F&C Private Equity Trust plc

Interim Report and Accounts

for the six months ended

30 June 2009

Company Summary

The Company
The Company was launched in March 1999 as part of the reorganisation of The Scottish Eastern Investment Trust plc with the objective of managing the private equity investments formerly held by The Scottish Eastern Investment Trust plc so as to realise those assets and return cash to Shareholders.

In August 2001, the Company was reorganised and Shareholders were given the opportunity to convert all or part of their existing ordinary shares into A shares (now renamed Restricted Voting shares) and B shares (now renamed Ordinary shares) as outlined below.

In August 2005, Shareholders approved a change of company name from Martin Currie Capital Return Trust plc to F&C Private Equity Trust plc and the Company issued 49,758,449 C shares following the acquisition of Discovery Trust plc and a subscription of £20 million by Friends Provident. The C shares subsequently converted into Ordinary shares.

Objective
The Ordinary shares objective is to achieve long term capital growth through investment in private equity assets.

The Restricted Voting shares objective is to manage the existing assets and to realise the value of those assets in a tax efficient manner and return capital to shareholders.

Management
The Board has appointed F&C Investment Business Limited as investment managers under a contract terminable by either party giving to the other not less than six months' notice.

Net assets as at 30 June 2009

£147.1 million

Shareholders' funds as at 30 June 2009

Ordinary shares £142.4 million
Restricted Voting shares £4.7 million

Market capitalisation as at 30 June 2009

Ordinary shares £66.0 million
Restricted Voting shares £4.3 million

Capital structure from September 2007

72,282,273 Ordinary shares of 1 pence; and

67,084,807 Restricted Voting shares of 1 pence.

Front cover: Ben Lui by Derek Sime

Contents

aic
The Association of Investment Companies

If you have sold or otherwise transferred all of your shares in F&C Private Equity Trust plc, please forward this document and the accompanying form of proxy as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was, or is being, effected, for delivery to the purchaser or transferee.

Financial Highlights for the six months ended 30 June 2009

- NAV total return for the six months of –10.8 per cent for the Ordinary shares;
- NAV total return for the six months of –5.4 per cent for the Restricted Voting shares;
- Share price total return for the six months of +20.9 per cent for the Ordinary shares;
- Share price total return for the six months of +5.4 per cent for the Restricted Voting shares;
- Net cash out-flow of £4.6 million.

Performance Summary

	As at 30 June 2009	As at 31 December 2008	% change
Net Asset Value			
Net assets (£'000)	**147,141**	165,571	–11.1
Net asset value per:			
Ordinary share (fully diluted)	**195.23p**	218.74p	–10.8
Restricted Voting share	**7.07p**	8.53p	–17.1
Market Price			
Ordinary share	**91.25p**	75.50p	+20.9
Restricted Voting share	**6.38p**	7.00p	–8.9
Discount:			
Ordinary share	**53.3%**	65.5%	
Restricted Voting share	**9.8%**	17.9%	
Income			
Revenue return after taxation (£'000)	**247**	748	
Revenue return per:			
Ordinary share (fully diluted)	**0.33p**	0.64p	
Restricted Voting share	**0.00p**	0.41p	
Dividend per:			
Ordinary share	**0.00p**	0.50p	
Restricted Voting share	**0.00p**	2.00p	
Gearing†	**16.2%**	14.7%	

	2009 Ordinary Shares	**2009 Restricted Voting Shares**
Portfolio Summary		
Shareholders' funds (£'000)	**142,400**	**4,741**
Future commitments (£'000)	**138,644**	**13**
Total Returns for the period*		
Net asset value (fully diluted)	**–10.8**	**–5.4**
Share price	**+20.9**	**+5.4**

* Total return is the combined effect of any dividends paid, together with the rise or fall in the net asset value or share price. Any dividends are assumed to have been re-invested in either the Company's assets or in additional shares.

† Borrowing less cash ÷ total assets

Chairman's Statement

David Simpson Chairman

At 30 June the Company's net asset value (''NAV'') was £147.1 million. This comprised £142.4 million for the ordinary share pool and £4.7 million for the restricted voting share pool. The NAV per ordinary share was 195.23 pence on a fully diluted basis (taking into account the warrants mentioned below) and the NAV per restricted voting share was 7.07 pence, decreases of 10.8 per cent and 17.1 per cent over the six months respectively. There was an adverse impact of currency over the half year equating to approximately 5.7 per cent for the ordinary share pool and 8.6 per cent for the restricted voting share pool.

The net debt of the ordinary share pool at 30 June was £29.1 million, giving gearing of 16.2 per cent. This has significantly reduced following the period end with realisations, notably Viking Moorings, reducing net debt to £18 million representing gearing of 10.9 per cent.

Earnings per ordinary share were 0.34 pence for the six months (2008 – 0.52 pence), and earnings per restricted voting share 0.0 pence (2008 – 0.42 pence). No interim dividends are proposed.

