

**ATP Private Equity Partners I K/S  
Annual report for the financial year  
1 January 2006 – 31 December 2006  
(4th financial year)**

*The annual report was submitted and approved at the Company's annual general meeting on*

*/ 2007.*

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*Chairman*

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## Company details

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Registration No.: 27 02 53 90

Established: 5 February 2003

Registered office: Copenhagen

## Supervisory Board

Bjarne Graven Larsen (chairman)

Lars Rohde

Lars Damgaard Sørensen

## Executive Board

Jens Bisgaard-Frantzen

## Auditors

PricewaterhouseCoopers

Statsautoriseret Revisionsaktieselskab

Strandvejen 44

DK-2900 Hellerup

## Ownership

ATP owns more than 50% of the share capital.

## Annual general meeting

The annual general meeting is to be held on 21 February 2007.

## Financial highlights

DKK'000	2006 1/1-31/12	2005 1/1-31/12	2004 1/1-31/12	2003 5/2-31/12
<b>Income statement:</b>				
Profit(loss) from investment activities	1,304,541	77,184	134,078	-68,656
Ordinary operating profit (loss)	1,299,566	72,064	118,640	-80,279
Profit from financial items	1,127	687	996	1,270
Profit (loss) for the year	1,295,961	72,723	119,636	-79,009
<b>Balance sheet:</b>				
Total assets	4,318,970	2,450,560	1,333,323	581,162
Equity	4,247,427	2,410,930	1,319,432	571,000
<b>Cash flows:</b>				
Operating activities	-537,749	-1,016,601	-684,847	-573,160
Financing activities	540,535	1,018,775	628,796	650,009
<b>Employees:</b>				
Average number of full-time employees for ATP Private Equity Partners II K/S, ATP Private Equity Partners I K/S, ATP Private Equity K/S and Private Equity Advisors ApS	17	15	13	8
<b>Financial ratios:</b>				
Return on investment	38.7%	3.9%	13.1%	-13.6%
Equity ratio	98.3%	98.4%	99.0%	98.3%
Return on equity	38.9%	3.9%	12.7%	-13.8%

For terms and definitions, please see the accounting policies.

## Management's review

### Main data for ATP Private Equity Partners I K/S, (ATP PEP I)

IRR (2006) gross 16.2%

IRR (since inception) 21.1%

Total value to paid in: 1.30 X

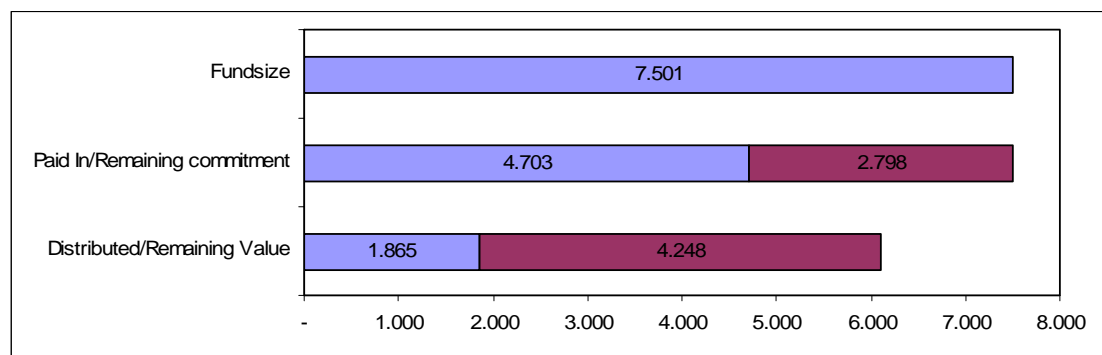
Distributed to paid in: 0.41 X

Residual value to paid in: 0.89 X

Number of portfolio funds/co-investments: 23/4

<sup>1</sup>

### Chart of capital resources (DKKm)



### Benchmarking

ATP PEP I was established on 5 February 2003 and is considered a vintage 2003 fund. According to Private Equity Intelligence<sup>2</sup> the following benchmarking can be made:

Vintage 2003	Benchmark	ATP PEP I
IRR (upper quartile)	16.8%	21.1%
Total value to paid in (upper quartile)	1.07 X	1.30 X
Distributed to paid in (median)	0.01 X	0.41 X

<sup>1</sup> The multiples are determined net to ATP PEP I, i.e. net of payment of management fees to the funds, but before deduction of administrative expenses to ATP PEP I.

IRR: calculated based on realised cash flows on the date of the cash flow plus the value of equity.

Total value to paid in: the value of distributions to investors plus the value of the remaining portfolio divided by paid-in capital from investors.

Distributed to paid in: the value of distributions to investors divided by the paid-in capital to investors.

Residual value to paid in: total value to paid in minus distributed value to paid in.

<sup>2</sup> Benchmark data is net return to investors in the fund of funds included in the benchmark. Performance data for ATP PEP I is net to ATP PEP I, but before deduction of administrative expenses in ATP PEP I, which during the Company's existence has totalled DKK 37.2 million and affect multiples negatively by 0.005x. Source: the 2007 Fund of Funds Review, Private Equity Intelligence Ltd. 2006.

## Significant events in ATP Private Equity Partners I K/S in 2006

- The Company generated a profit for the year of DKK 1,296 million.
- The Company achieved a total investment return of IRR 16.2%. The total value of distributions and the total fair value of investments relative to the paid-in capital (Total value to paid in) was 1.30X at the year end 2006. When looking at comparable funds established in the same year (vintage 2003) this is deemed very satisfactory.
- During the year the Company made distributions to the portfolio funds' investments of DKK 1,773 million.
- Due to favourable exit opportunities in the portfolio funds ATP PEP I achieved the largest distributions since its establishment of DKK 1,011 million, and distributed DKK 948 million of this amount on to investors.
- In November 2006 a management agreement was entered with Private Equity Advisors ApS, a wholly-owned subsidiary of ATP. Private Equity Advisors renders advisory services to the Company in relation to investments and monitoring of the investment portfolio. In connection with the entering of the agreement the Company's employees were transferred to Private Equity Advisors, which will open a New York office in 2007.

## Main activity

The Company's investment portfolio comprises private equity funds in Europe and North America and co-investments with these funds in Europe.

The investment period for the Company's investment commitment to private equity funds was ended with the establishment of ATP Private Equity Partners II K/S at the end of Q1 2005. Co-investments with the 23 portfolio funds will continue until the end of 2007.

## Investors

Investors are divided into limited partners and a general partner. The limited partner is ATP. During the year ATP Invest disposed of its share of the limited partnership to ATP due to a restructuring.

The general partner, GP I APEP ApS is owned by the Company's former employees and ATP. The main part of the former employees is now employees in Private Equity Advisors ApS.

## Developments in activities and financial matters

### *Investment activities during the year*

In the investment period 2003-2005 ATP PEP I made investment commitments to 23 private equity funds. Ten of these funds have reached the end of their investment period, whereas the remaining funds continue to build their portfolios.

At the beginning of the year the total commitments made amounted to DKK 6,809 million and as a result of foreign exchange effects amounted to DKK 6,501 million at year end.

Remaining commitments at the beginning of the year totalled DKK 3,623 million. Following draw downs by the portfolio funds against the investment commitments made and the above-mentioned foreign exchange effect, remaining commitments were reduced to DKK 1,925 million at year end.

At the beginning of the year four co-investments were made with funds in Europe. The number remained unchanged throughout the year, as co-investments were neither started nor ended.

