



Quilvest S.A.
R.C.S. Luxembourg B.6091
3, Boulevard Royal
L-2449 Luxembourg

INTERIM FINANCIAL REPORT

as at and for the six months period ended
30 June 2014



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LIST OF DIRECTORS AND GROUP MANAGEMENT

Honorary Chairman	Julio E. Nuñez
Board of Directors	
Chairman	Christian Baillet
Vice-Chairman	F. Michel Abouchalache
Directors	Peter Bemberg Serge de Ganay André Elvinger Robert Kneip François Manset Stanislas Poniatowski Alvaro Sainz de Vicuña International Advisory Services
Audit Committee	François Manset, President Christian Baillet
Remuneration Committee	Serge de Ganay, President Christian Baillet Stanislas Poniatowski
Strategic Committee	Peter Bemberg, President F. Michel Abouchalache Christian Baillet Serge de Ganay François Manset Stanislas Poniatowski Alvaro Sainz de Vicuña
Group Management	CEO Quilvest Group F. Michel Abouchalache CEO Quilvest Private Equity Guy Zarzavatdjian (as from 1 July 2014) CEO Quilvest Wealth Management Marc Hoffmann Secretary General and Group Controller Jean-Benoît Lachaise
Statutory and Group Auditor	KPMG Luxembourg S.à r.l.

INTERIM MANAGEMENT REPORT

Business review and outlook

The strong performance of Quilvest in 2013 continued through the first semester of 2014, in its both core businesses.

Overall, Quilvest Wealth Management is above budget, with a good performance from CBP Quilvest, our bank in Luxembourg. Quilvest Banque Privée, our bank in France, implemented in 2013 an ambitious reorganization strategy which is now taking full effects : the indicators are encouraging with a return to profit. Quilvest Switzerland is on track and confirms the resilience of its business model in a challenging environment.

Quilvest & Partners, our private equity management company, delivered a record year in 2013 in terms of fundraising. It now focuses on investing the fund commitments received, while continuing direct investments with, amongst others, a major investment in Crown Laundry, a U.S. southeast leader in health care laundry services. New QS Properties (re)- development projects in Europe and America are also underway.

Financial review

As at 30 June 2014, total assets of Quilvest in the statement of financial position stand at USD 5.1 billion as compared with USD 3.6 billion as at 31 December 2013. The result for the six months period ended 30 June 2014 is a profit of USD 30.0 million, of which a Group share of USD 20.7 million.

The main components of the balance sheet are (figures are compared with the financial position as at 31 December 2013):

- Cash and cash equivalents which increased substantially from USD 809.3 million to 2,123.9 million, as a result of a net positive collect from CBP Quilvest.
- Financial assets increased from USD 1,394.2 million to USD 1,530.0 million under two opposite effects :
 - o Available-for-sale financial assets (wealth management portfolio) increased after net additions of USD 209.2 million, mainly at CBP Quilvest,
 - o Financial assets at fair value through profit and loss globally decreased by USD 66.0 million, with net addition for the private equity portfolio under combined effects of acquisitions and positive changes in fair value; but negative contribution from the wealth management entities due to net disposals of USD 102.9 million.
- Other assets, while significant, mainly include current assets held by our controlled private equity portfolio (Note 5).
- Intangible assets and tangible assets remain stable. Since the Group did not enter into any majority owned new business during this first semester, no goodwill and intangible assets were recognized / de-recognized; tangible assets again mainly belong to the controlled private equity portfolio.
- Financial liabilities stand at USD 428.3 million, a slight increase resulting from a new debt facility at controlled private equity level.
- Excluding non-controlling interests, the equity attributable to the shareholders increased by 3 percent (IFRS) at USD 801.3 million (2013: USD 787.6 million). Significant changes in equity result from i) the profit for the period, ii) the increase of our interest in Acrotec (Note 4) and iii) the dividend distribution.
- The change in non-controlling interests from USD 189.1 million to USD 183.8 million is mainly resulting from a distribution and a dilution of non-controlling interest at Acrotec level.

From an income statement perspective, the key elements of the period are (figures are compared with income statement as at 30 June 2013):

- Net income from private equity portfolio increased at USD 69.6 million (2013: USD 60.6 million). Net income from controlled private equity investments reached USD 32.5 million, a significant increase as compared to 2013 (USD 27.0 million). Revaluation of private equity financial assets contributed for USD 23.5 million in the total (2013: USD 19.0 million). Fee income amounted to USD 12.3 million (2013: USD 10.7 million) as the assets managed and the product offering continued to expand.
- Net income from wealth management activities continued to develop positively at USD 52.5 million as compared with USD 48.0 million at 30 June 2013, mainly driven by the increase of the fee and commission income for USD 40.6 million (2013: USD 36.1 million) and interest of the income for USD 11.4 million (2013: 7.6 million).
- General administrative expenses increased at USD 70.0 million (2013: USD 63.3 million) mainly driven by the staff cost increase.
- Net finance costs are decreasing at USD 7.2 million (2013: 8.7 million), stable for core activities but decreasing at controlled private equity level.
- Finally, the operating result at half-year is a profit of USD 39.7 million (2013: 35.0 million), and the net result for the period is a gain of USD 30.0 million (2013: 21.4 million), of which Group share of USD 20.7 million (2013: USD 10.6 million).

