Annual Report 2010

ANNUAL REPORT

REPORT OF THE MANAGING BOARD

Introduction

The recovery in global output continued to gain traction in 2010 as the forward momentum became increasingly broadly based. With economic growth in the advanced economies of the United States and the euro area converging further towards their long-term growth trajectory, the huge outputs gaps that the Great Recession had left behind narrowed gradually. In the emerging markets, and especially the BRIC countries, the rapid expansion of demand led to a significant increase in commodity prices and caused rising concern about overheating and inflation in some countries. Despite this, there remained considerable doubts whether the global recovery had already become self-sustainable. Thus, fiscal policy in the major advanced economies remained largely expansionary. However, as debt levels continued to rise rapidly, worries about the solvency of some governments intensified, especially in the euro area where sovereign debt spreads widened substantially. Given the significant risk for systemically important financial institutions, the key central banks in the advanced economies kept their interest rates at record lows and left their quantitative easing policies in place. In searching for yield, investors' demand for riskier assets increased substantially, resulting in a further recovery in stock prices and record issuance in high-yield bonds. With high-yield corporate spreads narrowing progressively, the volume of private equity investments picked up appreciably, more than doubling compared with the previous year. Valuations also continued to recover markedly, further recouping losses incurred in the wake of the Great Recession.

The net life-to-date internal rate of return on the assets under management on behalf of AlpInvest two key sponsors, APG Algemene Pensioen Groep N.V. (hereafter referred to as 'APG') and PGGM N.V. (hereafter referred to as 'PGGM') improved substantially in 2010. The 2.7% uplift from 8.2% at the end of 2009 to 10.9% at the end of 2010 is a clear indicator of a substantial recovery in value and performance. The year 2010 ended with a year-to-date return in excess of 28% for the main investors combined.

The table below represents the development of the gross and net life-to-date internal rate of returns over the past seven years.

Over the course of the last 10 years, AlpInvest has become one of the largest private equity investors in the world. Since 1999, capital committed to AlpInvest has grown from €600m to €48bn as at December 31, 2010. This growth is a clear indication of the support we have received from our investors. It is also a reflection of the increasing importance of private equity in many developed economies and increasingly also in Asia.

The funds mandated to AlpInvest are managed by 108.3 FTE as at December 31, 2010 (December 31, 2009: 118.1), including 67 investment professionals, operating from offices in Amsterdam, New York, Hong Kong and London. AlpInvest has been ISAE 3402 (previously SAS-70) compliant now for eight years.

During 2010 AlpInvest was directly owned by APG and PGGM, two of the largest pension fund managers in the world, with approximately €237bn and €99.5bn in assets under management respectively as at December 31, 2010.

On January 26, 2011 The Carlyle Group and AlpInvest management agreed to acquire AlpInvest from APG and PGGM effective January 1, 2010. As part of the restructuring of their holdings, APG and PGGM signed substantial mandates to be committed over the next 4 to 5 years. Both intend to remain important investors with AlpInvest for the foreseeable future.

APG, PGGM and AlpInvest are signatories to the Principles for Responsible Investment, which were developed by a group of leading institutional investors in conjunction with the United Nations. Since 2009 we have been a member of the steering group guiding implementation for the private equity industry.

In 2009 AlpInvest for the first time published a detailed Annual Review, in reflection of our full support of the Walker initiative in the UK. The Annual Review covers in detail progress made in the area of corporate and social responsibility.

THE DEVELOPMENT OF THE GROSS LIFE TO DATE INTERNAL RETURNS OVER THE PAST SEVEN YEARS
as per December 31

End of year	2004	2005	2006	2007	2008	2009	2010
Gross IRR	6.3%	10.8%	13.5%	15.6%	9.2%	9.2%	11.7%
Net IRR	5.5%	10.1%	12.8%	14.8%	8.2%	8.2%	10.9%

REPORT OF THE MANAGING BOARD

New commitments

In 2010, PGGM awarded a mandate to AlpInvest amounting to €1,500m, to be invested in co-, fund and secondary investment opportunities. APG increased commitments to Cleantech, Co-investment and Secondary investment activities by €180m, €120m and €120m respectively.

On January 26, 2011 APG and PGGM committed an additional €10bn to be invested from 2011-2015. Including substantial uncommitted capital from previous mandates AlpInvest is well funded in all investment activities up to 2015.

The table below comprises all commitments received by the company to date, both cumulative and per annum.

Risks

AlpInvest regularly assesses and addresses financial risks, business risks, event-driven risks, information risks, and compliance risks. Relevant risks within each category have been defined and an assessment has been made of the likelihood of the risk occurring and the resulting impact if the risk event does occur. Control procedures have been put in place to mitigate these risks.