The Internal Rate of Return achieved from on the ordinary shares over the relevant five year calculation period was 15.4 per cent, and it is expected that 1,959,156 warrants will be issued under the terms of the Management Warrant Agreement dated 26 July 2001. These warrants will be capable of exercise at any time after 20 September 2009 at a warrant exercise price of 129.94 pence per ordinary share.

The most striking features of the first half of the year have been the impact of the recession on portfolio company valuations and the marked lack of new deal activity. This latter factor reflects the highly uncertain conditions which have prevailed throughout most of the period, as well as the continuing dearth of bank finance for the management buy-outs which are the principal method through which the great majority of our funds are invested. During the six months the net cash outflow, before secondary sales, was a relatively modest £4.6 million.

Following Robert Legget's retirement at the conclusion of the Annual General Meeting on 26 May 2009, I am pleased to report that Elizabeth Kennedy has been appointed as Chairman of the Audit Committee.

The Company has a well diversified portfolio which is largely focused on the mid market of European private equity and this appears to be helping the Company to weather the recession fairly well. The underlying companies are realistically valued and by comparison to the management buy-out sector as a whole are not excessively geared. Whilst there have been numerous reductions in value over the half year there are also examples of realisations where companies have been sold above the latest valuation, a feature which lends credence to portfolio valuation levels

The main challenge for the Company is a direct result of the banking sector's difficulties. The outstanding undrawn commitments of the Company, which are entirely within the ordinary share pool, stand at £139 million at 30 June. These commitments are to a wide range of funds and may be drawn down over the next five years.

The Company has historically funded drawdowns of commitments with the proceeds of realisations and we expect that this will continue. Where drawdowns exceed realisations bank borrowing has been used. We closely monitor the balance between commitments, likely drawdowns and immediately available cash and borrowings of the Company. We have over £20 million headroom available within our existing borrowing facility, which has over two years to run and is on attractive terms. On this basis we expect that the Company will be able to meet its outstanding commitments as they are drawn for the foreseeable future. However we are continuing to explore a number of options to provide longer term finance in light of changing market conditions. A key requirement is that the cost of capital is appropriate in relation to the returns which we can reasonably expect to achieve over the medium to long term.

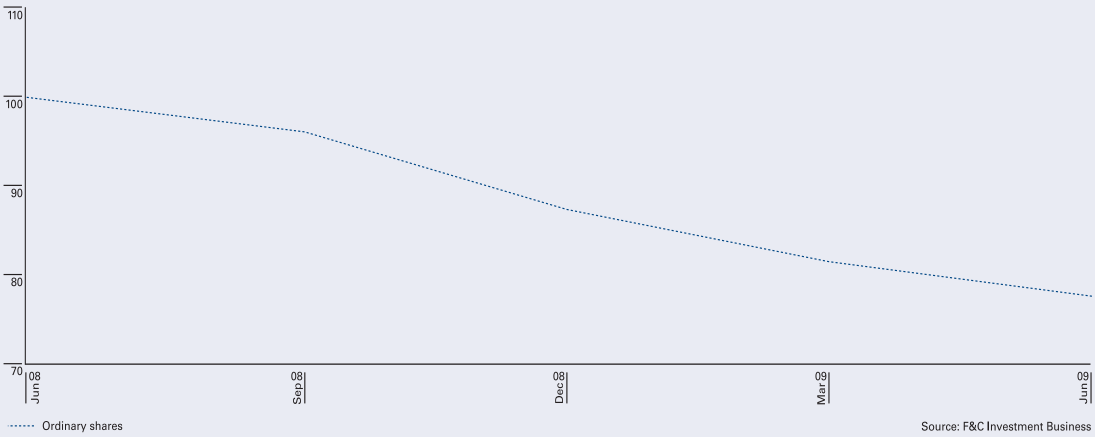
The Board has also asked the Manager to explore opportunities to realise positions in non-core assets where to do so would achieve a satisfactory balance between cash inflow, impact on asset value and commitments relieved. We are familiar with the secondary market but have so far used this route sparingly, but usefully, to help meet commitments whilst not greatly impacting asset value. The Board is satisfied that, given the inherent strength and maturity of the underlying portfolio, it remains reasonable to expect outstanding commitments to be substantially funded from realisations. The progress of the Company's portfolio and cash flows in the current year to date is entirely consistent with our expectations.

David Simpson
Chairman
25 August 2009

Ordinary Share Performance

For the 12 months to 30 June 2009

F&C Private Equity Trust Net Asset Value Total Return for the 12 months to 30 June 2009



Manager's Review

Introduction

Following several strong years for the private equity industry 2009 has so far witnessed a significant reversal. This reflects the recessionary economic background, which is challenging all sectors and geographies, and the acute impact of the difficulties in the banking sector. Bank borrowing is a key component in the business model of all buy-out funds. The absence of this and the accompanying uncertainty over future demand for products and services has led to a dramatic decrease in the number and magnitude of private equity deals. Whilst all companies face significant challenges, the impact of the recession is uneven. In these circumstances a well diversified portfolio assumes particular importance.