Luxembourg, 28 August 2014

F. Michel Abouchalache

CEO Quilvest Group

MANAGEMENT RESPONSIBILITY STATEMENT

The accompanying interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("IAS 34") *Interim Financial Reporting*.

The interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2013, as they provide an update of previously reported information.

The interim condensed consolidated financial statements are unaudited.

The interim condensed consolidated financial statements were approved for issue by the Board of Directors on 28 August 2014.

The Directors state that to the best of their knowledge:

- a. The interim condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Quilvest S.A. and its consolidated subsidiaries, taken as a whole for the six months period ended 30 June 2014; and
- b. The interim management report includes a fair review of important events that have occurred during the six-month period ended 30 June 2014, and their impact on the unaudited consolidated condensed interim financial statements for such period, a description of the principal risks and uncertainties they face and the future prospects.

Luxembourg, 28 August 2014

F. Michel Abouchalache

CEO Quilvest Group



QUILVEST

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the financial period ended 30 June 2014

in \$ '000	Notes	31 December 2013	30 June 2014 (Unaudited)
Assets			
Cash and cash equivalents		809,298	2,123,922
Amounts owed from banks and bank customers		858,128	952,068
Financial assets	7		
- designated at fair value through profit and loss		1,106,595	1,040,644
- available for sale		276,876	483,831
- held for trading		10,764	5,511
Property, plant and equipment		141,230	143,237
Investment property		8,400	8,310
Intangible assets	8	164,875	162,847
Investment in an associate	4	1,111	--
Deferred tax assets		6,315	5,091
Other assets		209,328	215,610
Total assets		3,592,920	5,141,071
Liabilities and equity			
Amounts due to banks and bank customers		2,004,175	3,478,190
Financial liabilities			
- held for trading	7	14,699	7,403
- interest-bearing liabilities		404,119	420,905
Employee benefit obligations		2,588	2,574
Provisions		3,130	3,489
Deferred tax liabilities		28,380	27,713
Other liabilities		159,679	215,701
Total liabilities		2,616,770	4,155,975
Share capital		44,990	44,990
Share premium		110,248	110,248
Treasury shares	9	(4,313)	(4,162)
Reserves		18,849	20,274
Retained earnings		560,133	609,187
Profit / (Loss) for the year / period – Shareholders of the parent company		57,152	20,739
Total equity attributable to shareholders of the parent company		787,059	801,276
Non-controlling interests		189,091	183,820
Total equity		976,150	985,096
Total liabilities and equity		3,592,920	5,141,071

The accompanying notes are an integral part of the interim condensed consolidated financial statements



QUILVEST

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months period ended 30 June 2014

in \$ '000	Notes	30 June 2013 (Unaudited)			30 June 2014 (Unaudited)		
		Core activities	CPE (Note 5)	Total	Core activities	CPE (Note 5)	Total
Net income from private equity portfolio	6						
Gains on financial assets, net		19,051	--	19,051	23,508	--	23,508
Dividend income		2,197	--	2,197	1,794	--	1,794
Interest income, net		59	--	59	--	--	--
Fee income, net		10,676	--	10,676	12,322	--	12,322
Carried interest (expense) / income, net		1,581	--	1,581	(535)	--	(535)
Net income from controlled private equity portfolio	5	--	27,001	27,001	--	32,468	32,468
Total – private equity portfolio		33,564	27,001	60,565	37,089	32,468	69,557
Net income from wealth management activities	6						
Gains/ losses on financial assets, net		3,237	--	3,237	(110)	--	(110)
Dividend income		738	--	738	256	--	256
Interest income, net		7,559	--	7,559	11,433	--	11,433
Fee and commission income, net		36,065	--	36,065	40,638	--	40,638
Other revenues, net		423	--	423	307	--	307
Total – wealth management activities		48,022	--	48,022	52,524	--	52,524
Other operating income, net		1,324	--	1,324	2,149	--	2,149
General administrative expenses		(63,332)	--	(63,332)	(69,992)	--	(69,992)
Depreciation, amortization and impairment losses		(2,393)	(9,216)	(11,609)	(2,672)	(11,892)	(14,564)
Operating result		17,187	17,785	34,970	19,098	20,576	39,674
Financial costs, net		(4,049)	(4,604)	(8,653)	(4,069)	(3,157)	(7,226)
Income from associate		77	--	77	32	--	32
Profit/(Loss) before tax		13,215	13,181	26,394	15,061	17,419	32,480
Income tax (expense) / credit		(2,793)	(2,197)	(4,989)	(1,936)	(590)	(2,526)
Profit/(Loss) for the period		10,422	10,984	21,405	13,125	16,829	29,954
Profit/(Loss) for the period attributable to							
Shareholders of the parent company				10,631			20,739
Non-controlling interests				10,774			9,215