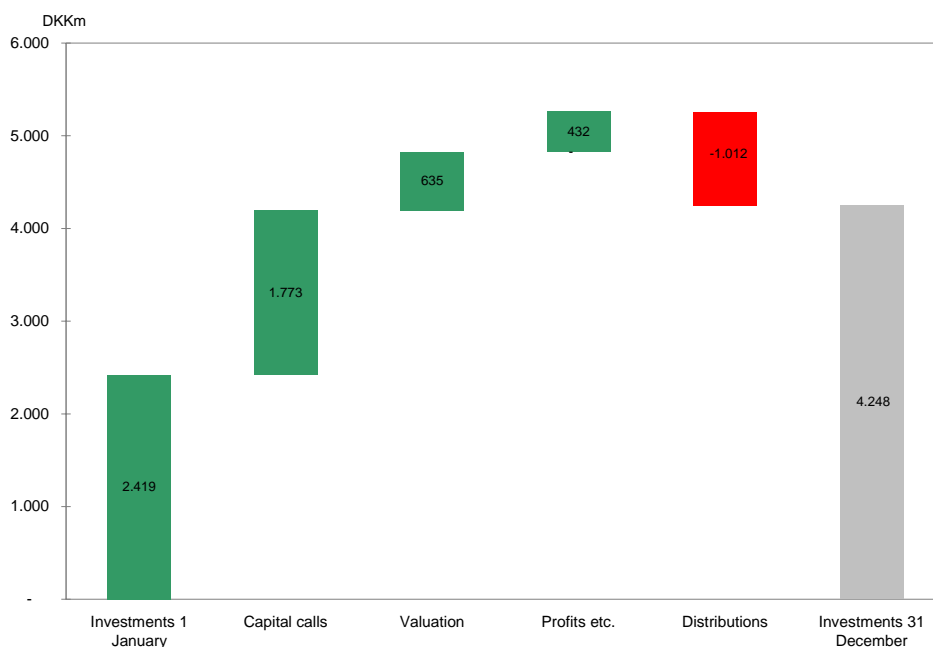
*Payments and distributions to and from investors during the year*

During the year distributions from portfolio funds and co-investments of DKK 1,011 million were received.

In order to finance the portfolio funds' investments investors have paid in DKK 1,489 million.

*Payments and distributions to portfolio funds etc. for ATP PEP I*

When comparing the value of the portfolio at the beginning of the year and at year end, the portfolio has been affected by payments received and distributions, but also by value adjustments and profits. As illustrated in the below chart the investment volume increased, but was offset by exits as reflected under distributions. The value adjustment totalled DKK 635 million and realised profits totalled DKK 432 million.



*Status on developments in cash flows and investments in ATP PEP I since the establishment in 2003.*

Investments via a fund of funds such as ATP PEP I are very long-term, as investment commitments to funds are typically made over a period of approximately two years. From the date when an investment commitment is made the funds will normally have a 3-5-year investment period in which investments are made. Investments are then typically disposed of after a 3-7-year period. For a fund of funds such as ATP PEP I the period from the first commitment to a portfolio fund and until the last investment in the portfolio is disposed of may therefore be as long as approximately 14 years. ATP PEP I is in its fourth year of this process.

At the 2006 year end draw downs had been made against investors' commitments of a total of DKK 4,703 million, corresponding to 62.7% of the investment commitment of DKK 7.5 billion. Also in the same period DKK 1,865 million was paid to investors, corresponding to 24.9% of the investment commitment of DKK 7.5 billion, cf. the below table.

During the Company's existence cash flows have developed as follows:

DKKm at the end of the period	Paid in capital (Paid In, PI) per year	Distributed capital (Distributed, D) per year	Remaining value of investments (RV)
2003	650	0	504
2004	845	216	1,295
2005	1,719	700	2,419
2006	1,489	948	4,248

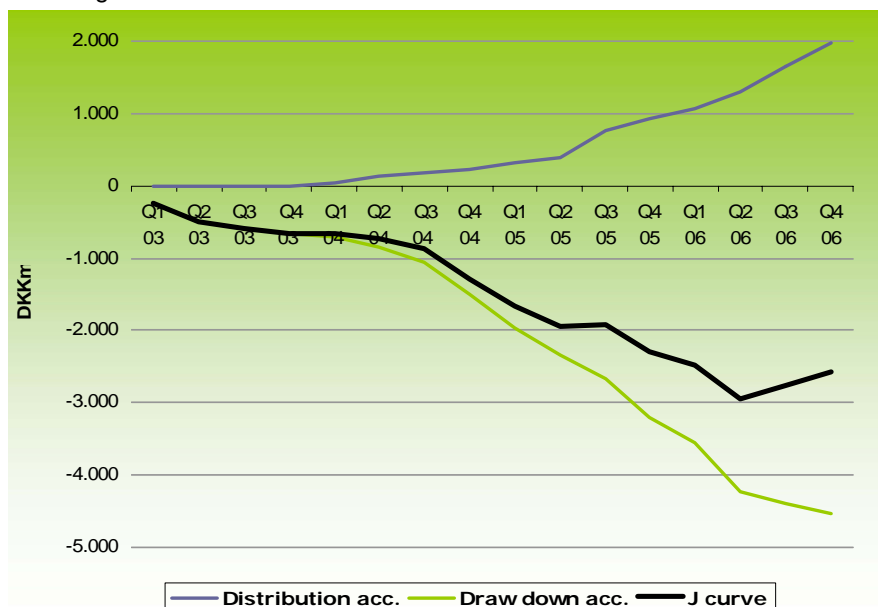
When comparing draw downs against investment commitments to ATP PEP I with distributions to investors, the so-called J curve - net cash flows over time - can be calculated.

The J curve illustrates accumulated payments to and distributions from ATP PEP I. Based on the relatively large distributions to investors in 2006 the J curve reflects a highly satisfactory development.

Due to the early stage of the investment activity, for a number of years the J curve will show negative cash flows as the build-up of the investment portfolio requires more capital than the capital distributed. However, it should be noted that the J curve reflected a positive development in Q3 and Q4 of 2006. Still, it is uncertain whether the maximum draw was made in 2006, i.e. whether distributions in future will exceed draw downs against the investment commitments.

Assuming that the turning point was reached after Q2 this means that the maximum draw was 39% of the investment commitment to ATP PEP I. The original expectations at the establishment in 2003 were a 60-65% draw in 2007/08.

These expectations are associated with uncertainties though, as the development of the J curve depends on the investment climate, which both affects the build-up of the investment portfolio and the timing of sales.



The high distribution activity from the portfolio funds in 2006 has resulted from sound flotation opportunities, industrial and financial sales of enterprises and an attractive opportunity for refinancing the funds' companies, the so-called recapitalisations.

*Portfolio composition*

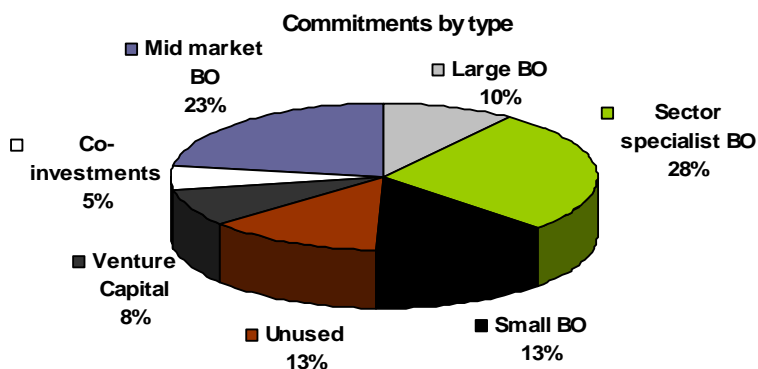
The underlying investment philosophy has been to establish a diversified portfolio of private equity funds, which are each assessed as having the best qualifications within their investment strategy.

At present the portfolio comprises 23 private equity funds with various strategies that only to a limited extent have overlapping investment focus. Based on a risk assessment strategy, to the extent possible equal shares of the portfolio are allocate to the various investment strategies.

In addition, unlisted share investments make it difficult to make portfolio changes in the 10-12-year investment period. Experience shows that when dealing with private equity investments it is important to take a very long-term perspective, and sectors and business types that pose the most attractive investments in the short term are not included in the investment strategy.

Further, four co-investments with the portfolio funds have been made in European enterprises.