New Investments

The total of new investments completed during the first half was £9.6 million. In the UK, which accounts for nearly 40 per cent of the portfolio, there was very little new deal activity with drawdowns of only £1.9 million. The only significant new investment was made by Close Brothers Growth Capital which drew £0.45 million for investment in Armor Group, the largest independent IT services group based in Scotland. This company which has revenues of £30 million was formed from the merger of two businesses which were acquired from the French listed company Sword Group. Our funds focusing on continental Europe were relatively more active, accounting for nearly £6 million of drawdowns. These included a number of interesting new investments: AIG New Europe Fund invested £0.5 million for us in Sowiniec, a provider of roll-out services to the Polish retail sector; Mezzanine Management IV drew £0.4 million for investment in UK based healthcare company, Vanguard Healthcare, which operates a fleet of 36 mobile operating theatres and diagnostic vehicles; Gilde Buy-out Fund III called £0.4 million for investment in electricity company, Powerlines; Chequers Capital XV invested £0.5 million, mainly in Artois Sante, a group of medical laboratories in the Paris area; and Swedish fund Procuritas IV called £0.5 million for Dackia, a tire service station chain. In the US component of the portfolio drawdowns totalled £1.7 million and this was mainly for follow on investments in the Warburg Pincus funds' portfolios.

Realisations

Activity levels remained low throughout the half year. There were a small number of notable realisations, mainly in the UK element of the portfolio. Dunedin Buy-out Fund II sold aviation navigation company Fernau, achieving a 3x money multiple in little over one year and yielding £0.4 million for F&C Private Equity Trust. Inflexion 2003 Fund sold its healthcare information company, HKI, in two parts. The UK part was sold in April yielding £0.3 million and the Spanish part was sold in July after the period end yielding another £0.2 million. The total investment multiple was 2.7x and IRR was 24 per cent. The most influential realisation for the Company in recent years was also an Inflexion deal. After the period end our largest individual holding, the co-investment with Inflexion in Viking Moorings, was sold to HSBC Private Equity for an enterprise value of £170 million. This was not a total exit as we have rolled over part of the proceeds alongside Inflexion into the new deal; however, including the other positions held in the two other Inflexion funds, Inflexion 2003 and HFP, we have received total cash of £12.2 million. The exit price represented an investment multiple for our co-investment of 11x and an IRR of over 100 per cent. since the investment of £1 million was made in December 2005. The Viking sale was one of very few buy-out deals to have been completed in the UK so far this year. Viking, the market leader in oil rig moorings in the North Sea, has performed exceptionally under Inflexion's tenure, growing profits sevenfold.

In addition to realisations in the normal course of events we have taken the opportunity to reduce our large position in the Inflexion 2006 Fund. We sold, in a secondary transaction, £8 million of our £10 million commitment. This yielded £2.4 million in cash and reduced our outstanding commitments by £3.8 million. The price represented a 21 per cent. discount to NAV and the consequent adverse impact on our asset value was £0.65 million. This was an opportunistic means of boosting our cash resources at small cost to shareholders.

Valuations

Given the state of the stockmarket, which was extremely volatile albeit ending the period little changed, the deepening recession and significant adverse currency movements over the six months, it is unsurprising that many of the funds in our portfolio have recorded decreases in valuation. The adverse impact of the partial recovery in the level of Sterling was £10.0 million after taking into account the partial hedge which we have through most of our revolving credit facility being drawn in Euros. There were some notable uplifts. The Alchemy Special Opportunities Fund has performed well and our valuation was increased by £1.6 million. Our Viking Moorings Co-investment is valued at its exit valuation, adding £1.0 million. Aggregating all the underlying valuations of the portfolio companies indicates that the EV:EBITDA multiple of the portfolio is approximately 6x, which we believe is conservative compared with other similar funds. Considerable scrutiny has been applied to private equity valuations in recent months and as these are essentially interim estimates of value under certain reasonable circumstances taking into account the nature of the company, its sector and the unlisted nature of its securities, these contain an inevitable degree of subjectivity. The final proof of the efficacy of a valuation policy is the exit price paid by the next buyer. Our record in this regard has been good.

Outlook

We expect that there will be some pick up in activity in the second half of the year, but that 2009 will prove to be an exceptionally quiet period for the private equity sector internationally. There are some signs in the stockmarket of better confidence levels. This is not immediately apparent in the fundamental trading of the underlying companies in the portfolio, although the exceptionally negative outlook of earlier in 2009 has lifted somewhat. Many of our investment partners are both working hard on existing portfolio companies and searching for new and cheaper deals, but as private equity investment is illiquid and difficult to reverse, few will be pushing money to work without real visibility of future growth which they can acquire at a compellingly low price. For the buy-out sector to resume activity levels anywhere near the norm of recent years the bank finance issue requires resolution through increased lending to the private equity sector or by the banks' role being filled by new lenders.