The accompanying notes are an integral part of the interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months period ended 30 June 2014

in \$ '000	30 June 2013 (Unaudited)	30 June 2014 (Unaudited)
Profit/(Loss) for the period	21,405	29,954
Other comprehensive income to be reclassified to profit or loss in subsequent periods :		
Change in valuation of available-for-sale financial assets :		
- Net change in fair value	107	1,598
- Net change in fair value recycled through profit or loss	(4,267)	--
Income tax effect	1,375	(528)
Foreign currency translation differences	(5,572)	(58)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :		
Gain / (loss) on property revaluation	276	756
Income tax effect	(92)	(252)
Other comprehensive income / (loss) for the period	(8,174)	1,516
Total comprehensive income / (loss) for the period	13,231	31,470
Total comprehensive income attributable to:		
Shareholders of parent company	5,978	22,035
Non-controlling interests	7,253	9,435
Earnings per share (in \$)		
Basic	1.61	3.12
Diluted	1.61	3.12

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months period ended 30 June 2014

in \$ '000	30 June 2013 (Unaudited)	30 June 2014 (Unaudited)
Operating cash flows directly linked to the Private Equity activities		
Acquisition of private equity investments	(61,612)	(80,581)
Proceeds from sale of private equity investments	45,262	63,149
Dividends received from private equity investments	2,197	6,306
Fees received, net	10,851	14,870
Carried interest received, net	2,036	575
Other operating cash movements related to private equity activities, net	(729)	2,915
Operating cash flows directly linked to the Wealth Management activities		
Interest income, net	7,198	10,170
Fee and commission income, net	29,846	34,780
Cash movements in loans and advances to / from banks and bank customers, net	(45,840)	1,393,628
Other cash movements related to the Wealth Management activities	1,304	31,364
Other operating cash flow movements		
Cash paid to suppliers and employees	(67,691)	(71,188)
Income taxes paid	(1,128)	(1,089)
Net cash from other operating activities	(11,179)	1,479
<i>of which controlled Private equity</i>	<i>11,634</i>	<i>18,685</i>
Net cash provided by / (used in) operating activities	(89,485)	1,406,378
Investing activities		
Acquisition of investments, net (wealth management activities)	(49,140)	(109,482)
Acquisition of property, plant and equipment	(7,382)	(13,022)
Proceeds from disposal of property, plant and equipment	--	--
Acquisition of intangible assets	(656)	(295)
Proceeds from disposal of investment in associates	--	531
Acquisition of subsidiaries, net of cash acquired	--	--
Disposal of subsidiaries, net of cash disposed	--	--
Interests received	22	--
Dividends received	530	667
Net cash provided by / (used in) investing activities	(56,626)	(121,601)
Financing activities		
Proceeds from interest-bearing liabilities	44,548	54,463
Repayment of interest-bearing liabilities	(10,936)	(14,759)
(Decrease)/Increase in short-term financing	(30,732)	(1,532)
Repurchase of treasury shares	(305)	(110)
Contributions from non-controlling interests	20,904	13,054
Distributions to non-controlling interests	(1,101)	(25,195)
Interests paid, net	(11,157)	(11,117)
Dividends paid	--	--
Net cash provided by / (used in) financing activities	11,221	14,804
Net increase / (decrease) in cash and cash equivalents	(134,890)	1,299,581
Cash and cash equivalents at the beginning of the period	844,954	809,298
Effect of exchange rate fluctuations on cash and cash equivalents held	(8,466)	15,043
Cash and cash equivalents at the end of the period	701,598	2,123,922

The accompanying notes are an integral part of the interim condensed consolidated financial statements.



QUILVEST

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2014

in \$ '000	Share Capital	Share Premium	Treasury shares	Reserves	Retained earnings	Total attributable to owners of the parent entity	Non-controlling interests	Total Equity
Balance at 1 January 2014	44,990	110,248	(4,313)	18,849	617,285	787,059	189,091	976,150
Total comprehensive income for the period								
Profit for the period	--	--	--	--	20,739	20,739	9,215	29,954
Other comprehensive income								
Gain on property revaluation, net of income tax	--	--	--	504	--	504	--	504
Available-for-sale financial assets, net of income tax	--	--	--	710	--	710	360	1,070
Foreign currency translation differences	--	--	--	82	--	82	(140)	(58)
Total comprehensive income for the period	--	--	--	1,296	20,739	22,035	9,435	31,470
Transactions with owners, recorded directly in equity								
Repurchase / Sale of treasury shares, net	--	--	151	--	--	151	--	151
Transactions with non-controlling interests	--	--	--	129	214	343	(2,565)	(2,222)
Non-controlling interests acquired in business combinations	--	--	--	--	--	--	--	--
Contributions from non-controlling interests	--	--	--	--	--	--	13,054	13,054
Distributions to non-controlling interests	--	--	--	--	--	--	(25,195)	(25,195)
Dividends paid	--	--	--	--	(8,312)	(8,312)	--	(8,312)
Total transactions with owners	--	--	151	129	(8,098)	(7,818)	(14,706)	(22,524)
Balance at 30 June 2014	44,990	110,248	(4,162)	20,274	629,926	801,276	183,820	985,096

The accompanying notes are an integral part of the interim condensed consolidated financial statements