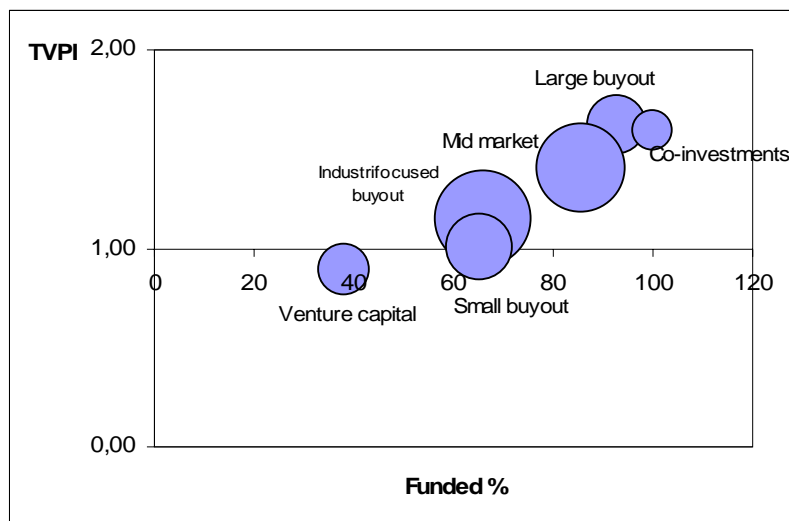
The portfolio comprises various segments of the private equity market. The composition is illustrated below.



The performance of the individual segments can be illustrated in the below chart, which only comprises the committed part of ATP PEP I.

The x axis of the chart shows the draw downs against commitments made by the funds in each segment, i.e. in other words how far the portfolio funds are in their investment process. The y axis shows the fair value of investments plus distributions made relative to the paid-in capital for each segment. This financial ratio, Total Value to Paid In (TVPI), is commonly used in the market to assess the performance of a fund. A value below 1 shows that value has not yet been created for investors, as management fees etc. affect TVPI negatively. A value above 1 shows that investors have gained a value which surpasses the management fees to the funds.

Lastly, the circles show the individual segments' share of ATP PEP I's investment portfolio (measured relative to commitments made).



As can be seen from the chart, investments in large buyout funds and co-investments are at the most advanced stage of the investment process (five funds/investments). The investment in one large buyout fund (11% of commitments) has a total value relative to paid-in capital (TVPI) of 1.62 X. The four co-investments are by nature fully invested, as further commitments are normally not made after the initial investment is made. Such investments usually generate a highly satisfactory return, and TVPI can be determined at 1.59. When assessing the return on the co-investments it should be noted that the number of investments is small, meaning that risk hedging is not made as is the case with the fund investments, and that management fees are usually not paid.

The venture capital investments (10% distributed on six funds) are still in the build-up phase. This is only natural, as such investments are built up over a longer period than the buyout investments, the need for follow-up investments arises on an ongoing basis and the value creation for investors is normally not determined until at exit. TVPI is 0.89 X, which is caused by the relatively large management fees relative to the managed capital, which is expected to result in relatively larger returns. However, it is too early to assess the final potential of the venture capital investments, and an assessment can be made with a higher degree of certainty within the next three to five years.

The mid-market buyout funds (4 funds) comprise 26% of commitments, and TVPI can be determined at 1.41 X. The degree of payments to mid-market funds varies to a large degree, as three funds to which commitments were made early in ATP PEP I's investment period have used a considerable part of the commitments. This also means that the funds to an increasing extent are beginning to exit.

The industry-focused funds (8 funds) comprise 31% of commitments, and the funds have made a 66% draw against these. In terms of performance these funds have a TVPI of 1.15 X. The expectation for these funds is a return at the level of the mid-market funds.

The small buyout funds (4 funds) comprise 15% of commitments, and the funds have made a 65% draw on the capital. TVPI of 1.01 X is lower than the mid-market funds, but is expected to increase as exits are made.

Assessed as a whole, the portfolio development is satisfactory, as the internal rate of return (IRR) on the investments is 21.1% for the entire period since the establishment in 2003. Contributing considerably to this return are the large buyout funds and co-investments, which have benefited from the declining interest rates experienced in the last couple of years and the optimism in the share markets in general. A large number of mid-market funds have begun to exit, but it is too early to assess the level of return for this segment. The same applies to the industry-focused funds. In

respect of the venture capital funds it will as mentioned take some years before the return potential can be assessed.

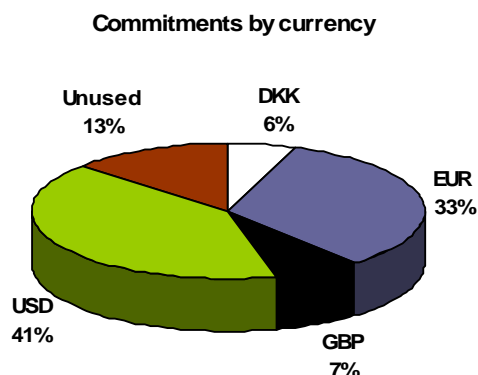
On a general note, the investment activity started in 2003 has created a solid basis for ATP PEP I's investments, but unused commitments to the funds of DKK 1,925 million, which are to be used for investments, remain and the present investment climate warrants cautiousness.

### Portfolio fund status<sup>3</sup>

Name	Segment	Commitments in DKKm	Commitments as % of PEP I commitments	TVPI
Abingworth Bioventures IV	Venture capital	113	1.74	<1
American Securities IV	Mid-market	198	3.04	<1
Celtic House III	Venture capital	118	1.81	<1
Cinven III	Large	745	11.47	>1
EQT Europe IV	Mid-market	559	8.60	>1
First Reserve X	Industry-focused	322	4.96	>1
Graphite VI	Small	166	2.55	<1
Gresham III	Small	387	5.96	>1
Investitori Associati IV	Small	148	2.27	<1
Lake Capital Partners	Industry-focused	193	2.97	>1
Lindsay Goldberg Bessemer	Mid-market	424	6.52	>1
Nordic Capital V	Mid-market	522	8.03	>1
Novak Biddle IV	Venture capital	57	0.87	<1
Nordic Venture Partners II	Venture capital	112	1.72	>1
Onset Ventures V	Venture capital	113	1.74	<1
Polaris Private Equity II	Small	300	4.61	<1
Pfingsten QP Fund III	Industry-focused	226	3.48	>1
Providence Equity V	Industry-focused	283	4.35	<1
Roark Capital Partners	Industry-focused	141	2.17	<1
Silver Lake Partners II	Industry-focused	424	6.52	<1
Spray Venture Partners II	Venture capital	113	1.74	<1
Waterland II	Industry-focused	194	2.98	>1
Wicks Communications & Media	Industry-focused	254	3.91	<1
Co-investments	Co-investments	389	5.99	>1
Total		6,501	100,00	1.30

At year end 250 underlying single investments had been made.

<sup>3</sup> The information on TVPI is based on ATP PEP I's own fair value calculations and does not necessarily correspond to the funds' own calculations



The above chart shows the distribution of the original capital commitments to funds by the currencies DKK, EUR, USD, SEK and GBP at the exchange rate at 31 December 2006. As the funds' portfolios are under build-up or exit, the current currency positions deviate from the above. In respect of hedging of currency risks, with the exception of EUR it is company policy only to hedge current currency positions. Refer to the separate section on currency risks.

*Profit for the year*

The profit for the year was DKK 1,296.0 million against a profit in 2005 of DKK 72.7 million. The profit is deemed satisfactory and was generated primarily as a result of favourable exit opportunities in the investment funds and satisfactory developments in the underlying portfolio companies. It should also be noted that a considerable part of the portfolio has had a short economic life.

The profit for 2006 can be specified as follows:

DKKm	ATP PEP I
Management fee to portfolio funds and administrative expenses	-72.7
Foreign exchange adjustment of assets (including currency hedges)	-73.5
Realised value adjustments of funds and companies	-593.4
Unrealised value adjustments of funds and companies	1,445.8
Interest/dividends/realised gains	594.5
Tax	-4.7
<b>Total</b>	<b>1,296.0</b>

When looking at comparable funds of funds the internal administrative expenses in ATP PEP I are low, and this is primarily caused by economies of scale and scale down of management fee as the investment period of the portfolio funds terminates. ATP PEP I's administrative expenses totalled 6.6 basis points<sup>4</sup> in 2006, which should be compared with 50-100 basis points p.a. in other funds of funds.