Hamish Mair

25 August 2009

Portfolio Holdings

As at 30 June 2009

Investment	Geographic Focus	Total Valuation £'000	% of Total Portfolio	Ordinary Pool Valuation £'000	% of Ordinary Pool Portfolio	Restricted Voting Pool Valuation £'000	% of Restricted Voting Pool Portfolio
Buyout Funds – Pan European							
Argan Capital LP	Europe	4,641	2.6	4,641	2.7	–	0.0
Candover 2005	Europe	3,816	2.2	3,816	2.2	–	0.0
Stirling Square Capital Partners II	Europe	2,662	1.5	2,662	1.5	–	0.0
Montagu III	Europe	2,622	1.5	2,622	1.5	–	0.0
TDR Capital II C L.P.	N. Europe	2,399	1.4	2,399	1.4	–	0.0
Candover 2001	N. Europe	2,114	1.2	2,114	1.2	–	0.0
TDR Capital	N. Europe	1,330	0.8	1,330	0.8	–	0.0
Candover 2008	Europe	599	0.3	599	0.3	–	0.0
Candover 1997	N. Europe	212	0.1	78	0.0	134	3.2
Buyout Funds – Pan European		**20,395**	**11.5**	**20,261**	**11.7**	**134**	**3.2**
Buyout Funds – UK							
August Equity Partners I	UK	5,418	3.1	5,418	3.1	–	0.0
Penta F&C Co-Investment Fund L.P.	UK	5,232	3.0	5,232	3.0	–	0.0
Hickory Fund Partnership LP	UK	3,766	2.1	3,766	2.2	–	0.0
RJD Private Equity Fund II NPV	UK	3,735	2.1	3,735	2.2	–	0.0
August Equity Partners II	UK	3,244	1.8	3,244	1.9	–	0.0
Inflexion 2003 Buyout Fund LP	UK	2,776	1.6	2,776	1.6	–	0.0
Primary Capital III	UK	1,371	0.8	1,371	0.8	–	0.0
Piper Private Equity Fund IV	UK	1,189	0.7	1,189	0.7	–	0.0
Inflexion 2006 Buyout Fund LP	UK	769	0.4	769	0.4	–	0.0
Equity Harvest Fund	UK	715	0.4	715	0.4	–	0.0
Third Private Equity	UK	633	0.4	233	0.1	400	9.5
Primary Capital II	UK	560	0.3	560	0.3	–	0.0
Dunedin Buyout Fund II L.P.	UK	482	0.3	482	0.3	–	0.0
Enterprise Plus	UK	173	0.1	64	0.0	109	2.6
RL Private Equity	UK	122	0.1	122	0.1	–	0.0
Buyout Funds – UK		**30,185**	**17.0**	**29,676**	**17.2**	**509**	**12.0**
Buyout Funds – European Country/Region							
Ibersuizas Capital Fund II	Spain	2,914	1.6	2,914	1.7	–	0.0
DBAG Fund V International	Germany	2,663	1.5	2,663	1.5	–	0.0
Gilde Buy-Out Fund III GP	Benelux	2,609	1.5	2,609	1.5	–	0.0
Ciclad 4	France	2,297	1.3	2,297	1.3	–	0.0
Nmas1 Private Equity	Spain	1,724	1.0	1,724	1.0	–	0.0
Chequers Capital XV	France	1,632	0.9	1,632	0.9	–	0.0
AIG New Europe Fund II L.P.	Central & East Europe	1,428	0.8	1,428	0.8	–	0.0
Capvis Equity III L.P.	Europe	1,282	0.7	1,282	0.7	–	0.0
N+1 Capital Privado	Spain	1,271	0.7	1,271	0.7	–	0.0
Alto Capital II	Italy	835	0.5	835	0.5	–	0.0
Procuritas IV	Nordic	708	0.4	708	0.4	–	0.0
DBAG Fund IV	Germany	612	0.3	612	0.4	–	0.0
Herkules Private Equity III	Nordic	562	0.3	562	0.3	–	0.0
Chequers Capital	France	227	0.1	227	0.1	–	0.0
Ciclad 2	France	149	0.1	55	0.0	94	2.2
Buyout Funds – European Country/Region		**20,913**	**11.8**	**20,819**	**12.0**	**94**	**2.2**
Private Equity Funds – US							
Camden Partners Fund III	USA	2,856	1.6	2,856	1.7	–	0.0
RCP Fund II	USA	2,127	1.2	2,127	1.2	–	0.0
Blue Point Capital Partners II LP	USA	1,817	1.0	1,817	1.1	–	0.0
Camden Partners Fund IV	USA	1,406	0.8	1,406	0.8	–	0.0
Blue Point Capital	USA	732	0.4	732	0.4	–	0.0
Hicks, Muse, Tate & Furst Fund IV	USA	599	0.3	221	0.1	378	8.9
Private Equity Funds – US		**9,537**	**5.4**	**9,159**	**5.3**	**378**	**8.9**
Private Equity Funds – Global							
Warburg Pincus IX	Global	5,165	2.9	5,165	3.0	–	0.0
Warburg Pincus X	Global	2,301	1.3	2,301	1.3	–	0.0
Warburg Pincus VIII	Global	1,956	1.1	1,956	1.1	–	0.0
AIG Global Emerging Markets Fund II	Global	1,799	1.0	1,799	1.0	–	0.0
AIF Capital Asia III,L.P.	Asia	1,494	0.8	1,494	0.9	–	0.0
AIG Brazil Special Situations II L.P.	Brazil	514	0.3	514	0.3	–	0.0
Private Equity Funds – Global		**13,229**	**7.5**	**13,229**	**7.7**	**–**	**0.0**