QUILVEST

For the six months period ended 30 June 2013

in \$ '000	Share Capital	Share Premium	Treasury shares	Reserves	Retained earnings	Total attributable to owners of the parent entity	Non-controlling interests	Total Equity
Balance at 1 January 2013	44,990	110,248	(3,786)	9,867	566,568	727,887	121,334	849,221
Total comprehensive income for the period								
Profit for the period	--	--	--	--	10,631	10,631	10,774	21,405
Other comprehensive income								
Gain on property revaluation, net of income tax	--	--	--	184	--	184	--	184
Available-for-sale financial assets, net of income tax	--	--	--	(1,848)	--	(1,848)	(938)	(2,786)
Foreign currency translation differences	--	--	--	(2,989)	--	(2,989)	(2,583)	(5,572)
Total comprehensive income for the period	--	--	--	(4,653)	10,631	5,978	7,254	13,231
Transactions with owners, recorded directly in equity								
Repurchase of treasury shares	--	--	(305)	--	--	(305)	--	(305)
Transactions with non-controlling interests	--	--	--	--	--	--	--	--
Non-controlling interests acquired in business combinations	--	--	--	--	--	--	--	--
Contributions from non-controlling interests	--	--	--	--	--	--	20,904	20,904
Distributions to non-controlling interests	--	--	--	--	--	--	(703)	(703)
Dividends paid	--	--	--	--	(6,643)	(6,643)	(398)	(7,041)
Total transactions with owners	--	--	(305)	--	(6,643)	(6,948)	19,803	12,855
Balance at 30 June 2013	44,990	110,248	(4,091)	5,214	570,556	726,917	148,391	875,308

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

I. CORPORATE INFORMATION

The interim condensed consolidated financial statements of Quilvest S.A. (the "Company" or the "parent company") and its subsidiaries (collectively, "the "Group") for the period ended 30 June 2014 were authorized for issue in accordance with a resolution of the Board of Directors on 28 August 2014.

The Company is a Luxembourg company incorporated and domiciled in Luxembourg and whose shares are publicly traded on the regulated market of the Luxembourg Stock Exchange (LU0011790804). The Company was incorporated on 25 October 1888 with the Luxembourg register company number B 6091. The Company's registered office is established 3 Boulevard Royal, L-2449 Luxembourg. The principal activities of the Group are in the wealth management and the private equity businesses.

The consolidated financial statements of the Group as at and for the year ended 31 December 2013 are available upon request at the Company's registered office and on the Company's website www.quilvest.com.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months period ended 30 June 2014 have been prepared in accordance with IAS 34 - Interim Financial Reporting as adopted by the European Union.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for the own-used part of land and buildings, investment property, derivative financial instruments, financial assets at fair value through profit and loss, and available-for-sale financial assets that have been measured at fair value.

The interim condensed consolidated financial statements are presented in United States Dollars ("USD" or "US Dollars") and all values are rounded to the nearest thousand (\$ '000), except when otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2013, as they provide an update of previously reported information.

Seasonality of operations

The Group does not consider that there is any significant seasonality within its operational markets and therefore it considers the financial statements for the period to 30 June 2014 to be a consistent representation of the entire financial year.

2.2 NEW AND AMENDED STANDARDS AND INTERPRETATIONS ADOPTED BY THE GROUP AS FROM 1 JANUARY 2014

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2013 ('Consolidated Financial Statements'), except for the adoption of new standards and interpretations effective as of 1 January 2014 noted below:

- IFRS 10 - Consolidated financial statements

The group adopted IFRS 10 as from 1 January 2014. The application of these standards did not materially affect the consolidation scope of the group and accordingly, no restatement of previous financial statements was required.

- IFRS 12 - Disclosures of interests in other entities

The group adopted IFRS 12 as from 1 January 2014. The application of these standards did not materially affect the Company's financial condition or results of operations. Accordingly, the application of IFRS 12 did not result in additional disclosures in these Interim Condensed Consolidated Financial Statements.

Several others standards and amendments apply for the first time in 2014. However, the application of these standards did not materially affect the Company's financial condition or results of operations of these Interim Condensed Consolidated Financial Statements.

2.3 FOREIGN CURRENCIES

The following exchange rates were used for translating Euros ("EUR"), Swiss francs ("CHF") and British pounds ("GBP"), which are the most important foreign currencies used in the Group.

	USD/EUR	USD/CHF	USD/GBP
30 June 2013	0.7654	0.9441	0.6551
Average 6 months 2013	0.7615	0.9345	0.6466
31 December 2013	0.7252	0.8886	0.6064
Average 12 months 2013	0.7513	0.9233	0.6372
30 June 2014	0.7331	0.8912	0.5873
Average 6 months 2014	0.7303	0.8913	0.5989

3. ESTIMATES

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key source of estimation of uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS

In 2012, as part of its private equity investment activities, the Group acquired 56.2% of the potential voting rights under the form of shares and convertible bonds in Acrotec S.A. ("Acrotec"). In June 2014, the Group exercised the conversion option of convertible bonds.

In June 2014, as part of its wealth management activities, the Group disposed of part of its interest in Gaspal Holding S.A.S. France ('Gaspal'). As a consequence, the Group lost its significant influence over Gaspal.

There are no other significant acquisitions or disposals of subsidiaries, nor other changes in scope for the period to 30 June 2014.

5. CONTROLLED PRIVATE EQUITY PORTFOLIO ("CPE")

As at 30 June 2014 and 31 December 2013, the Group has control over 5 private equity investments (Note 30 to the consolidated financial statements). These entities are fully consolidated within the Group's financial statements.