Adequate segregation of duties and independent review procedures are in place. AlpInvest's Policies and Procedures Manual defines control measures to assure integrity, reliability, availability, and continuity of data and data processing. Business operations are monitored through management reports and review procedures.

The management company has limited exposure to financial assets. Cash is typically held on short-term deposits with reputable banks and exposure to adverse movements in interest rates and foreign exchange rates is limited. With regards to the funding provided to the company's main operating subsidiaries, the foreign currency exposure is typically hedged. Funding is made available through our investors, being reputable pension funds that are regulated by the Dutch Central Bank and Dutch Authority for Financial Markets. Mandates between investors and AlpInvest are in place defining the minimum amounts that the investors commit to AlpInvest for investment purposes, subject to certain limitations, which are monitored through compliance procedures.

AlpInvest maintains a liquid position and has within the terms of the relevant mandates access to sufficient liquidity from its investors in order to fund its investments. Cash management control procedures include cash flow forecasting and monitoring of liquidity. Controls around, and associated risks in, the investment process are addressed in the ISAE 3402 Report that is audited by PricewaterhouseCoopers Accountants N.V.

ALPINVEST CUMULATIVE AND ANNUAL COMMITMENTS
(€m)

Cumulative commitments	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fund of funds	7,897	9,518	10,989	12,367	13,745	15,618	18,737	23,093	27,450	29,197	31,821	37,412
Secondary investments	–	254	519	690	706	1,530	2,132	2,732	3,857	4,891	5,311	7,957
Co-investments	811	811	811	1,149	1,562	2,015	2,615	3,695	4,800	5,875	6,331	7,783
Mezzanine investments	–	–	256	379	888	888	1,203	1,868	2,533	3,203	3,203	3,549
Direct investments	800	800	1,034	1,175	1,284	1,347	1,347	1,347	1,347	1,347	1,347	1,347
Total	**9,508**	**11,383**	**13,610**	**15,761**	**18,185**	**21,397**	**26,032**	**32,734**	**39,986**	**44,512**	**48,012**	**58,047**

Annual commitments	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fund of funds	1,621	1,471	1,378	1,378	1,873	3,118	4,357	4,357	1,747	2,624	5,591
Secondary investments	254	265	171	15	824	602	600	1,125	1,055	420	2,646
Co-investments	–	–	338	413	453	600	1,080	1,105	1,055	456	1,452
Mezzanine investments	–	256	123	508	–	315	665	665	670	–	346
Direct investments	–	234	141	109	63	–	–	–	–	–	–
Total	**1,875**	**2,227**	**2,151**	**2,424**	**3,213**	**4,635**	**6,702**	**7,252**	**4,527**	**3,500**	**10,035**

Operating Performance AlpInvest Partners N.V.

Revenues and Operating Result increased in 2010 due to an increase in management fees received from investors and due to an increase in performance fees.

In 2010 recruitment was kept at a low level before summer. After summer we selectively increased our hiring efforts. Staffing decreased by 9.8 FTE to 108.3 FTE as at fiscal year end 2010, which fell short of the planning set at the beginning of the year by 16.7 FTE. Currently we are revisiting business planning as part of the acquisition of AlpInvest by Carlyle and management, but only foresee limited changes in total FTE.

Changes in AlpInvest's governance structure

On July 1, 2011, the company changed its governance structuring, following the aforementioned acquisition of AlpInvest by The Carlyle Group and AlpInvest management. As per this date, the Supervisory Board was dissolved and consequently the Supervisory Board members Mr. O.W. van der Wyck (Chairman), Mrs. E.F. Bos, Mr. A.B.J. ten Damme and Mr. A. Nühn resigned from the Supervisory Board. Mr. R.G. Chambers had resigned from the Supervisory Board on June 7, 2010. The Managing Board would like to thank the Supervisory Board members for their valuable contribution to the company.

At the same date, Mr. D.A. D'Aniello and Mr. G. A. Youngkin, both members of the Managing Board of The Carlyle Group, joined the Managing Board of the company and Mr. W. Borgdorff and Mr. E.M.J. Thyssen resigned from the Managing Board.

The Supervisory Board met on four occasions in 2010 to discuss such matters as the 2010 business plans and the accompanying budget, the 2010 quarterly and full-year figures, investment performance reporting, the new mandates to be received from ABP and PFZW pertaining to the years 2009-2011 and beyond, and risk- and control-related topics. The Supervisory Board also met several times on an ad hoc basis to discuss the ongoing sale process of AlpInvest.

The Audit Committee met in 2010 on two occasions. At these meetings a discussion took place on the Annual Report 2009, the ISAE 3402 Report and the compliance reports as prepared by the Compliance Officer. Also, the Audit Committee discussed operational risk matters related to the Management Company, which included the Report on Risk Assessment of AlpInvest Partners N.V., and recommendations of the auditors as well as their functioning.