In 2006 the Company generated a higher profit than the previous year's profit of DKK 72.7 million. The profit exceeds the expectations stated in the annual report for 2005, and is attributable to the previously mentioned timing of distributions from the portfolio funds and very optimistic developments on the private equity market, which has led to revaluations of in particular the more mature part of the portfolio.

<sup>4</sup> 100 basis points = 1%. Basis points are calculated on the commitments to funds of funds

### *Balance sheet*

As the investment portfolio has been established, the Company's balance sheet has increased by DKK 1.8 billion. The increase is attributable to the funds' portfolios being built up over a period of typically 4-6 years, meaning that the majority of the balance sheet is expected to stabilise at this level until distributions exceed payments for new investments. These distributions are re-directed to investors as they are received.

### *Uncertainties associated with recognition and measurement of investments*

Investments are made in unlisted enterprises. For this reason special risks are associated with the recognition and measurement of the individual investments.

The funds' own measurements are normally used if the funds report in accordance with the International Private Equity Valuation Guidelines. If this is not the case, fair value measurement is made using a valuation model based on the measurement of the market value of equity. The market value is estimated by calculating the enterprise value (EV) for the individual investments and reducing this value by the market value of the individual company's liabilities. The difference between the EV and the market value of the liabilities comprises the market value of equity.

The calculation of the enterprise value is associated with uncertainty, as EV is calculated using market based multiples for the relationship between EBITDA (earnings before interest and depreciation and amortisation) and EV. The multiples are obtained from Standard & Poors and cover developments in the M&A market.

EBITDA is estimated based on information obtained from funds and companies, and ATP PEP I assesses the consistency of this information.

In connection with investments made through venture funds valuations are made based on the reporting of the funds, and ATP PEP I also assesses these valuations.

By performing an ongoing monitoring of financial developments in the most significant underlying portfolio investments the value of these investments can be identified, which, however, will be affected by delays in reporting, the subjectivity related to assessment of the effect of events and general developments on the M&A market.

## **Social responsibility guidelines**

ATP PEP I' investments are mainly made through private equity funds in Denmark, Europe and North America. Social responsibility is often a prerequisite for lasting, sound earnings and maintaining the value of shareholdings. In order to ensure accordance between ATP's social responsibility principles and the portfolio fund's investments separate agreement to this effect is always made with the fund in the form of a side letter. This agreement among others requires compliance with laws and rules established by national authorities on the Company's markets or by international organisations following Denmark's accession. In addition, investments are not to be made in countries that are subject to a trade embargo enforced by the UN, the EU and acceded by Denmark.

## Risks

### *Investment risks in portfolio funds*

ATP PEP I currently monitors value developments in the underlying private equity funds' portfolio investments in order to identify fair values as correctly as possible and monitor the investment activity and reporting from the portfolio funds. The monitoring is made through an ongoing dialogue with the funds and participation in advisory boards, and ATP PEP I is represented in 18 portfolio funds out of the 23 funds.

Risk hedging of financial risks in the portfolio funds is facilitated by undertaking a sufficient diversification of investments and making fairly uniform investment commitments depending on the investment type. For high risk funds such as venture funds investment commitments are made in the amount of DKK 100-150 million, whereas commitments to buyout funds, which are associated with lower risks, typically range from DKK 150-550 million.

### *Currency risks*

Investments are made in a number of currencies and therefore earnings, cash flows and equity are subject to currency fluctuations. It is company policy to hedge financial risks in currencies other than EUR.

The currency hedging comprises forward exchange contracts. Only risks on current positions are hedged. Consequently, risks on unused capital commitments to portfolio funds are not hedged. The individual currency positions are hedged to a varying extent.

Accordingly, for risk assessment purposes it is essential that ATP PEP I is able to identify the fair value of the underlying assets to be able to properly hedge currency risks.

Currency fluctuations will affect the Company the most when relating to changes in the USD and GBP exchange rates. The effect on the actual investments and remaining commitments is specified in the below table.

Effect in DKK'000 of:	On actual investments	On remaining commitment
a 1% increase in USD	+17,154	+12,376
a 1% increase in GBP	+3,988	+1,078

It should be noted that the sensitivity calculation is made exclusive of the effect of currency hedging.

### *Interest rate risks*

Apart from trade balances with suppliers and forward contracts, the Company has no liabilities. Debt is often raised in the funds' portfolio investments, and consequently an indirect interest rate risk exists, which could affect future investment results.

### *Credit risks*

The Company's credit risks relate partly to primary financial assets and partly to derivative financial instruments with a positive market value. The Company is not subject to any material risks in respect of customers or business partners.

*Liquidity risks*

The Company's limited partner ATP is an acknowledged financial institutional investor who is under the supervision of the Danish Financial Supervisory Authority. The general partner has fully paid-in its capital and the unused capital is placed as cash funds at an acknowledged Danish bank. For this reason the liquidity risk is assessed as being extremely low.

**Organisation and company management**

In 2006 the organisation and corporate management were restructured, bringing both in line with international standards. Consequently, a management company, Private Equity Advisors ApS, has been established and ATP PEP I has entered into a management agreement with this company. The employees have been transferred to this company, and in 2007 Private Equity Advisors ApS will open a New York office.

ATP PEP I's Management and organisation now solely comprises a Supervisory Board and an Executive Board.

*General meetings*

The general meetings have supreme authority in all the affairs of the Company. Any business transacted at a general meeting is decided by a simple majority of votes. The limited partners and the general partner are entitled to vote at the general meeting in proportion to the capital commitment. The members of the Supervisory Board, counting three to five members, are elected at the general meeting for a one-year period. Members are eligible for re-election.

*Supervisory Board*

The Supervisory Board constitutes the supreme management body of the Company and makes decisions of a strategic nature or on grounds of principle, including the investment strategy for the coming year.

The duties of the Supervisory Board and the segregation of duties between the management company and the Supervisory Board are governed by an order of business and the management agreement.

Supervisory Board meetings are convened four to six times a year, including a meeting each quarter to approve the quarterly reporting.

The chairman of the Supervisory Board and the general partner or two Supervisory Board members make investment decisions etc. based on advice from Private Equity Advisors.

No Supervisory Board emoluments were paid during the year.

*Executive Board*

The Executive Board comprises Jens Bisgaard-Frantzen, who is also the CEO of Private Equity Advisors ApS, ATP Private Equity Partners II K/S, ATP Private Equity K/S, ATP PE GP ApS, GP I APEP ApS and ATP PEP GP II ApS.

The Executive Board is responsible for daily operations as governed by the order of business for the Supervisory Board and the management agreement with Private Equity Advisors.

## **Investment in the general partnership**

The limited partner wishes to combine the interests of employees and the limited partner, especially in the long term. For this reason an investment programme has been established for employees via the general partnership.

The partners in the management company are required to invest in the general partnership, whereas the other employees are offered shares. Shares in the general partnership are acquired by cash payment.

As a general partner the Company has unlimited liability for the limited partnership's liabilities. The general partnership's acquisition of shares in the limited partnership is made at a premium.

The general partnership will receive proportionately larger distributions than the limited partners if these have received a minimum return of 10% p.a.

This carried interest and its scope are disclosed in note 11.

## **Outlook 2007**

For 2007 a profit at the 2006 level is expected. The 2006 profit was affected by a favourable exit market, which is not expected to continue in 2007. The portfolio funds are expected to continue their exits, which at the present market conditions provide favourable opportunities for sales of companies at attractive prices. At the same time some portfolio funds are to use their remaining commitments to make investments. These investments are expected to be realised over a 1-8-year period. The market conditions under which the investments can be sold are difficult to predict.

## **Events after the balance sheet date**

After the balance sheet date no new co-investments have been made. After the balance sheet date DKK 47.0 million has been paid in accordance with investment commitments made. DKK 28 million has been received from the investment activities.