When possible, the assets, liabilities, income and expenses of these investments have been disclosed separately to present distinctly the result of the "core" activities of the Group (Private equity and Wealth management).

The aggregate effects of the controlled private equity portfolio are disclosed below:

in \$ '000	31 December 2013 (Audited)	30 June 2014 (Unaudited)
Assets		
Cash and cash equivalents	11,634	18,685
Property, plant and equipment	107,786	108,451
Intangible assets other than goodwill	22,068	20,883
Goodwill	53,140	54,271
Other assets	80,232	95,670
Total assets	274,860	297,960
Liabilities		
Interest-bearing liabilities	118,975	142,843
Deferred tax liabilities	10,465	10,027
Other liabilities	26,760	41,063
Total liabilities	156,200	193,933
Profit or loss		
Net income from controlled private equity portfolio	27,001	32,468
Depreciation, amortization and impairment	(9,216)	(11,892)
Operating result	17,785	20,576
Finance costs, net	(4,604)	(3,157)
Profit / (Loss) before tax	13,181	17,419
Income tax expense	(2,197)	(590)
Profit / (Loss) for the period	10,984	16,829

in \$ '000	30 June 2013 (Unaudited)	30 June 2014 (Unaudited)
Profit or loss		
Net income from controlled private equity portfolio	27,001	32,468
Depreciation, amortization and impairment	(9,216)	(11,892)
Operating result	17,785	20,576
Finance costs, net	(4,604)	(3,157)
Profit / (Loss) before tax	13,181	17,419
Income tax expense	(2,197)	(590)
Profit / (Loss) for the period	10,984	16,829

6. SEGMENT INFORMATION

The Group has three reportable segments which are the Group's strategic business units: Private Equity Investment, Private Equity Management and Wealth Management. These segments are described in the note 6 of the consolidated financial statements as at 31 December 2013.

In line with IFRS 8 *Operating Segments*, the operating segment reporting bases used by the Company are those which are reported to the Chief Operating Decision Maker ("CODM"). The CODM does not review segment assets and liabilities in the decision making process. They are consequently not disclosed.

Private Equity Investment

In \$ '000	As at 30 June 2013 (Unaudited)	Accounting Policies Differences	Inter- segment	Segment Total	As at 30 June 2014 (Unaudited)	Accounting Policies Differences	Inter- segment	Segment Total
Net result from controlled private equity portfolio (Note 5)	27,001	(26,988)	(13)	--	32,468	(32,412)	(56)	--
Gains/(losses) on financial assets, net	18,744	792	--	19,536	23,502	5,258	--	28,760
Dividend income	2,258	--	--	2,258	452	--	--	452
Interest income, net	58	--	--	58	--	--	--	--
<i>Private equity fees</i>								
Management fee income	--	--	--	--	--	--	--	--
Management fee expense	329	--	(2,512)	(2,183)	(1,054)	--	(2,351)	(3,405)
Other private equity fee income	--	--	5	5	342	--	(10)	332
Other private equity fee expense	(31)	--	(665)	(696)	(462)	--	(843)	(1,305)
Carried interest income / (expense), net	(1,011)	--	1,073	62	(1,447)	--	(214)	(1,661)
Other operating income, net	(182)	--	196	14	643	--	(119)	524
General administrative expenses	62	--	(1,552)	(1,490)	570	--	(1,940)	(1,370)
Depreciation, amortization and impairment losses	(9,215)	9,215	--	--	(11,892)	11,892	--	--
Financial income/ costs, net	(4,379)	4,605	160	386	(2,914)	3,157	3	246
Income from associates	--	--	--	--	--	--	--	--
Income tax expense	(2,124)	2,197	--	73	(592)	590	--	(2)
Sub-total	31,510	(10,179)	(3,308)	18,023	39,616	(11,515)	(5,530)	22,571
Corporate allocation				(9,190)				(8,422)
Segment Profit / (Loss)				8,833				14,151

Reconciliation of accounting policies differences

for the period ended 30 June 2014 (in \$ '000)	Hill and Valley	Yo! Sushi	ST Products	Anthony's Pizza	Acrotec	Total
Fair value 31 December 2013	6,457	64,254	8,793	14,253	17,536	111,293
+ Additions / (disposals)	--	--	--	--	(3,506)	(3,506)
- Fair value 30 June 2014	6,827	66,701	9,079	16,821	13,617	113,045
Gain / (loss) on financial assets	370	2,447	286	2,568	(413)	5,258

for the period ended 30 June 2013 (in \$ '000)	Hill and Valley	Yo! Sushi	ST Products	Anthony's Pizza	Acrotec	Total
Fair value 31 December 2012	5,027	49,349	8,150	10,570	9,428	82,524
+ Additions / (disposals)	--	--	--	--	--	--
- Fair value 30 June 2013	5,179	47,559	7,386	12,180	11,012	83,316
Gain / (loss) on financial assets	152	(1,790)	(764)	1,610	1,584	792