KEY FIGURES FOR 2010
(€m)

	2004	2005	2006	2007	2008	2009	2010	CAGR 2010/2004
Revenues	37	45	80	223	92	60	105	19.0%
Operating result before taxation	7	8	25	147	35	9	47	37.4%
Cumulative capital committed by AlpInvest	16.000	19.000	27.000	32.000	37.000	38.000	40.000	16.5%
Cumulative capital invested as at year end	11.000	14.000	18.000	23.000	27.000	29.000	32.000	19.5%
Average number of FTEs	97	102	102	103	115	121	113	2.6%

REPORT OF THE MANAGING BOARD

1. G.V.H. Doeksen, CEO
2. J.P. de Klerk, CFO /COO
3. D.A. D'Aniello
4. G.A. Youngkin

The Remuneration Committee had one meeting in 2010. Topics discussed included managing partners' appraisals, compensation, and objectives for the year. Towards the end of 2010 the Supervisory Board, awaiting final outcome of the AlpInvest sale process, approved the bonus pool for professionals below partner level. After signing of the sale agreement on January 26, 2011 bonuses for partners and up were confirmed by the new shareholders of AlpInvest in their capacity as beneficiaries to the 2010 result.

Outlook for 2011

With markets having returned to more normal levels of volatility and activity we maintain a positive outlook for all our investment activities. We expect AlpInvest to be able to capture attractive opportunities in an environment with normalized valuations, good availability of debt and upside in terms of growth potential. Shorter term, we think substantial opportunities will be available for AlpInvest for reasons of the ongoing restructuring of asset holdings in the financial sector. We expect the year 2011 to again develop favourably.

Proposed profit appropriation and dividend

We propose to allocate the profit to the other reserves and to pay out €66,000 from the other reserves as dividend to the shareholders.

The Managing Board

G.V.H. Doeksen
CEO

J.P. de Klerk
CFO/COO

D.A. D'Aniello

G.A. Youngkin

AlpInvest Partners N.V.
Jachthavenweg 118
1081 KJ Amsterdam
The Netherlands

Amsterdam, July 1, 2011

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

(before proposed profit appropriation)

€ thousands	December 31, 2010	December 31, 2009
ASSETS		
Fixed assets		
Tangible fixed assets[5.1]		
Other fixed assets	**988**	1,755
Financial fixed assets[5.2]		
Participation in group companies	**351**	404
	1,339	2,159
Current assets		
Accounts receivable		
Trade receivables	**234**	208
Receivables from related parties[5.3]	**5,024**	4,991
Tax and social security receivables	**17**	2,375
Tax receivables	**1,333**	6,234
Forward contracts[5.4]	**1,360**	–
Prepayments and accrued income[5.5]	**1,391**	1,293
	9,359	15,101
Cash and cash equivalents[5.6]		
Short-term deposits	**107,092**	36,533
Cash	**827**	42,866
	107,919	79,399
Total assets	**118,617**	96,659

The reference numbers relate to the notes which form an integral part of the financial statements.

CONSOLIDATED BALANCE SHEET

(before proposed profit appropriation)

€ thousands	December 31, 2010	December 31, 2009
LIABILITIES AND EQUITY		
Equity		
Group equity[5.7]	**76.429**	55,420
Share third parties[5.8]	**2,382**	2,029
Provisions		
Pensions and other long-term employee benefits[5.9]	**371**	(211)
Long-term liabilities		
Deferred compensation	**–**	6,972
Current liabilities		
Trade creditors	**467**	453
Liabilities to related parties	**–**	10
Tax and social security payables	**743**	116
Tax liabilities	**8.875**	3,373
Forward contracts[5.4]	**0**	568
Other short-term liabilities[5.10]	**29.350**	27,929
	39.435	32,449
Total liabilities and equity	**118,617**	96,659

The reference numbers relate to the notes which form an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENT

€ thousands	2010	2009
Revenue[6.1]	104,824	60,368
Total operating income	104,824	60,368
Personnel expenses[6.2]	44,408	37,183
Social security expenses[6.2]	1,340	1,308
Depreciation[6.3]	1,080	853
Other administrative expenses[6.4]	12,123	11,341
Management fee	1,620	1,629
Total operating expenses	60,571	52,314
Operating profit/(loss)	44,253	8,054
Interest and other financial income[6.5]	3,007	1,138
Interest and other financial expense[6.6]	(342)	(485)
Total financial income and expense	2,665	653
Result before taxation	46,918	8,707
Corporate income tax[6.7]	(12,372)	(4,609)
Net result after tax	34,546	4,098
Share third parties[6.8]	(11,271)	(1,420)
Net result after tax	23,275	2,678

The reference numbers relate to the notes which form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