Investment	Geographic Focus	Total Valuation £'000	% of Total Portfolio	Ordinary Pool Valuation £'000	% of Ordinary Pool Portfolio	Restricted Voting Pool Valuation £'000	% of Restricted Voting Pool Portfolio
Venture Capital Funds							
Life Sciences Partners III	Europe	2,687	1.5	2,687	1.6	–	0.0
SEP II	Europe	2,518	1.4	2,518	1.5	–	0.0
SEP III	Europe	2,369	1.3	2,369	1.4	–	0.0
Alta-Berkeley VI	Europe	2,066	1.2	2,066	1.2	–	0.0
Pentech Fund 1B Limited Partnership	Europe	962	0.5	962	0.6	–	0.0
Environmental Technologies Fund LP	UK	803	0.5	803	0.5	–	0.0
Albany Ventures III	Europe	380	0.2	380	0.2	–	0.0
Pentech Fund II L.P.	Europe	156	0.1	156	0.1	–	0.0
Scottish Equity Partnership	Europe	55	0.0	20	0.0	35	0.8
Alta-Berkeley III	Europe	24	0.0	24	0.0	–	0.0
Venture Capital Funds		**12,020**	**6.8**	**11,985**	**6.9**	**35**	**0.8**
Mezzanine Funds							
Mezzanine Management Fund IV A	Europe	5,346	3.0	5,346	3.1	–	0.0
Hutton Collins Capital Partners II	Europe	5,145	2.9	5,145	3.0	–	0.0
Accession Mezzanine II	Central & East Europe	4,431	2.5	4,431	2.6	–	0.0
International Mezzanine Investment NV	Europe	3,575	2.0	1,318	0.8	2,257	53.3
Close Brothers Growth Capital Fund IIB	UK	3,414	1.9	3,414	2.0	–	0.0
Alchemy Special Opportunities Fund L.P.	Europe	3,200	1.8	3,200	1.9	–	0.0
Accession Mezzanine	Central & East Europe	1,852	1.0	1,852	1.1	–	0.0
1818 Mezzanine Fund II	USA	1,509	0.9	1,509	0.9	–	0.0
1818 Mezzanine Fund	USA	1,267	0.7	467	0.3	800	18.9
Hutton Collins Mezzanine	Europe	967	0.5	967	0.6	–	0.0
Hutton Collins Capital Partners III	Europe	141	0.1	141	0.1	–	0.0
Mezzanine Funds		**30,847**	**17.5**	**27,790**	**16.1**	**3,057**	**72.3**
Direct – Quoted							
Candover Investments PLC	Europe	468	0.3	468	0.3	–	0.0
Transdigm Group		103	0.1	103	0.1	–	0.0
Arch Capital	USA	50	0.0	50	0.0	–	0.0
Live Nation	USA	40	0.0	15	0.0	25	0.6
Strathdon Investment	UK	30	0.0	30	0.0	–	0.0
Parkmead Group (formerly Interregnum)	UK	6	0.0	6	0.0	–	0.0
Direct – Quoted		**697**	**0.4**	**672**	**0.4**	**25**	**0.6**
Direct Investments/Co-investments							
Viking Moorings	Europe	10,630	6.0	10,630	6.2	–	0.0
SMD Hydrovision (Inflexion Co-Inv)	Global	4,000	2.3	4,000	2.3	–	0.0
ICS Co-Investment	UK	3,909	2.2	3,909	2.3	–	0.0
Stirling Square 3Si Co-Investment L.P.	USA	3,595	2.0	3,595	2.1	–	0.0
Lifeways	UK	3,463	2.0	3,463	2.0	–	0.0
Stirling Square Sicurglobal Co-Investment L.P.	Italy	3,407	1.9	3,407	2.0	–	0.0
Whittan Co-Investment (No 1) L.P.	Europe	2,973	1.7	2,973	1.7	–	0.0
Entec	UK	2,218	1.3	2,218	1.3	–	0.0
Blues Clothing Co-invest	UK	1,366	0.8	1,366	0.8	–	0.0
Bartec Capvis III Co-invest	Germany	1,278	0.7	1,278	0.7	–	0.0
Senturion/Translinc	UK	1,164	0.7	1,164	0.7	–	0.0
TDR Capital Algeco/Scotsman L.P.	Europe	980	0.6	980	0.6	–	0.0
European Boating Holidays	Europe	223	0.1	223	0.1	–	0.0
Equidebt Holdings	UK	–	0.0	–	0.0	–	0.0
Eurotel	UK	–	0.0	–	0.0	–	0.0
LMS Group Holdings	UK	–	0.0	–	0.0	–	0.0
Direct Investments/Co-investments		**39,206**	**22.1**	**39,206**	**22.7**	**–**	**0.0**
AIM Holdings		**43**	**0.0**	**43**	**0.0**	**–**	**0.0**
Total Portfolio		**177,072**	**100.0**	**172,840**	**100.0**	**4,232**	**100.0**