## Statement by the Executive and Supervisory Boards

The Executive and Supervisory Boards have today discussed and approved the annual report of ATP Private Equity Partners I K/S for the financial year 2006.

The annual report has been prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies used and the estimates made to be appropriate. Accordingly, the annual report gives a true and fair view of the Company's financial position at 31 December 2006 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2006.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 1 February 2007

Executive Board:

Jens Bisgaard-Frantzen  
*CEO*

Supervisory Board:

Bjarne Graven Larsen  
*Chairman*

Lars Rohde

Lars Damgaard Sørensen

## **Auditors' reports**

### **Internal auditor's report**

We have audited the annual report of ATP Private Equity Partners I K/S for the financial year 2006. The annual report is prepared in accordance with the Danish Financial Statements Act.

### **Basis of opinion**

We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

We conducted our audit in accordance with the distribution of work agreed upon with the external auditors and our work comprised assessment of established business procedures and internal control, including Management's risk management procedures for reporting processes and significant business risks. Based on materiality and risk, we have examined, on a test basis, the basis of the amounts and disclosures in the annual report, including evidence supporting the amounts and disclosures in the annual report. Our audit also included assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

### **Opinion**

In our opinion, the established business procedures and internal control, including Management's risk management procedures for reporting processes and significant business risks, are satisfactory.

Further, it is our opinion that the annual report gives a true and fair view of the Company's financial position at 31 December 2006 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2006 in accordance with the Danish Financial Statements Act.

Hillerød, 1 February 2007

Peter Jochimsen  
internal auditor

**Independent auditors' report****To the shareholders of ATP Private Equity Partners I K/S**

We have audited the annual report of ATP Private Equity Partners I K/S for the financial year 1 January - 31 December 2006, which comprises the Statement by the Executive and Supervisory Boards, Management's review, accounting policies, income statement, balance sheet, cash flow statement and notes. The annual report is prepared in accordance with the Danish Financial Statements Act.

**Management's responsibility for the annual report**

Management is responsible for the preparation and fair presentation of the annual report in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' responsibility and basis of opinion**

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

**Opinion**

In our opinion, the annual report gives a true and fair view of the Company's financial position at 31 December 2006 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2006 in accordance with the Danish Financial Statements Act.

Copenhagen, 1 February 2007

**PricewaterhouseCoopers**

Statsautoriseret Revisionsaktieselskab

Mikael Sørensen  
State Authorised Public Accountant

## Accounting policies

The annual report of ATP Private Equity Partners I K/S for 2006 has been prepared in accordance with the provisions applying to medium-sized reporting class C enterprises under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

In accordance with section 11(3) of the Danish Financial Statements Act, the presentation of the income statement, balance sheet and accounting items has been changed. Accordingly, it is Management's opinion that the annual report gives a true and fair view of the Company's special activities.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation and amortisation.

## Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Investments, receivables and payables denominated in foreign currencies are translated at the exchange rates at the balance sheet date. Realised and unrealised foreign exchanges gains and losses are recognised in the income statement.

## Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively, and set-off of positive and negative values is only made when the Company has the right and the intention to settle several financial instruments net.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with changes in the value of the hedged asset or liability as far as the hedged portion is concerned.

Changes in the portion of the fair value of derivative financial instruments designated as and qualifying as a cash flow hedge that is an effective hedge of changes in the value of the hedged item are recognised in receivables or payables and in equity. If the hedged transaction results in gains or losses, amounts recognised in equity are transferred to the same item as the hedged item.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement as capital gains and losses.

## **Income statement**

*Gains on other securities and investments* comprise realised and unrealised value adjustments of investments and foreign exchange gains and losses on transactions in foreign currencies.

*Administrative expenses* comprise costs incurred during the year on the Company's investment activities. Administrative expenses comprise fee to ATP in respect of the administrative work performed by ATP on behalf of the Company.

*Financial income* comprises interest income on cash and cash equivalents.

The limited partnership is not a separate taxable entity, as the earnings of the limited partnership are included in the taxable income of the limited partners and the general partner.

## **Balance sheet**

*Investments in associates and other securities and investments* comprise investments in portfolio funds and portfolio companies and are measured at fair value at the balance sheet date. Value adjustments are recognised in the income statement on a current basis.

Management fees paid to portfolio companies are capitalised together with the investment in the individual portfolio company. Management fees are amortised over the period to which they relate.

Investments in portfolio companies that do not have a quoted market price are measured based on the latest trading price either in the form of a capital increase or a partial sale based on the value of comparable companies and using traditional valuation methods.

If the fair value cannot be determined reliably, cost is used, which comprises acquisition costs.

*Fixtures and IT equipment* are capitalised and depreciated over the expected useful lives ranging from two to five years. Assets with a cost of less than DKK 100,000 per unit are recognised as cost in the year of acquisition.

*Receivables* are measured at amortised cost. Write-down is made for bad debt losses based on an individual assessment of receivables.

*Accrued income* comprises costs incurred concerning subsequent financial years.

*Liabilities* are measured at net realisable value.

*Deferred income* comprises payment received concerning income in subsequent years.

## Cash flow statement

The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

*Cash flows from operating activities* comprise administrative expenses adjusted for changes in working capital, including cash flows between the Company and funds that are invested in and direct investments.

As the Company's primary activity is investment activity, investment activities are not disclosed separately.

*Cash flows from financing activities* comprise paid-in capital and distributions to the limited partners and the general partner of the limited partnership.

*Cash and cash equivalents* comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

## Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Return on investment

$$\frac{\text{Operating profit} \times 100}{\text{Average operating assets}}$$

Operating assets

Operating assets comprise total assets less cash at bank and in hand

Equity ratio

$$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

Return on equity

$$\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$$

## Income statement

DKK '000	Note	2006	2005
<b>Interest and dividends</b>			
Interest, investments		16,273	1,434
Dividends and distributions		145,115	65,799
<b>Total interest and dividends</b>		<b>161,388</b>	<b>67,233</b>
<b>Capital gains and losses</b>			
Investments in associates	1	-6,863	-3,656
Other securities and investments	2	1,150,016	13,607
<b>Total capital gains and losses</b>		<b>1,143,153</b>	<b>9,951</b>
<b>Profit from investment activities</b>		<b>1,304,541</b>	<b>77,184</b>
Administrative expenses	3	-4,975	-5,120
<b>Ordinary operating profit</b>		<b>1,299,566</b>	<b>72,064</b>
<b>Financial items</b>			
Financial income		1,127	687
<b>Profit before tax</b>		<b>1,300,693</b>	<b>72,751</b>
Tax		-4,732	-28
<b>Profit for the year</b>		<b>1,295,961</b>	<b>72,723</b>
<b>Proposed profit appropriation:</b>			
Profit for the year		1,295,961	119,636
<b>Transferred to equity</b>		<b>1,295,961</b>	<b>119,636</b>

**Balance sheet at 31 December**

DKK'000	Note	2006	2005
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Investments</b>			
Investments in associates	4	68,763	32,727
Other securities and investments	5	4,179,303	2,386,280
<b>Total investments</b>		<b>4,248,066</b>	<b>2,419,007</b>
<b>Total non-current assets</b>		<b>4,248,066</b>	<b>2,419,007</b>
<b>Current assets</b>			
<b>Receivables</b>			
Other receivables	6	45,146	8,581
		45,146	8,581
Cash at bank and in hand		25,758	22,972
<b>Total current assets</b>		<b>70,904</b>	<b>31,553</b>
<b>TOTAL ASSETS</b>		<b>4,318,970</b>	<b>2,450,560</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributions by limited partners and general partner		2,838,116	2,297,580
Retained earnings		1,409,311	113,350
<b>Total equity</b>	7	<b>4,247,427</b>	<b>2,410,930</b>
<b>Current liabilities</b>			
Trade and other payables		73	788
Amounts owed to group enterprises		39	697
Other payables	8	71,431	38,145
<b>Total current liabilities</b>		<b>71,543</b>	<b>39,630</b>
<b>Total liabilities</b>		<b>71,543</b>	<b>39,630</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,318,970</b>	<b>2,450,560</b>
Contingent and other liabilities	9		
Related party disclosures	10		
Incentive programme	11		