€ thousands	2010	2009
Cash flow from operating activities		
Net result after tax	**23,275**	2,678
Adjustments:		
Depreciation	**1,080**	848
Result on disposals	**–**	5
Financial fixed assets	**(44)**	(247)
Share third parties	**11,271**	1,420
Pension provision	**(884)**	1,681
Deferred compensation	**2,300**	2,116
Result outstanding forward contracts	**(1,929)**	1,065
Currency differences	**364**	(192)
	12,158	6,696
Movements in working capital, long-term liabilities and provisions:		
Receivables	**7,102**	6,315
Current liabilities	**12,618**	2,150
Deferred compensation	**(14,336)**	(908)
Pension provision	**1,467**	(4,205)
	6,851	3,352
Net cash from operating activities	**42,284**	12,726
Cash flow from investing activities		
Additions to/investments in:		
Tangible fixed assets	**(265)**	(482)
Financial fixed assets	**(27)**	(13)
Proceeds from/divestments of:		
Financial fixed assets	**124**	32
Net cash used in investing activities	**(168)**	(463)
Cash flow from financing activities		
Dividends paid to shareholders	**(2,678)**	
Dividends paid to third parties	**(10,918)**	(1,241)
Net cash used in financing activities	**(13,596)**	(1,241)
Net cash flow	**28,520**	11,022
Net increase/(decrease) in cash	**28,520**	11,022

Movements in cash and cash equivalents can be broken down as follows:	2010	2009
Balance on January 1	**79,399**	68,377
Movements during the year	**28,520**	11,022
Balance on December 31	**107,919**	79,399

1 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 General

Unless indicated otherwise, the notes refer to both the consolidated and company financial statements.

1.2 Operations

AlpInvest Partners N.V. (the 'Company') was incorporated on February 1, 2000 as NIB Capital Private Equity N.V. The company primarily engages in private equity investment management and financing services, and invests, directly and indirectly, in private equity related instruments on behalf of its clients. This includes participating interests in private equity funds and other such strategic alliances that invest in private equity (both listed and unlisted), as well as public and private participations and interests in, and management of, companies of whatever nature, financing of third parties and performance of such activities as are related or conducive to those listed above.

The statutory seat of the company is at Jachthavenweg 118, 1081 KJ Amsterdam, The Netherlands.

1.3 Group structure

As from April 5, 2004, Stichting Pensioenfonds ABP and Stichting Pensioenfonds Zorg en Welzijn each owned 50% of the shares in the company. On February 29, 2008 Stichting Pensioenfonds ABP transferred its shares to APG Algemene Pensioen Groep N.V. ('APG'). On November 5, 2008 Stichting Pensioenfonds Zorg en Welzijn transferred its shares to PGGM N.V. ("PGGM").

Refer to Subsequent events (page 33) for structure changes subsequent to December 31, 2010.

1.4 Consolidation

The consolidated financial statements comprise of the financial data of AlpInvest Partners N.V. and all Group companies in which AlpInvest Partners N.V. exercises a controlling influence on management and financial policy. These companies are consolidated in full. The investment entities of which the Company or one of its subsidiaries is the General Partner are not consolidated.

Intercompany transactions, profits and balances among group companies are eliminated, unless these results are realised through transactions with third parties. Unrealised losses on intercompany transactions are eliminated as well, unless such a loss qualifies as impairment.

Since the Company income statement is included in the consolidated financial statements, an abridged income statement has been disclosed (in the company financial statements) in accordance with Section 402, Book 2, of The Netherlands Civil Code.

Reference is made to section 8.3 of these statements for an overview of Group companies.

1.5 Related parties

As per December 31, 2010, APG and PGGM as well as Stichting Pensioenfonds ABP and Stichting Pensioenfonds Zorg en Welzijn are considered related parties.

The investment entities managed by the Company or any of its Group companies, as well as its Directors are also considered related parties.

Related party transactions included in the financial statements consist of:

- A participating interest in AlpInvest Partners Later Stage Co-Investments II C.V. by Betacom XLII B.V. The participating interest in AlpInvest Partners Primary Fund Investments 2009 C.V. was disposed of in 2010 (paragraph 5.2 and paragraph 8.3);
- Revenue in the form of management fee and carried interest income and related receivables (paragraph 5.3 and paragraph 6.1);
- Short term loans from the Company to the investment entities managed by the Company or any of its Group companies and related interest income (paragraph 5.3 and paragraph 6.5);
- Recharge of certain cost/revenue paid respectively invoiced by the Company or any of its Group companies on behalf of the investment entities (paragraph 5.5 and paragraph 5.10).
- Third party interests in Group companies of which (former) employees, among which Directors of the Company, are the ultimate beneficial owners (paragraph 5.8 and paragraph 6.8).

The relevant amounts are disclosed in the indicated paragraphs of the notes to the financial statements.