QUILVEST

Private Equity Management

In \$ '000	As at 30 June 2013 (Unaudited)	Accounting Policies Differences	Inter- segment	Segment Total	As at 30 June 2014 (Unaudited)	Accounting Policies Differences	Inter- segment	Segment Total
Net result from controlled private equity portfolio	--	--	--	--	--	--	--	--
Gains/(losses) on financial assets, net	--	--	--	--	--	--	--	--
Dividend income	--	--	--	--	--	--	--	--
Interest income	--	--	--	--	--	--	--	--
Interest expense	--	--	--	--	--	--	--	--
<i>Private equity fees</i>								
Management fee income	8,274	--	3,183	11,457	11,762	--	3,599	15,361
Management fee expense	--	--	--	--	--	--	--	--
Other private equity fee income	2,290	--	655	2,945	1,795	--	929	2,724
Other private equity fee expense	(1,011)	--	276	(735)	(1,147)	--	(176)	(1,323)
Carried interest income / (expense), net	2,593	--	(1,074)	1,519	929	--	27	956
Other operating income, net	482	--	977	1,459	1,558	--	787	2,345
General administrative expenses	(14,387)	--	(1,191)	(15,578)	(17,792)	--	(434)	(18,226)
Depreciation, amortization and impairment losses	(104)	--	--	(104)	(81)	--	--	(81)
Financial costs, net	(60)	--	19	(41)	(50)	--	(23)	(73)
Income from associates	--	--	--	--	--	--	--	--
Income tax expense	(415)	--	--	(415)	(275)	--	--	(275)
Sub-total	(2,338)	--	2,845	507	(3,301)	--	4,709	1,408
Corporate allocation				(550)				(550)
Segment Profit / (Loss)				(43)				858



QUILVEST

Wealth Management

In \$ '000	30 June 2013 (Unaudited)	Accounting Policies Differences	Inter- segment	Segment Total	30 June 2014 (Unaudited)	Accounting Policies Differences	Inter- segment	Segment Total
Gains/(losses) on financial assets, net	3,106	--	--	3,106	48	--	--	48
Dividend income	738	--	--	738	314	--	--	314
Interest income	9,675	--	--	9,675	12,790	--	3	12,793
Interest expense	(2,202)	--	--	(2,202)	(1,511)	--	--	(1,511)
<i>Wealth Management fees</i>								
Management fee income	15,616	--	200	15,816	16,825	--	68	16,893
Management fee expense	(219)	--	--	(219)	(263)	--	--	(263)
Brokerage fee income	10,543	--	--	10,543	10,724	--	--	10,724
Brokerage fee expense	(10)	--	--	(10)	(514)	--	--	(514)
Custodian fee income	5,558	--	66	5,624	7,199	--	164	7,363
Custodian fee expense	(494)	--	--	(494)	(1,025)	--	--	(1,025)
Fiduciary fee income	185	--	--	185	344	--	--	344
Fiduciary fee expense	--	--	--	--	--	--	--	--
Other wealth management fee income	11,442	--	286	11,728	14,304	--	156	14,460
Other wealth management fee expense	(6,132)	--	--	(6,132)	(6,717)	--	(385)	(7,102)
Other operating income, net	1,388	--	131	1,519	1,393	--	231	1,624
General administrative expenses	(45,251)	--	614	(44,637)	(49,007)	--	63	(48,944)
Depreciation, amortization and impairment losses	(2,029)	--	--	(2,029)	(2,103)	--	--	(2,103)
Financial costs	(2,088)	--	1	2,089	2,398	--	--	2,398
Income from associates	77	--	--	77	32	--	--	32
Income tax expense	(2,441)	--	--	(2,441)	(1,599)	--	--	(1,599)
Sub-total	1,638	--	1,298	2,936	3,632	--	300	3,932
Corporate allocation				(500)				(500)
Segment Profit / (Loss)				2,436	3,432			

Summary and reconciliation with the Group net result

Segment	As at 30 June 2014 (unaudited)	Accounting policies differences	Inter-segment	Corporate Allocation	Segment
In \$ '000					
Corporate	(9,993)	--	521	9,472	--
Private Equity Investment	39,616	(11,515)	(5,530)	(8,422)	14,149
Private Equity Management	(3,301)	--	4,709	(550)	858
Wealth Management	3,632	--	300	(500)	3,432
	29,954	(11,515)	--	--	18,439

Segment	As at 30 June 2013 (unaudited)	Accounting policies differences	Inter-segment	Corporate Allocation	Segment
In \$ '000					
Corporate	(9,405)	--	(835)	10,240	--
Private Equity Investment	31,510	(10,179)	(3,308)	(9,190)	8,833
Private Equity Management	(2,338)	--	2,845	(550)	(43)
Wealth Management	1,638	--	1,298	(500)	2,436
	21,405	(10,179)	--	--	11,226

7. FINANCIAL ASSETS

Financial assets designated at fair value through profit and loss

Schedule of changes in investments designated at fair value through profit and loss at 30 June 2014

a. Private Equity portfolio

In \$ '000	Debt securities	Equity, convertible and investment- related loans	Third party funds	Total
Fair value at 1 January 2014	--	240,623	611,845	852,468
Additions	--	27,472	49,853	77,325
Disposals	--	(12,865)	(50,585)	(63,450)
Net gains / (losses)	--	2,255	23,123	25,378
Currency differences	--	(301)	(209)	(510)
Fair value at 30 June 2014	--	257,184	634,027	891,211