Condensed Income Statement

	Notes	Six months to 30 June 2009 (unaudited) Revenue £'000	Capital £'000	Total £'000	Six months to 30 June 2008 (unaudited) Revenue £'000	Capital £'000	Total £'000	Year to 31 December 2008 (audited) Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments		**–**	**(21,685)**	**(21,685)**	–	18,174	18,174	–	(2,825)	(2,825)
Currency gains/(losses)		**–**	**4,453**	**4,453**	–	19	19	–	(4,903)	(4,903)
Income	2	**979**	**–**	**979**	1,153	–	1,153	2,043	–	2,043
Investment management fee	3	**(169)**	**(506)**	**(675)**	(208)	(2,386)	(2,594)	(202)	216	14
Other expenses		**(339)**	**–**	**(339)**	(322)	–	(322)	(669)	–	(669)
Net return before finance costs and taxation		**471**	**(17,738)**	**(17,267)**	623	15,807	16,430	1,172	(7,512)	(6,340)
Interest payable		**(123)**	**(369)**	**(492)**	(15)	(45)	(60)	(159)	(477)	(636)
Return on ordinary activities before taxation		**348**	**(18,107)**	**(17,759)**	608	15,762	16,370	1,013	(7,989)	(6,976)
Taxation on ordinary activities		**(101)**	**101**	**–**	(184)	184	–	(265)	74	(191)
Return on ordinary activities after taxation		**247**	**(18,006)**	**(17,759)**	424	15,946	16,370	748	(7,915)	(7,167)
Return per Ordinary share – Basic	4	**0.34p**	**(24.48)p**	**(24.14)p**	0.52p	21.67p	22.19p	0.66p	(11.98)p	(11.32)p
Return per Ordinary share – Fully diluted	4	**0.33p**	**(23.84)p**	**(23.51)p**	0.50p	21.10p	21.60p	0.64p	(11.66)p	(11.02)p
Return per Restricted Voting share – Basic	4	**0.00p**	**(0.46)p**	**(0.46)p**	0.08p	0.42p	0.50p	0.41p	1.11p	1.52p

Amounts Recognised as Dividends in the Period

	Six months ended 30 June 2009 (unaudited) £'000	Six months ended 30 June 2008 (unaudited) £'000	Year ended 31 December 2008 (audited) £'000
Final Restricted Voting share dividend of 0.30p for year ended 31 December 2007	**–**	202	202
Final Ordinary share dividend of 0.85p for year ended 31 December 2007	**–**	615	615
Interim Ordinary share dividend of 0.50p for year ended 31 December 2008	**–**	–	361
Final Restricted Voting share dividend of 0.50p for year ended 31 December 2008	**336**	–	–
	336	817	1,178

On 27 June 2008 a Special Dividend of 1.00 pence per Restricted Voting share was paid. The total amount paid was £671,000.

On 8 June 2009 a Special Dividend of 0.50 pence per Restricted Voting share was paid. The amount paid was £335,000.

The above table does not form part of the Income Statement.

Condensed Balance Sheet

	Notes		As at 30 June 2009 (unaudited)		As at 30 June 2008 (unaudited)		As at 31 December 2008 (audited)
		£'000	£'000	£'000	£'000	£'000	£'000
Investments at market value							
Listed on recognised exchanges		**740**		2,951		1,329	
Unlisted		**176,332**		185,930		194,009	
			177,072		188,881		195,338
Current assets							
Debtors		**647**		1,157		740	
Cash at bank		**2,405**		3,426		4,436	
		3,052		4,583		5,176	
Creditors							
Amounts falling due within one year	5	**(32,983)**		(1,408)		(34,943)	
Net current (liabilities)/assets			**(29,931)**		3,175		(29,767)
Total assets less current liabilities			**147,141**		192,056		165,571
Creditors							
Amounts falling due after more than one year			**–**		(2,587)		–
Net assets			**147,141**		189,469		165,571
Capital and reserves							
Called-up share capital			**1,394**		1,394		1,394
Special distributable capital reserve			**15,679**		15,679		15,679
Special distributable revenue reserve			**37,357**		37,692		37,692
Capital redemption reserve			**664**		664		664
Capital reserve			**91,549**		133,416		109,555
Revenue reserve			**498**		624		587
			147,141		189,469		165,571
Net asset value per Ordinary share – Basic	6		**197.00p**		255.16p		221.15p
Net asset value per Ordinary share – Fully diluted	6		**195.23p**		251.86p		218.74p
Net asset value per Restricted Voting share – Basic	6		**7.07p**		7.50p		8.53p