1.6 Notes to the cash flow statement

The cash flow statement is prepared based on the indirect method. Cash recognised in the cash flow statement consists of cash and cash equivalents. Cash flows in foreign currencies are translated at the average exchange rate. Interest paid and received, dividend received and corporate income tax are included in cash flow from operating activities.

1.7 Estimates

In applying the accounting policies and guidelines for preparing the financial statements, management applies several estimates and judgments that might be essential for the amounts disclosed in the financial statements. If necessary for the purposes of providing appropriate insight as required under Section 362(1), Book 2, of The Netherlands Civil Code, the nature of estimates and judgments, including the related assumptions, are disclosed in the notes to the financial statement items in question.

2 ACCOUNTING POLICIES FOR THE BALANCE SHEET

2.1 General
The consolidated financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of The Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in The Netherlands as issued by the Dutch Accounting Standards Board. The financial statements are denominated in Euros.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or fair value. If not specifically stated otherwise, they are recognized at the amounts at which they were acquired or incurred. The balance sheet, income statement and cash flow statement include references to the notes.

2.2 Comparison with the previous year
The accounting policies used are consistent with the previous year, except for the policy for pension costs and obligations. Reference is made to paragraph 2.12 where the new accounting policies are stated and paragraph 5.9 where the effects of the change to the financial statements are shown.

2.3 Tangible fixed assets
Tangible fixed assets are stated at historical cost plus additional direct expense or manufacturing price less straight-line depreciation based on estimated useful life. Any impairment at the balance sheet date is taken into account. For details on how to determine whether tangible fixed assets are impaired, please refer to paragraph 2.5.

2.4 Financial fixed assets
Majority and other participating interests that enable the Company to exert significant influence are carried at net asset value.

Net asset value is calculated using the policies applied in these financial statements. If the net asset value of a participating interest is negative, the participating interest is carried at this negative value. In this case, if the participant can be held accountable for the debts of the participating interest, a provision is formed.

Participating interests in which the Company does not exert significant influence are carried at fair market value. The fair market value is determined quarterly, based on the International Private Equity and Venture Capital Valuation Guidelines. Any increase or decrease in the carrying value of an investment is charged to the income statement in the year to which it relates. The results for exits are determined by the difference between sales proceeds and the carrying value of the investments prior to the sale.

2.5 Impairment of non-current assets
At each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. An asset is subject to impairment if its carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the net realizable value and the value in use.

2.6 Receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

2.7 FX forward-contracts
In accordance with RJ 290, FX forward-contracts are recognized in the balance sheet at the difference between the spot rate as at the balance sheet date and the contracted forward rate. The change in value is recognized through the income statement.

2.8 Cash and cash equivalents
Cash represents cash in hand, bank balances and deposits with a maturity of less than 12 months. Negative balances at banks in one currency are netted with positive balances in other currencies. Cash and cash equivalents are stated at face value.

2.9 Shareholders' equity
Shareholders' equity is made up of share capital, reserve for currency exchange differences, legal reserve, other reserves and result for the year. The share capital recognised in the balance sheet has been issued and fully paid up. The other reserves consist of the accumulated results realised in previous years.

2.10 Share third parties
Third party interests in group equity are stated at the amount of the net interest in the Group companies concerned.

2.11 Liabilities
Liabilities are stated at the amounts at which they were incurred. Liabilities are subsequently stated at amortised cost, being the amount incurred taking account of any premium or discount, less transaction costs.

2 ACCOUNTING POLICIES FOR THE BALANCE SHEET

2.12 Pension obligations

Dutch pension plans

AlpInvest Partners N.V. operates a number of pension plans. The characteristics of the main plan (open to new employees) are:

- The basis for the defined benefit scheme is final pay;
- The salary in the defined benefit scheme is capped;
- Above the cap the pension scheme becomes defined contribution;
- Pensions and deferred pension rights of former employees can be increased yearly with a percentage to be determined by the employer;
- The pensions have been insured with an outside insurance company.

The conditions of the Dutch Pension Act are applicable to all pensions of AlpInvest Partners N.V. AlpInvest Partners N.V. pays premiums based on contractual requirements to the insurance company. Premiums are recognised as personnel costs when they are due. Prepaid contributions are recognised as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not been paid yet are represented as liabilities.

There are no other existing obligations (other than premiums to be paid) to the insurance company or employees that need to be recognized. No other assets need to be recognized.

The required pension provision is valued at its best estimate. As all obligations fall due within one year the obligation is not discounted. Additions to and withdrawals from the pension provision are taken to the profit and loss account.

Foreign pension plans

All pension plans operated outside The Netherlands are defined contribution plans.

Jubilee Benefits

The provision for jubilee benefits is formed for expected benefits payable to current employees.

2.13 Long-term liabilities

Long-term liabilities are initially recognised at fair value, net of transaction costs incurred. Long-term liabilities are subsequently stated at amortised cost, being the amount received or incurred taking account of any premium or discount, less transaction costs.