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity, convertible and investment- related loans	Third party funds	Total
Fair value at 1 January 2014	250,208	3,090	829	254,127
Change in scope	--	1,255	--	1,255
Additions	--	11	2,269	2,280
Disposals	(104,215)	(22)	(962)	(105,199)
Net gains / (losses)	(812)	--	105	(707)
Currency differences	(2,282)	(27)	(14)	(2,323)
Fair value at 30 June 2014	142,899	4,307	2,227	149,433

c. Total

In \$ '000	Debt securities	Equity, convertible and investment- related loans	Third party funds	Total
Fair value at 30 June 2014	142,899	261,492	636,253	1,040,644
Net gains / (losses)	(812)	2,255	23,228	24,671



QUILVEST

Schedule of changes in financial assets designated at fair value through profit and loss in 2013

a. Private Equity portfolio

In \$ '000	Debt securities	Equity, convertible and investment-related loans	Third party funds	Total
Fair value at 1 January 2013	--	182,699	544,713	727,412
Additions	--	50,066	91,411	141,477
Disposals	--	(15,574)	(101,416)	(116,990)
Transfer from other portfolio	--	--	4,724	4,724
Net gains / (losses)	--	22,127	71,603	93,730
Currency differences	--	1,305	810	2,115
Fair value at 31 December 2013	--	240,623	611,845	852,468

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity, convertible and investment-related loans	Third party funds	Total
Fair value at 1 January 2013	160,682	4,314	8,135	173,132
Additions	111,712	2,604	3,362	117,678
Disposals	(28,063)	(2,386)	(6,891)	(37,340)
Transfer to other portfolio	--	(901)	(3,823)	(4,724)
Net gains / (losses)	(4,023)	(651)	6	(4,668)
Currency differences	9,900	109	39	10,048
Fair value at 31 December 2013	250,208	3,090	828	254,126

c. Total

In \$ '000	Debt securities	Equity, convertible and investment-related loans	Third party funds	Total
Fair value at 31 December 2013	250,208	243,713	612,674	1,106,595
Net gains/(losses) 2013	(4,023)	21,476	71,609	89,063

Financial assets available-for-sale

Schedule of changes in financial assets available-for-sale at 30 June 2014

a. Private Equity portfolio

There are no financial assets available-for-sale in the private equity portfolio at 30 June 2014.

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity securities	Total
Fair value at 1 January 2014	276,479	397	276,876
Acquired in business combination	--	--	--
Additions	246,191	2	246,193
Disposals	(37,015)	--	(37,015)
Unrealized gains / (losses)	1,598	--	1,598
Currency differences	(3,817)	(4)	(3,821)
Fair value at 30 June 2014	483,436	395	483,831

Schedule of changes in financial assets available-for-sale in 2013

a. Private Equity portfolio

There is no financial assets available-for-sale in the private equity portfolio in 2013.

b. Wealth Management portfolio

In \$ '000	Debt securities	Equity securities	Total
Fair value at opening balance	308,580	373	308,953
Additions	210,926	7	210,933
Disposals	(250,347)	--	(250,347)
Unrealized gains / (losses)	805	--	805
Currency differences	6,516	17	6,532
Fair value at closing balance	276,479	397	276,876

Interest income related to debt securities portfolio available-for-sale amounts to USD 2.2 million (2013: USD 2.5 million) and is included in 'Interest income, net' in the consolidated income statement.

The amount transferred from AFS revaluation reserve in 'Gains on financial assets, is nil (2013: USD 2,857), of which no impairment loss at 30 June 2014 and 2013.

Financial assets held for trading

Detailed schedule of derivatives by nature and maturity at 30 June 2014

a. Private Equity portfolio

There are no financial assets held for trading in the private equity portfolio at 30 June 2014.

b. Wealth Management portfolio

In \$ '000	Notional amount with remaining life of			Total	Fair values	
	Less than 3 months	3 months to 1 year	More than 1 year		positive	negative
Financial assets held for trading						
Foreign currency forward contracts	250,491	191,420	39,955	481,866	4,812	--
Foreign currency options contracts	2,966	30,796	40,923	74,685	407	--
Interest rate swaps	--	--	34,103	34,103	207	--
Futures	12,794	--	--	12,794	85	--
Financial liabilities held for trading						
Foreign currency forward contracts	220,703	207,312	40,220	468,235	--	4,638
Foreign currency options contracts	2,966	30,796	40,923	74,685	--	407
Interest rate swaps	6,391	17,734	128,227	152,352	--	2,273
Futures	12,794	--	--	12,794	--	85
Total					5,511	7,403

Detailed schedule of derivatives by nature and maturity in 2013

a. Private Equity portfolio

There are no financial assets held for trading in the private equity portfolio in 2013.

b. Wealth Management portfolio

In \$ '000	Notional amount with remaining life of			Total	Fair values	
	Less than 3 months	3 months to 1 year	More than 1 year		positive	negative
Financial assets held for trading						
Foreign currency forward contracts	546,161	94,890	36,973	678,024	9,313	--
Foreign currency options contracts	1,210	28,040	50,640	79,890	603	--
Interest rate swaps	1,709	--	88,250	89,959	847	--
Financial liabilities held for trading						
Foreign currency forward contracts	553,232	175,624	69,169	798,025	--	9,034
Foreign currency options contracts	1,210	28,040	50,640	79,890	--	603
Interest rate swaps	85,479	58,604	75,840	219,923	--	5,062
Total					10,764	14,699

8. INTANGIBLE ASSETS

Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate that the carrying value may be impaired.