Reconciliation of Movements in Shareholders' Funds

	Six months ended 30 June 2009 (unaudited)	Six months ended 30 June 2008 (unaudited)	Twelve months ended 31 December 2008 (audited)
	£'000	£'000	£'000
Opening equity shareholders' funds	**165,571**	198,908	198,908
Return on ordinary activities after taxation	**(17,759)**	16,370	(7,167)
Dividends paid	**(336)**	(817)	(1,178)
Return of capital paid	**–**	(24,321)	(24,321)
Special dividend paid	**(335)**	(671)	(671)
Closing equity shareholders' funds	**147,141**	189,469	165,571

Condensed Statement of Cash Flows

	Six months to 30 June 2009 (unaudited) £'000	Six months to 30 June 2008 (unaudited) £'000	Year to 31 December 2008 (audited) £'000
Net cash inflow/(outflow) from operating activities	**318**	(287)	220
Servicing of finance	**(473)**	(60)	(655)
Taxation	**90**	–	(134)
Capital expenditure and financial investments	**(3,423)**	23,741	(3,582)
Equity dividends paid	**(671)**	(25,809)	(26,170)
Financing	**1,800**	–	27,644
Decrease in cash	**(2,359)**	(2,415)	(2,677)

Reconciliation of net cash flow to movement in net funds

Decrease in cash in the year	**(2,359)**	(2,415)	(2,677)
Loans drawn down	**(1,800)**	–	(27,644)
Currency gains/(losses)	**4,453**	19	(4,903)
Movement in net funds in the year	**294**	(2,396)	(35,224)
Opening net (debt)/funds	**(29,402)**	5,822	5,822
Closing net (debt)/funds	**(29,108)**	3,426	(29,402)

Reconciliation of net return before finance costs and taxation to net cash flow from operating activities

Net return before finance costs and taxation	**(17,267)**	16,430	(6,340)
Losses/(gains) on investments	**21,685**	(18,174)	2,825
Currency (gains)/losses	**(4,453)**	(19)	4,903
Changes in working capital and other non-cash items	**353**	1,476	(1,168)
Net cash flow from operating activities	**318**	(287)	220

Notes to the Accounts

1 The unaudited interim results have been prepared in accordance with United Kingdom Generally Acceptable Accounting Practice and the accounting policies as set out in the statutory accounts of the Company for the year ended 31 December 2008.

2 The breakdown of income was as follows:

	Six months to 30 June 2009 £'000	Six months to 30 June 2008 £'000	Year to 31 December 2008 £'000
Income from investments			
Income – franked	–	–	85
Income – unfranked	979	1,153	1,958
	979	1,153	2,043

3 Investment management fee

	Six months ended 30 June 2009			Six months ended 30 June 2008			Year ended 31 December 2008		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	169	506	675	208	621	829	400	1,201	1,601
Incentive fee	–	–	–	–	1,765	1,765	–	(822)	(822)
Recoverable VAT	–	–	–	–	–	–	(198)	(595)	(793)
	169	506	675	208	2,386	2,594	202	(216)	(14)

As a result of the European Court of Justice decision that investment management fees payable by investment trusts are now, and never should have been, liable to valued added tax ('VAT'), the Company accounted for £793,000 of recoverable VAT in the year to 31 December 2008.

4 The basic return per share is based on a net return on ordinary activities after taxation of £(17,759,000) (30 June 2008 – £16,370,000; 31 December 2008 – £(6,976,000)) and on a weighted average of 67,084,807 Restricted Voting shares (30 June 2008 – 67,084,807; 31 December 2008 – 67,084,807) and 72,282,273 Ordinary shares (30 June 2008 – 72,282,273; 31 December 2008 – 72,282,273) in issue throughout the period.

The fully diluted return per Ordinary share is based on a net return on ordinary activities after taxation of £(17,759,000) (30 June 2008 – 16,370,000; 31 December 2008 – £(6,976,000)) and on a weighted average of 74,241,429 shares (30 June 2008 – 74,241,429; 31 December 2008 – 74,241,429) in issue during the period, allowing for the conversion of Ordinary warrants.

5 On 30 April 2007 the Company entered into a five year £40 million multi-currency revolving credit facility. £31,513,000 was drawn down at 30 June 2009 (30 June 2008 – nil; 31 December 2008 – £33,838,000).