2.14 Foreign currencies

Functional currency

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The consolidated financial statements are presented in euros, which is the functional and presentation currency of AlpInvest Partners N.V.

Transactions, receivables and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Translation differences on non-monetary assets are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates).

Group companies

Assets and liabilities of consolidated subsidiaries with a functional currency different from the presentation currency are translated at the rate of exchange prevailing at the balance sheet date; income and expense are translated at average exchange rates during the financial year. Any resulting exchange differences are taken directly to the legal reserve for translation differences within equity.

3 ACCOUNTING POLICIES FOR THE CONSOLIDATED INCOME STATEMENT

3.1 General

Profit represents the difference between income from investment management services and operating expenses and other charges for the year.

3.2 Revenue

Revenue mainly comprises management fee and carried interest income. Most of the management fees are based on the lower of cost or fair market value of investments under management, except for new mandates (<2 years) where management fees are based on investor commitment. Carried interest fees are recognized as income if and when it is certain that the conditions applicable for earning such fees have been fully met, and the investors have received back their full investment, all expenses and a minimum contractual return. Income is allocated to the period to which it relates.

3.3 Operating expenses

Expenses are allocated to the period to which they relate.

3.4 Personnel expenses

Short-term employee benefits

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

Pensions

AlpInvest Partners N.V. has applied the liability method for pension plans. The premiums payable for the financial year are charged to the result. Changes in the pension provision are also charged to the result. The amount in the pension provision is the best estimate of the unfunded obligations as at balance sheet date.

Foreign pension plans comparable to the Dutch pension system are also accounted for using the liability method.

3.5 Depreciation charges

Fixed assets are depreciated based on cost plus additional direct expense or manufacturing price. Assets are depreciated according to the straight-line method based on the estimated useful life.

3.6 Taxes

Dutch fiscal practice rules determine domestic corporation tax, taking into account allowable deductions, charges and exemptions.

AlpInvest Partners N.V. forms a fiscal unity for corporate income tax with some of its wholly owned subsidiaries.

3.7 Foreign currencies

Income and expenditure denominated in foreign currencies are translated at the rates of exchange prevailing on the transaction date. Exchange differences due to exchange rate fluctuations between the transaction date and the settlement date or balance sheet date are taken to the income statement.

3.8 Financial income and expense

Interest paid and received

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned.

4 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

4.1 Currency risk

AlpInvest Partners N.V. mainly operates in the European Union and the United States. The currency risk for AlpInvest Partners N.V. largely concerns future expenses in US dollars. On the basis of a risk analysis, the Management Board of the Company has decided to hedge a large part of the US dollar exposure for 2011 related USD expenses. For this purpose forward exchange contracts have been entered into prior to the start of the year 2011.

AlpInvest Partners N.V. also incurs currency risk on the net investments in its foreign subsidiaries.

4.2 Interest rate risk

AlpInvest Partners N.V. incurs market risk in respect of the renewal of fixed-interest deposits. No financial derivatives for interest rate risk are contracted with regards to these deposits.

4.3 Credit risk

The investor base of AlpInvest Partners N.V. is highly concentrated. However, the credit risk is considered to be very limited given the high level of creditworthiness of these parties.

The deposits of AlpInvest Partners N.V. as at December 31, 2010 were held with one credit institution with a rating of A-1 for short-term credits and A for long-term credits (S&P rating).

4.4 Liquidity risk

The Company has sufficient funds at its disposal in the form of short-term deposits and cash.

5 NOTES TO THE CONSOLIDATED BALANCE SHEET

5.1 Tangible fixed assets

Tangible fixed assets	Computers and software	Furniture office and other equipment	Leasehold improvements	Total
Balance on January 1, 2010				
Cost	5,760	1,590	3,029	10,379
Accumulated impairment and depreciation	(5,247)	(1,089)	(2,288)	(8,624)
Book value	**513**	**501**	**741**	**1,755**
Movements in 2010				
Additions	245	19	–	264
Disposals	(24)	(71)	–	(95)
FX Differences on cost and additions	23	39	142	204
Depreciation	(357)	(220)	(502)	(1,079)
Accumulated depreciation on disposals	24	71	–	95
FX Differences on depreciation	(20)	(31)	(105)	(156)
	(109)	**(193)**	**(465)**	**(767)**
Balance on December 31, 2010				
Cost	6,004	1,577	3,171	10,752
Accumulated impairment and depreciation	(5,600)	(1,269)	(2,895)	(9,764)
Book value	**404**	**308**	**276**	**988**

Tangible fixed assets are depreciated over a period ranging from three to five years.

