end, to which funds had been drawn. VPEG's Private Equity portfolio and commitments, as at 30 September 2012, were as follows:

Private Equity Fund Name	Fund Size	Vintage Year	Investment Focus	VPEG Commitment	Capital Drawn Down	Total No. of Investee Companies	No. of Exits
Advent V	\$300m	2006	Small to Mid Market Expansion / Buyout	\$4.0m	\$3.67m	8	2
Archer Capital Fund 4	\$1,360m	2007	Mid Market Buyout	\$8.0m	\$7.12m	10	4
Catalyst Buyout Fund 2	\$438m	2008	Mid Market Buyout	\$8.0m	\$4.80m	4	0
Crescent Capital Partners III	\$400m	2006	Small to Mid Market Expansion / Buyout	\$4.0m	\$3.85m	6	2
Equity Partners Fund No. 3	\$76m	2007	Small Market Expansion / Buyout	\$4.0m	\$2.18m	4	1
Next Capital II	\$285m	2008	Small to Mid Market Expansion / Buyout	\$7.0m	\$3.89m	5	0
Quadrant Private Equity No. 2	\$500m	2007	Mid Market Expansion / Buyout	\$8.0m	\$6.97m	5	2
Total				\$43.0m	\$32.48m	42	11

"As at 30 September 12 VPEG ultimately held interests in thirty one underlying company investments"

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 30 September 2012.

Due to an uplift in the holding value of NZ listed Summerset Retirement Village's shares, it became VPEG's 2nd largest investment representing 5.0% of VPEG's NAV.

Rank	Investment	Fund	Description	% of VPEG NAV*	Cumulative % of VPEG NAV*
1	Actrol	Catalyst Buyout Fund 2	Distributor of Refrigeration & Air-conditioning Parts & Equipment	6.1%	6.1%
2	Summerset Retirement Villages	Quadrant Private Equity No. 2	Owner & Operator of Retirement Villages in NZ	5.0%	11.1%
3	Cover More	Crescent Capital Partners III	Provider of Travel Insurance & Emergency Care Services	4.3%	15.4%
4	Virtus Health	Quadrant Private Equity No. 2	Owner Operator of Fertility Clinics in NSW & Victoria	3.5%	18.9%
5	Media Monitors	Quadrant Private Equity No. 2	International Media Services Business	3.3%	22.3%
6	Ausfuel	Archer Capital Fund 4	Wholesale / Retail Fuel Distribution & Transport	3.1%	25.3%
7	Onsite Rentals	Next Capital II	Commercial Rental of Portable Buildings, Toilets & Access Equipment	3.0%	28.3%
8	Quick Service Restaurants Holdings	Archer Capital Fund 4	Chicken Fast Food Retailing	2.9%	31.2%
9	Integrated Packaging Group	Advent V	Manufacturer & Distributor of Packaging Products	2.9%	34.1%
10	Discovery Holiday Parks	Next Capital II	Caravan & Cabin Park Owner & Operator	2.9%	37.1%

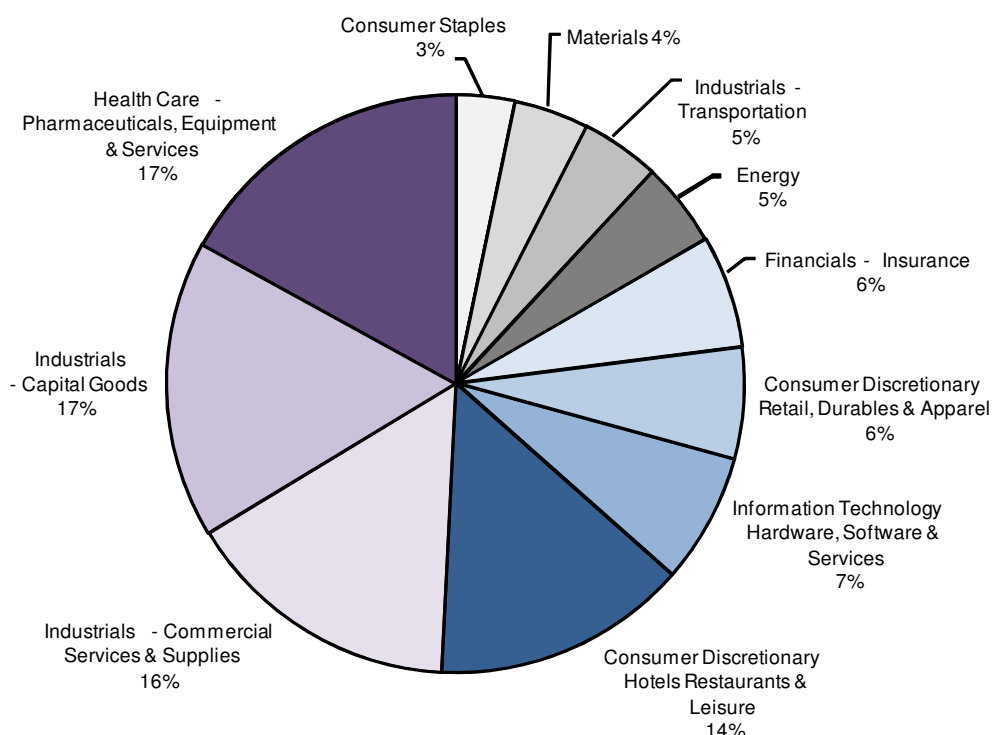
*As at 30 September 2012 (unaudited) calculated on VPEG's pre tax Net Asset Value (NAV)

Industry Spread of VPEG's Underlying Investments

With the exit of Genesis Care from the portfolio, the "Health Care" sector exposure reduced from 22% to 17% of VPEG's total private equity portfolio.

The follow on investments completed during the quarter by EP3 into HRV Group & by Advent V into Orionstone increased VPEG's exposure to the "Industrials—Capital Goods" sector from 15% to 17% and the "Industrials—Commercial Services & Supplies" sector from 14% to 16%.

These sectors, along with "Health Care" now represent 50% of VPEG's total sector exposure.



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