During the six months period ended 30 June 2014, there are no indication that impairment may have occurred and, accordingly, goodwill will be tested for impairment at year-end.

9. TREASURY SHARES

At 30 June 2014, the Group owns 41,413 treasury shares for a total amount of USD 4.1 million. During the first half-year of 2014, the Group's direct or indirect subsidiaries acquired 1,200 additional treasury shares and sold 2,500 treasury shares for a net consideration of USD 151. The consideration received is included in equity.

10. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk, liquidity risk and operational risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's consolidated financial statements at 31 December 2013 (Note 28).

There have been no changes in the risk management policy and procedures since year-end or in any risk management policies.

Fair value estimation

At 30 June 2014, there were no significant changes in the business or economic circumstances that affect the determination of fair value of the group's financial assets and liabilities.

Fair value hierarchy

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and third party funds;

Level 2: inputs other than quoted prices included in the Level 1, that are observable for the assets or liability, either directly (that is, as prices) or indirectly (that is, as derived from prices). This level includes derivative contracts or equity instruments without active market and for which recent transactions occurred between market participants. The sources of input parameters like LIBOR yield curve or counterparty credit risk are Bloomberg and Reuters.

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This level includes debt instruments, equity instruments and third party funds with significant unobservable components.

At 30 June 2014, the Group is exposed to the fair value risk as follows:

in \$ '000	Carrying amount	Level 1	Level 2	Level 3
Financial assets held for trading				
Derivatives	5,511	--	5,511	--
Financial assets designated at fair value				
Debt securities	142,899	142,899	--	--
Equity, convertible and investment-related loans	261,492	3,695	30,912	226,885
Third party funds	636,253	5,869	1,296	629,088
Financial assets available for sale				
Debt and equity securities	483,831	483,436	395	--
Total assets	1,529,986	635,899	38,114	855,973
Financial liabilities at fair value through profit and loss				
Financial liabilities held for trading				
Derivatives	7,403	--	7,403	--
Total liabilities	7,403	--	7,403	--

Reconciliation of level 3 items at 30 June 2014:

In \$ '000	Equity, convertible and investment-related loans	Third party funds	Total assets level 3
At 1 January 2014	213,108	608,530	821,638
Profit or loss	430	22,593	23,023
Other comprehensive income	(328)	(173)	(501)
Additions	26,485	47,490	73,975
Disposals	(12,810)	(49,352)	(62,162)
Transfers in Level 3	--	--	--
Transfers out of Level 3	--	--	--
At 30 June 2014	226,885	629,088	855,973
Total gains for the period included in profit or loss for assets held at 30 June 2014	14,934	32,739	47,673

At 31 December 2013, the Group is exposed to the fair value risk as follows:

In \$ '000	Carrying amount	Level 1	Level 2	Level 3
Financial assets held for trading				
Derivatives	10,764	--	10,764	--
Financial assets designated at fair value				
Debt securities	250,208	250,208	--	--
Equity, convertible and investment-related loans	243,713	2,722	27,885	213,106
Convertible loans	--	--	--	--
Investment related loans	--	--	--	--
Third party funds	612,674	2,552	1,591	608,530
Financial assets available for sale				
Debt and equity securities	276,876	276,479	397	--
Total financial assets	1,394,235	531,961	40,637	821,637
Financial liabilities at fair value through profit and loss				
Financial liabilities held for trading				
Derivatives	14,699	--	14,699	--
Total financial liabilities	14,699	--	14,699	--

Reconciliation of level 3 items at 31 December 2013:

In \$ '000	Equity, convertible and investment-related loans	Third party funds	Total assets level 3
At 1 January 2013	168,808	536,173	704,981
Profit or loss	9,023	70,539	79,562
Other comprehensive income	1,415	631	2,046
Additions	52,670	88,412	141,081
Disposals	(17,907)	(91,948)	(109,855)
Transfers	--	--	--
Transfers in Level 3	9,301	10,477	26,779
Transfers out of Level 3	(10,201)	(5,753)	(22,955)
At 31 December 2013	213,108	608,530	821,638
Total gains for the year included in profit or loss for assets held at 31 December 2013	29,870	86,695	116,566

11. CONTINGENT LIABILITIES, COMMITMENTS AND ASSETS UNDER MANAGEMENT

There are no significant changes in contingent liabilities and commitments since those reported in the consolidated financial statements as at 31 December 2013.

As at 30 June 2014, total assets under management for the private equity amounts to approximately USD 4.6 billion (USD 4.5 billion as at 31 December 2013). As at 30 June 2014, total assets under management for the Wealth Management, including those under custody, amount to approximately USD 32.9 billion (USD 21.6 billion as at 31 December 2013).

12. RELATED PARTIES

The nature and extent of transactions with related parties have not changed significantly during the period and are consistent with the consolidated financial statements as at 31 December 2013.

13. EVENTS AFTER THE REPORTING PERIOD

Since 30 June 2014, no material event has occurred that could have significantly impacted the interim condensed consolidated financial statements.