5.2 Financial fixed assets

	Participating interest
Balance on January 1, 2010	
Book value	**404**
Movements in 2010	
Investments	27
Disposals	(124)
Income from participating interests	44
	(53)
Balance on December 31, 2010	
Book value	**351**

This amount represents a participation in AlpInvest Partners Later Stage Co-Investments II C.V. which is accounted for at fair value. The participation in AlpInvest Partners Primary Fund Investments 2009 C.V. was disposed of in 2010. For a list of all companies in which AlpInvest Partners N.V. has interests, see paragraph 8.3 in the Company accounts.

5 NOTES TO THE CONSOLIDATED BALANCE SHEET

5.3 Receivables from related parties

	December 31, 2010	December 31, 2009
Related party		
Stichting Pensioenfonds ABP	**2,609**	1,845
Stichting Pensioenfonds Zorg en Welzijn	**2,115**	1,548
	4,724	3,393
Investment entities	**300**	1,598
Total	**5,024**	4,991

All receivables fall due in less than one year. The fair value of the receivables approximates the book value.

5.4 Forward contracts

In 2009 and 2010 AlpInvest Partners N.V. economically hedged a large part of its 2010 and 2011 and some of its 2012 funding requirements in US dollars by buying US dollar forward. At December 31, 2010 forward contracts for a total amount of $34,650 (2009: $38,825) were outstanding. The delivery dates of the US dollars have been set to match the US dollar cash outflows between January 2011 and January 2012. The difference between the total value in Euro of the remaining outstanding forward agreements at the spot rate (€25,828 (2009: €27,061)) and the total value in Euro at the forward rate (€24,468 (2009: €27,629)) amounted to €1,360 on December 31, 2010 (2009: (€568)). These amounts have been recognised in the income statement.

5.5 Prepayments and accrued income

	December 31, 2010	December 31, 2009
Prepaid rent	**261**	60
Accrued interest	**17**	5
Prepaid management fee	**132**	132
Amounts prepaid for related parties	**112**	270
Other receivables and prepaid items	**869**	826
Total	**1,391**	1,293

All receivables fall due in less than one year. The fair value of the receivables approximates the book value.

5.6 Cash and cash equivalents

Cash and deposits are at the Company's free disposal, except for an amount of €411, which serves as collateral for a letter of credit issued as security for rental payments.

5.7 Group equity

See notes to the Company balance sheet.

The amount of total eligible funds net of deductions and limits as reported on a consolidated basis to De Nederlandsche Bank in accordance with the Financial Supervision Act ('Wet op het Financieel Toezicht') equals the total amount of Shareholders' equity plus the Share third parties as reported minus a deduction for deferred taxes receivable.

5.8 Share third parties

	2010	2009
Balance on January 1	**2,029**	1,850
Movements in the year:		
Share in net profit	**11,271**	1,420
Dividend paid to third parties	**(10,918)**	(1,241)
Balance on December 31	**2,382**	2,029

Third parties are entities whose ultimate beneficial owners are Directors and (former) employees of the Company.

5.9 Provisions for pensions and other long-term employee benefits

AlpInvest Partners N.V. has several pension plans in effect which are partly defined benefit and partly defined contribution plans.

The following amounts had been included in the consolidated balance sheet as per December 31, 2009 in respect of the defined benefit part of the plans and other long term employee benefits:

	December 31, 2009
Present value existing pension rights (Defined Benefit Obligations)	27,656
Market value investments	(24,545)
Funded status	**3,111**
Unrecognized transition cost	(3,768)
Actuarial gains/(losses)	664
Total net obligation for pensions and other long-term employee benefits	**7**

From 2010 onwards, the Company applies the new accounting policy as laid down in RJ 271.

	2009 restated	2009
Total net obligation for pensions	315	(83)
Total net obligation for other long-term employee benefits	90	90
Receivable from insurance company	(616)	–
Provision restated	**(211)**	**7**
Other reserves	218	–
Total	**7**	**7**

Due to the change in the RJ271 accounting standard the obligation for pensions as per December 31, 2009 was restated from (€83) to €315 and the other reserves in the equity increased by €218 and the receivables by €616.

According to the new RJ 271 accounting standard, the Company has to account for the pension contribution in the current year as an expense in the income statement. In addition, known liabilities as per the balance sheet date have to be accounted for. The amount on the balance sheet as per January 1, 2010 for pensions of €315 represents the liability relating to the increases in salaries as per January 1, 2010 which had been communicated to employees at or before December 31, 2009. The balance on December 31, 2010 represents €160 in respect of the increases in salaries as per January 1, 2011 and €114 in respect of administration costs. The liability relating to the increases in salary have been determined by an independent actuary. These amounts become due and payable on January 1 of the next year and are therefore not discounted but accounted for at the nominal value.