## Cash flow statement

DKK'000	2006	2005
Payments to investors	-1,773,373	-1,748,870
Distributions from investors	922,075	644,549
Payments, co-investments	0	-130,398
Distributions, co-investments	88,872	190,766
Cash flows, interest and dividends	161,388	67,233
Interest income, cash and cash equivalents	1,127	687
Realised foreign exchange gains and losses	3,052	1,333
Administrative expenses	-4,975	-5,120
Changes in working capital	64,085	-36,781
Cash flows from operating activities	-537,749	-1,016,601
Cash contributions from investors	1,488,774	1,719,025
Distributions to investors	-948,239	-700,250
Cash flows from financing activities	540,535	1,018,775
<b>Changes in cash and cash equivalents</b>	<b>2,786</b>	<b>2,174</b>
Cash and cash equivalents at 1 January	22,972	20,798
<b>Cash and cash equivalents at 31 December</b>	<b>25,758</b>	<b>22,972</b>

## Notes

DKK'000	2006	2005
<b>1 Capital gains and losses, investments in associates</b>		
Realised capital gains, investments	1,318	0
Total capital gains	1,318	0
Unrealised capital losses, investments	-8,181	-3,656
Total capital losses	-8,181	-3,656
<b>Total capital gains and losses, investments in associates</b>	<b>-6,863</b>	<b>-3,656</b>
<b>2 Capital and foreign exchange gains and losses, other securities and investments</b>		
Realised capital gains, investments	436,312	325,582
Realised foreign exchange gains, investments	2,714	0
Unrealised capital gains, investments	921,875	60,998
Unrealised foreign exchange gains, investments	6,296	68,238
Foreign exchange gains, forward contracts	73,469	17,457
Foreign exchange gains, cash accounts	3,052	1,333
Total capital and foreign exchange gains	1,443,718	473,608
Realised capital losses, investments	-5,587	-6,305
Realised foreign exchange losses, investments	-16,431	0
Unrealised capital losses, investments	-129,065	-381,866
Unrealised foreign exchange losses, investments	-142,617	0
Foreign exchange losses, forward contracts	0	-71,830
Total capital and foreign exchange losses	-293,700	-460,001
<b>Total capital and foreign exchange gains and losses, other securities and investments</b>	<b>1,150,016</b>	<b>13,607</b>
<b>3 Administrative expenses</b>		
Staff costs are recognised as follows:		
Wages and salaries	1,426	1,481
Pensions	218	369
Other social security costs	11	16
	1,655	1,866
Executive Board, total for ATP Private Equity Partners II K/S, ATP Private Equity Partners I K/S, ATP Private Equity K/S and Private Equity Advisors ApS	2,057	1,836
Of which employer paid pension contribution	209	192
Average number of employees in total for ATP Private Equity Partners II K/S, ATP Private Equity Partners I K/S, ATP Private Equity K/S and Private Equity Advisors ApS	17	15

DKK'000	2006	2005	
<b>4 Investments in associates</b>			
Cost at 1 January	36,383	0	
Additions for the year	56,731	36,383	
Disposals for the year	-13,832	0	
Cost at 31 December	79,282	36,383	
Write-downs at 1 January	-3,656	0	
Write-downs for the year	-8,181	-3,656	
Disposals for the year	1,318	0	
Write-downs at 31 December	-10,519	-3,656	
Carrying amount at 31 December	68,763	32,727	
	<b>Registered office</b>	<b>Voting rights</b>	<b>Ownership</b>
<b>Name</b>			
Polaris Private Equity II K/S	Copenhagen	15.00%	15.00%
The above investment is recognised at fair value.			
<b>5 Other securities and investments</b>			
Cost at 1 January	2,670,327	1,324,909	
Additions for the year	1,716,642	1,842,885	
Disposals for the year	-622,903	-497,467	
Cost at 31 December	3,764,066	2,670,327	
Write-downs at 1 January	-396,166	-96,338	
Reversal of previous write-downs	252,145	61,684	
Write-downs for the year	-190,924	-361,512	
Disposals for the year	-11,487	0	
Write-downs at 31 December	-346,432	-396,166	
Revaluations at 1 January	112,119	66,021	
Reversal of previous write-ups	-65,845	0	
Revaluations for the year	660,078	46,098	
Disposals for the year	54,317		
Revaluations at 31 December	761,669	112,119	
Carrying amount at 31 December	4,179,303	2,386,280	
<b>6 Other receivables</b>			
Positive fair value of forward exchange contracts	36,945	3,763	
Receivable dividend tax	8,190	4,771	
Receivable reimbursement of travel expenses	11	47	
	45,146	8,581	

DKK'000	2006	2005
<b>7 Equity</b>		
Contributions by limited partners and general partner:		
Subscribed and paid-in at 1 January	2,297,580	1,278,805
Subscribed and paid-in during the year	1,488,774	1,719,025
Distributed during the year	-948,239	-700,250
	<u>2,838,115</u>	<u>2,297,580</u>
Retained earnings:		
Retained at 1 January	113,350	40,627
Retained earnings for the period	1,295,961	72,723
	<u>1,409,311</u>	<u>113,350</u>
Total equity	<u>4,247,427</u>	<u>2,410,930</u>
<p>In accordance with the limited partnership agreement, on an ongoing basis the investors have agreed to pay up to DKK 7,500,547 thousand as the capital requirement arises in the Company.</p> <p>At 31 December 2006 the investors' remaining commitment totalled DKK 2,797,726 thousand.</p>		
<p>Changes in commitments within the last 5 years:</p>		
Subscribed and paid-in 2003	650,009	
Subscribed and paid-in 2004	845,013	
Distributed in 2004	-216,217	
Subscribed and paid-in 2005	1,719,025	
Distributed in 2005	-700,250	
Subscribed and paid-in 2006	1,488,774	
Distributed in 2006	-948,239	
	<u>2,838,115</u>	
<b>8 Other payables</b>		
Payable regarding investment commitment	65,641	14,759
Negative fair value of forward exchange contracts	5,790	23,386
	<u>71,431</u>	<u>38,145</u>
<b>9 Contingent and other liabilities</b>		
Rental obligation to ATP Ejendomme - 1 year	137	150
Rental obligation to ATP Ejendomme - 2-5 yrs.	228	400
Investment commitment regarding investments	<u>1,924,763</u>	<u>3,623,239</u>

DKK'000	2006	2005
<b>10 Related party disclosures</b>		
A) Parties exercising control		
Arbejdsmarkedets Tillægspension (ATP)		
Kongens Vænge 8 DK-3400 Hillerød	Owns 99.993%	Owns 99.993%
<p>The annual report is included in the consolidated financial statements of ATP. The consolidated financial statements are available on <a href="http://www.atp.dk">www.atp.dk</a>.</p>		
GP I APEP ApS Sjæleboderne 2, 1. sal 1122 København K	Owns 0.007%	Owns 0.007%
<b>Related party transactions</b>		
Payment of administration fee to ATP. Payment is made on an arm's length basis.	253	437
B) Other related parties		
Group enterprises	ATP Ejendomme A/S Copenhagen	
Related party transactions		
Rental payments and administrative assistance to ATP Ejendomme A/S. Payment is made on an arm's length basis.	187	294
Overhead costs shared after a fixed sharing key.	ATP Private Equity K/S ATP Private Equity Partners II K/S	

**11 Share purchase programme in GP I APEP ApS**

Recipient	Date of establishment of programme	Market value of shares	Number of shares	Acquisition price
Executive Board	05-02-2003	151,219	43,642	3.465
Executive employees	05-02-2003	217,335	62,723	3.465
Other employees	05-02-2003	139,335	40,212	3.465
Unallocated	05-02-2003	185,111	53,423	

**Parameters for carried interest**

Hurdle rate	10% p.a.
Carried interest cap	0.25%
Carried interest	0.423%

**Entitlement**

Entitlement to 85%	8.5 yrs.
Entitlement to balance	until 2013

**Scenarios for carried interest**

Return in ATP PEP I K/S as % p.a.	Present value of carried interest amount DKKm	% of investment commitment
0	0	0
10	0	0
12	2.0	0.03
15	5.3	0.07
20	11.7	0.16
24,6	18.8	0.25
30	18.8	0.25

**Comments**

GP I APEP ApS has a share capital comprising 200,000 shares of DKK 1 each.