6 Net Asset Value per share:

	As at 30 June 2009 £'000	As at 30 June 2009 £'000	As at 31 December 2008 £'000
Ordinary shares			
Net asset value per share – Basic	197.00p	255.16p	221.15p
Net asset value per share – Fully diluted	195.23p	251.86p	218.74p

	As at 30 June 2009 £'000	As at 30 June 2008 £'000	As at 31 December 2008 £'000
Restricted Voting shares			
Net asset value per share	7.07p	7.50p	8.53p

The net asset value per Restricted Voting share is based on net assets at the period end of £4,741,000 (30 June 2008 – £5,034,000; 31 December 2008 – £5,720,000) and on 67,084,807 (30 June 2008 – 67,084,807; 31 December 2008 – 67,084,807) shares, being the number of Restricted Voting shares in issue at the period end.

The basic net asset value per Ordinary share is based on net assets at the period end of £142,400,000 (30 June 2008 – £184,435,000; 31 December 2008 – £159,851,000) and on 72,282,273 (30 June 2008 – 72,282,273; 31 December 2008 – 72,282,273) shares, being the number of Ordinary shares in issue at the period end.

The fully diluted net asset value per Ordinary share is based on net assets at the period end of £142,400,000 (30 June 2008 – £184,435,000; 31 December 2008 – £159,851,000) and on 74,241,429 (30 June 2008 – 74,241,429; 31 December 2008 – 74,241,429) shares, being the number of Ordinary shares in issue at the period end after conversion of Ordinary warrants.

7 The financial information for the six months ended 30 June 2009 comprises non-statutory accounts within the meaning of Section 240 of the Companies Act 1985. The full audited accounts for the year ended 31 December 2008, on which the auditors issued an unqualified report, have been lodged with the Registrar of Companies.

8 As a result of the European Court of Justice decision that investment management fees payable by investment trusts are not, and should never have been, liable to value added tax ('VAT'), the Company expects to recover VAT of £456,000 in respect of management fees paid to Martin Currie Limited (the Company's previous investment manager) relating to the period between March 1999 and June 2005, which has been included within debtors as at 30 June 2009.

Independent Review Report to F&C Private Equity Trust plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 which comprises the Income Statement, Balance Sheet, Reconciliation of Movements in Shareholders' Funds, Summarised Statement of Cash Flows and the related notes I to 8. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in ISRE 2410 (UK and Ireland) ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'' issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

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

As disclosed in note I, the annual financial statements of the company are prepared in accordance with United Kingdom Generally Accepted Accounting Practice. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the Accounting Standards Board Statement ''Half Yearly Financial Reports''.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with the Accounting Standards Board Statement ''Half-Yearly Financial Reports'' and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Ernst & Young LLP
Edinburgh
28 August 2009

Principal Risks and Uncertainties

The Directors believe that the principal risks faced by the Company include investment and strategic, external, regulatory, operational, financial and funding risks. These risks, and the way in which they are managed, are described in more detail under the heading Principal Risks and Risk Management within the Business Review in the Company's Annual Report for the year ended 31 December 2008. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remaining six months of the Company's financial year.

Statement of Directors' Responsibilities in Respect of the Interim Report

We confirm that to the best of our knowledge:

- the condensed set of financial statements have been prepared in accordance with the Statement 'Half-Yearly Financial Reports' issued by the UK Accounting Standards Board and give a true and fair view of the assets, liabilities, financial position and return of the Company;
- the Chairman's Statement and Manager's Review (together constituting the Interim Management Report) include a fair review of the information required by the Disclosure and Transparency Rules ('DTR') 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the financial statements;
- the Statement of Principal Risks and Uncertainties shown above is a fair review of the information required by DTR 4.2.7R; and
- the condensed set of financial statements include a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the Company during the period, and any changes in the related party transactions described in the last Annual Report that could do so.

On behalf of the Board

David Simpson
Chairman

25 August 2009

MLG Edinburgh 2974

Corporate Information

Directors
David Simpson (Chairman)
Elizabeth Kennedy
Douglas Kinloch Anderson
John Rafferty
Mark Tennant

Manager and secretaries
F&C Investment Business Limited
80 George Street
Edinburgh EH2 3BU
Telephone 0207 628 8000

Registered Office:
80 George Street
Edinburgh EH2 3BU
Tel: 0207 628 8000
Fax: 0131 225 2375

Registrars and Transfer Office:
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
Telephone 0870 162 3100
website www.capitaregistrars.com

Auditors
Ernst & Young LLP
Ten George Street
Edinburgh EH2 2DZ

Bankers
The Northern Trust Company
50 Bank Street
Canary Wharf
London E14 5NT

The Royal Bank of Scotland plc
24–25 St Andrew Square
Edinburgh EH2 1AF

Association of Investment Companies (AIC)
AIC
9th Floor
24 Chiswell Street
London EC1Y 4YY
Telephone 020 7282 5555
website www.theaic.co.uk

F&C Private Equity Trust plc is a member of the AIC.