The general partner GP I APEP ApS will receive a carried interest on returns in the general partnership above 10% p.a.

A cap has been established on the value of the carried interest programme, corresponding to 0.25% of the capital commitment to ATP Private Equity Partners I K/S or DKK 18.75 million, calculated in 2003 prices.

The carried interest will be paid to GP I APEP ApS by 0,423% until the cap is reached.

Share offers are conditional on employment in ATP Private Equity Partners I K/S.

The calculation assumes a commitment from ATP of DKK 7.5 billion.

## Portfolio

### Private equity funds



Name	Abingworth Bioventure IV
Investment date	July 2003
Commitment	USD 20 million
Share of ATP PEP I	1.51%
Amount	USD 355.7 million
Ownership share	5.67%
Advisory board member	Torben Vangstrup
Investment strategy	Abingworth Bioventure primarily invests in the life sciences sector on both sides of the Atlantic. In the UK, investments are made in seed and "early-stage" companies. In the USA, the number of experienced entrepreneurs and venture capital firms is larger than in Europe, and therefore the strategy is to make fewer seed investments and relatively more early-stage investments.
Website	<a href="http://www.abingworth.com">www.abingworth.com</a>



Name	American Securities IV
Investment date	October 2004
Commitment	USD 35 million
Share of ATP PEP I	2.64%
Amount	USD 1 billion
Ownership share	3.5%
Investment strategy	American Securities is a New York based buyout firm focusing on acquiring small and mid-sized controlled ownership shares in industry, services and distribution companies in North America.
Website	<a href="http://www.american-securities.com">www.american-securities.com</a>



Name	Celtic House III
Investment date	March 2005
Commitment	USD 20.84 million
Share of ATP PEP I	1.57%
Amount	USD 225 million
Ownership share	9.26%
Investment strategy	Celtic House is a venture capital firm based in Canada and the UK. The firm only to a limited extent invests in other countries. Celtic House focuses on investments in early-stage high-tech companies.
Website	<a href="http://www.celtic-house.com">www.celtic-house.com</a>

## Cinven

Name	Third Cinven Fund
Investment date	March 2002
Commitment	EUR 100 million
Share of ATP PEP I	9.94%
Amount	EUR 4.4 billion
Ownership share	2.30%
Advisory board member	Jens Bisgaard-Frantzen
Investment strategy	Cinven is a pan-European buyout firm investing in enterprises having an enterprise value of approx. EUR 1 billion. Typical transactions comprise non-core activities, delisting or split-up of conglomerates. Value creation primarily consists of management of strategic refocusing, financing of the acquisition and development of management teams.
Website	<a href="http://www.cinven.com">www.cinven.com</a>

## EQT

Name	EQT Northern Europe IV
Investment date	May 2004
Commitment	EUR 75 million
Share of ATP PEP I	7.45%
Amount	EUR 2.50 billion
Ownership share	3.00%
Advisory board member	Klaus Rühne
Investment strategy	The firm primarily focuses on enterprises in Scandinavia and Germany that have a unique industrial approach. At the minimum, the enterprises must be based in the region and be market leaders within their range of activities and their products should have the potential of being competitive in the world market. Value creation primarily takes place through management support and assistance in respect of financing structure.
Website	<a href="http://www.eqt.se">www.eqt.se</a>



Name	First Reserve Corporation X
Investment date	December 2003
Commitment	USD 57 million
Share of ATP PEP I	4.30%
Amount	USD 2.3 billion
Ownership share	2.49%
Advisory board member	Jens Bisgaard-Frantzen
Investment strategy	The private equity firm invests in sectors supplying services or capital goods to the energy industry or enterprises directly involved in this industry where the emphasis is on North America.
Website	<a href="http://www.firstreserve.com">www.firstreserve.com</a>



Name	Graphite Capital VI
Investment date	April 2003
Commitment	GBP 15 million
Share of ATP PEP I	2.21%
Amount	GBP 375 million
Ownership share	3.99%
Advisory board member	Torben Vangstrup
Investment strategy	Graphite is an English buyout firm focusing on the lower mid-market, i.e. investments in enterprises with an enterprise value of GBP 10-100 million. As majority investor, the firm invests in accordance with an opportunistic strategy in all sectors. Investments outside the UK require that these represent acquisitions to a British platform investment. The value creation is attributable to the firm's collaboration with the management of the respective portfolio companies.
Website	<a href="http://www.graphitecapital.com">www.graphitecapital.com</a>



Name	Gresham III
Investment date	April 2004
Commitment	GBP 35 million
Share of ATP PEP I	5.16%
Amount	GBP 236.9 million
Ownership share	14.77%
Advisory board member	Klaus Rühne
Investment strategy	The firm invests in companies engaged in service-related assignments involving significant access barriers. In addition, the firm focuses on companies with excellent growth prospects, e.g. through a broadening of the business concept. The firm also supports existing managements.
Website	<a href="http://www.gresham.vc">www.gresham.vc</a>

## INVESTITORI ASSOCIATI

Name	Investitori Associati IV
Investment date	June 2004
Commitment	EUR 19.8 million
Share of ATP PEP I	1.97%
Amount	EUR 700 million
Ownership share	2.83%
Investment strategy	Invests in companies that are market leaders in their field – primarily in Northern Italy where the firm at a minimum may invest EUR 15-20 million in equity and at the same time achieve an active position in relation to the management of the investment object. General characteristics are to have proper management in place, that the companies should be managed from Italy and that control should be achieved of other financial investors.
Website	<a href="http://www.investitoriassociati.it">www.investitoriassociati.it</a>



Name	Lake Capital Partners
Investment date	December 2002
Commitment	USD 34.2 million
Share of ATP PEP I	2.58%
Amount	USD 515 million
Ownership share	6.64%
Advisory board member	Susanne Forsingdal
Investment strategy	The firm focuses on investments in medium-sized enterprises supplying various types of services. The value creation takes place in the form of identification of investment candidates and through operating assistance to generate organic and acquisition-based growth in enterprises.
Website	<a href="http://www.lakecapital.com">www.lakecapital.com</a>

## **LINDSAY GOLDBERG & BESSEMER**

Name	Lindsay, Goldberg & Bessemer
Investment date	March 2003
Commitment	USD 75 million
Share of ATP PEP I	5.65%
Amount	USD 2,044 million
Ownership share	3.67%
Advisory board member	Torben Vangstrup
Investment strategy	The fund invests in traditional and established industries in the mid-market where enterprises may grow based on a buy-and-build strategy. Focus is also on family-owned enterprises facing succession. The fund uses a large network from Bessemer Trust to family-owned enterprises in the USA.
Website	<a href="http://www.lgblp.com">www.lgblp.com</a>

## NORDIC CAPITAL

Name	Nordic Capital V
Investment date	December 2002
Commitment	EUR 70 million
Share of ATP PEP I	6.96%
Amount	EUR 1,500 million
Ownership share	4.67%
Advisory board member	Torben Vangstrup
Investment strategy	The fund invests in medium-sized mature enterprises, primarily based in the Nordic countries and secondarily in the rest of Europe. The fund focuses on enterprises in which operating improvements, restructurings, consolidations and strategic new orientation may actively take place. The fund also focuses on enterprises that may form the basis for a buy-and-build strategy.
Website	<a href="http://www.nordiccapital.se">www.nordiccapital.se</a>

## NordicVenturePartners

Name	Nordic Venture Partners II
Investment date	December 2004
Commitment	EUR 15.0 million
Share of ATP PEP I	1.49%
Amount	EUR 114.7 million
Ownership share	12.89%
Advisory board member	Susanne Forsingdal
Investment strategy	Nordic Venture Partners is a venture capital firm which was established in 2000 with offices in Denmark, Sweden and Finland. The firm invests in Nordic companies developing new information technologies. Nordic Venture Partners invests in seed as well as later-stage companies.
Website	<a href="http://www.nordicvc.com">www.nordicvc.com</a>



Name	Novak Biddle Venture Partners IV
Investment date	December 2003
Commitment	USD 10 million
Share of ATP PEP I	0.75%
Amount	USD 150 million
Ownership share	6.67%
Investment strategy	The strategy of the fund is primarily to invest in seed IT companies ranging from USD 100,000 to USD 7 million. However, the fund invests in development-stage companies when it is estimated that the fund may create considerable value, equivalent to 3-4 times. The investments are concentrated on wireless communication, security and software.
Website	<a href="http://www.novakbiddle.com">www.novakbiddle.com</a>

## ONSET

VENTURES

Name	Onset Venture Partners V
Investment date	September 2004
Commitment	USD 20 million
Share of ATP PEP I	1,51%
Amount	USD 204 million
Ownership share	9,80%
Advisory board member	Torben Vangstrup
Investment strategy	Onset Venture Partners is a venture capital firm which primarily invests in early-stage companies in the software, communications and network as well as life science sectors. Value creation is attributable to the firm's focusing on its mentor role and involvement in the development of the business model of early-stage companies.
Website	<a href="http://www.onset.com">www.onset.com</a>



Name	Pfingsten Executive QP Fund III
Investment date	April 2003
Commitment	USD 40 million
Share of ATP PEP I	3.01%
Amount	USD 285.0 million
Ownership share	14.04%
Advisory board member	Jens Bisgaard-Frantzen
Investment strategy	The fund invests in mid-market enterprises in accordance with a buy-and-build strategy according to which platform investments are acquired in order to develop their management and business systems and through the acquisition of complementing enterprises. The fund primarily invests in media businesses, distribution and middle market manufacturing.
Website	<a href="http://www.pfingstenpartners.com">www.pfingstenpartners.com</a>

## POLARIS

Name	Polaris II
Investment date	February 2005
Commitment	DKK 300 million
Share of ATP PEP I	4.00%
Amount	DKK 2.00 billion
Ownership share	15.00%
Advisory Board member	Klaus Rühne
Investment strategy	Invests in small and medium-sized Danish companies with an enterprise value of EUR 40 – 100 million. The investments are made in a number of industries – primarily traditional industries, services and distribution. The fund may be majority as well as minority investor.
Website	<a href="http://www.polarisequity.dk">www.polarisequity.dk</a>

## PROVIDENCE EQUITY

Name	Providence Equity Partners V
Investment date	August 2004
Commitment	USD 50 million
Share of ATP PEP I	3.77%
Investment strategy	Focus is on major transactions in the telecommunications and media business, i.e. usually companies with an equity value of USD 100-400 million. Value creation primarily consists of assistance with the management of a strategic refocusing or a growth strategy, financing of acquisitions and development of management teams.
Website	<a href="http://www.provequity.com">www.provequity.com</a>



Name	Roark Capital Partners
Investment date	February 2005
Commitment	USD 25 million
Share of ATP PEP I	1.88%
Amount	USD 412.8 million
Ownership share	6.06%
Advisory board member	Søren Brøndum Andersen
Investment strategy	Roark Capital Partners is a small Atlanta-based buyout fund with combined geographical focus on Southeast USA and sector focus on especially franchise, but also packing, consumer goods, financial services and niche production
Website	<a href="http://www.roarkcapital.com">www.roarkcapital.com</a>



Name	Silver Lake Partners II
Investment date	December 2003
Commitment	USD 75 million
Share of ATP PEP I	5.65%
Amount	USD 3,577 million
Ownership share	2.09%
Advisory board member	Torben Vangstrup
Investment strategy	Silver Lake is an American buyout fund focused on investments in the technology sector. The fund typically invests between USD 100-500 million in companies with an enterprise value of USD 200 million - USD 10 billion. The investments are directed towards companies that are market leaders in their respective niches. Value creation is attributable to the fund's involvement in the development of the companies and their products.
Website	<a href="http://www.silverlake.com">www.silverlake.com</a>



SPRAY VENTURE PARTNERS

Name	Spray Venture Partners II
Investment date	December 2003
Commitment	USD 20 million
Share of ATP PEP I	1.51%
Amount	USD 71.5 million
Ownership share	28.00%
Advisory board member	Torben Vangstrup
Investment strategy	The fund invests in companies with focus on emerging healthcare technology, including medical equipment and implants. The fund identifies insufficiently covered needs for treatment and product development potentials. In addition, strategic actors must operate in the field, thus creating an exit opportunity.
Website	<a href="http://www.sprayfund.com">www.sprayfund.com</a>



Name	Waterland Private Equity Fund II
Investment date	July 2003
Commitment	EUR 26 million
Share of ATP PEP I	2.58%
Amount	EUR 171.5 million
Ownership share	15.16%
Advisory board member	Torben Vangstrup
Investment strategy	Waterland is a Dutch mid-market buyout fund focused on companies with revenue of EUR 10-150 million in which the fund can invest EUR 5-15 million. The companies are situated in the Rhineland area and relate to the following trends: outsourcing & efficiency, ageing population and leisure & luxury. The fund is a majority investor.
Website	<a href="http://www.waterland.nu">www.waterland.nu</a>

**WICKS**

WICKS COMMUNICATIONS  
& MEDIA PARTNERS III L.P.

Name	Wicks Communications & Media Partners III
Investment date	June 2004
Commitment	USD 45 million
Share of ATP PEP I	3.39%
Amount	USD 535 million
Ownership share	8.41%
Advisory board member	Susanne Forsingdal
Investment strategy	Wicks is a New York-based mid-market fund focusing on investments in selected segments of the communications, information and media industries. Since 1989 Wicks has made controlling investments in platform businesses and made subsequent add-on investments. Wicks enhances the value of acquired companies by attracting new and better qualified management teams to the companies.
Website	<a href="http://www.wicksgroup.com">www.wicksgroup.com</a>

## Co-investments

Name	Grupo Corporativo Ono (co-investment with Providence V)
Investment date	October 2005
Commitment	EUR 8.0 million
Share of ATP PEP I	0.80%
Ownership share	3.09%
Business area	The company is a merger of the two largest operators within Internet, telecommunications and cable TV in Spain. The expected development comprises the creation of cost and sales synergies in the merged company and expansion of Internet, telecommunications and cable TV services to Spanish consumers.
Website	www.ono.es



Name	Falck (via Cidron A/S - co-investment with Nordic Capital V)
Investment date	December 2004
Commitment	DKK 109 million
Share of ATP PEP I	1.47%
Ownership share	10.78%
Business area	Falck A/S has activities within the following four business areas in Denmark and a number of neighbouring countries: Assistance, Emergency, Healthcare and Training. Falck renders services to the public sector, private subscribers, corporate subscribers, insurance companies, pension funds and international customers. Falck aims to become a European organisation within the coming years and a global organisation within some business areas.



Name	Gala Group (co-investment with Cinven III)
Investment date	April 2003
Commitment	GBP 13.5 million
Share of ATP PEP I	1.98%
Ownership share	0.65%
Business area	The company has operations within the gaming industry, i.e. bingo clubs and casinos.

Name	Sanitec (co-investment with EQT Northern Europe IV)
Investment date	May 2005
Commitment	EUR 9.5 million
Share of ATP PEP I	0.94%
Ownership share	2.08%
Investment strategy	Sanitec is the leading European provider of bathroom solutions. Earnings are primarily to be increased through cost savings and new product launches. A number of outsourcing solutions are being implemented as well as move of production to low-cost countries.
Website	www.sanitec.com

I the undersigned Brian Hansen, official translator, hereby certify the foregoing text to be a true and faithful translation of the Danish annual report for 2006. Witness my hand and official seal.

Copenhagen, 12 February 2007

The English text is a translation. The original Danish text shall be the governing text for all purposes and in case of any discrepancy the Danish wording shall be applicable.