Provision for pensions

	Provision for jubilee	Provision for pension obligations	Total
Balance on January 1, 2010	**90**	**(301)**	**(211)**
Cost in income statement (incl. administration cost)	7	1,460	1,467
Provision for unfunded pension benefits	-	160	160
Amounts paid to the insurance company in respect of the defined benefit scheme	-	(1,045)	(1,045)
Balance on December 31, 2010	**97**	**274**	**371**

Of the provisions, €97 qualifies as long term (i.e. in effect for more than one year).

The Company has a guaranteed insurance contract. The assets of the scheme have been allocated 70% to bonds and 30% to equities and are managed by the applicable insurance company. Pensions and deferred pension rights of former employees can be increased yearly with a percentage to be determined by the employer. As at December 31, 2010 there were no outstanding obligations to finance any increases.

5 NOTES TO THE CONSOLIDATED BALANCE SHEET

For the valuation of the jubilee provision the following actuarial assumptions have been used:

	2010	2009
Discount rate year-end	**5.60%**	5.20%
General increase in salaries	**2.00%**	2.00%

5.10 Other liabilities

	December 31, 2010	December 31, 2009
Personnel related items	**17,951**	11,874
Deferred compensation	**9,070**	14,069
Holiday leave provision	**534**	549
Accrued expenses	**1,366**	1,003
Rent	**245**	264
Directors' fee payable to related parties	**184**	170
Total	**29,350**	27,929

All current liabilities fall due in less than one year.

5.11 Off-balance sheet commitments and contingencies

Multi-year financial obligations

Rental obligations amount to €3,630 per annum (2009: €2,637). The leases expire on different dates between July 31, 2012 and March 10, 2018. A letter of credit for a maximum amount of $550 was issued in favour of the landlord of one of the office spaces, which expires ultimately on March 31, 2016.

The monthly obligations for car leases amount to €17 (2009: €17). These contracts have an average remaining life of 24 months (2009: 22 months). The aggregate liability resulting from these contracts amounts to €462.

The monthly obligations for copiers amount to €13 (2009: €10). The contracts have an average remaining life of 40 months (2009: 32 months).

The monthly obligation for Bloomberg terminals amount to €6 (2009: €6). The contracts, which expire in 2012, will be automatically renewed for a period of two years.

The monthly obligation for an ICT service contract amounts to €40 (2009: €40). The contract expires December 31, 2011, but can be ended at any time during that period taken into account a notice period of 3 months.

Guarantees

There are no outstanding guarantees on behalf of the Company.

Liability as general partner

Reference is made to paragraph 8.3.

Tax group liability

The Company forms an income tax group with a small number of Group companies. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the Group.

Capital requirements

Total capital requirements for (counterparty) credit risks calculated by the Standardised Approach amount to €2,172 as at December 31, 2010 (2009: €1,746) and can be specified as follows:

Credit and counterparty credit risks by risk weights

Risk weight	Exposure value	Risk weighted exposure amount	Capital requirement
0%	13,839	–	–
20%	112,643	22,529	1,802
100%	4,627	4,627	370
Total	**131,109**	**27,156**	**2,172**

6 NOTES TO THE CONSOLIDATED INCOME STATEMENT

6.1 Revenue

Revenue mainly consists of management fees and carried interest income derived from investors in The Netherlands.

	2010	2009
Related parties		
Stichting Pensioenfonds ABP	**49,087**	36,207
Stichting Pensioenfonds Zorg en Welzijn	**32,189**	21,884
APG Algemene Pensioen Groep N.V.	**19,170**	–
PGGM Vermogensbeheer B.V.	**1,807**	-
	102,253	58,091
Other	**2,571**	2,277
Total	**104,824**	60,368

6.2 Personnel expenses and social security expenses

	2010	2009
Salaries and wages	**38,952**	32,566
Pension charges	**2,478**	2,347
Other personnel expenses	**2,978**	2,270
Total personnel expenses	**44,408**	37,183
Social security expenses	**1,340**	1,308
Total personnel expenses and social security expenses	**45,748**	38,491

6.3 Depreciation

	2010	2009
Tangible fixed assets	**1,080**	848
Result on disposal of assets	–	5
Total	**1,080**	853

6.4 Other administrative expenses

	2010	2009
Rent and office related expenses	**2,836**	2,815
ICT and communication expenses	**1,956**	1,940
Travel and related expenses	**1,689**	1,247
Audit of the financial statements*	**163**	161
Other audit procedures*	**270**	160
Tax services from audit firms*	**76**	193
Other advisory services	**2,187**	1,910
Other expenses	**2,946**	2,915
Total	**12,123**	11,341

* The fees from audit firms listed above relate to procedures applied to the Company and its consolidated group entities by accounting firms and external auditors as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act (Dutch Acronym: Wta), as well as by Dutch and foreign-based accounting firms, including their tax services and advisory groups. These amounts relate to services rendered by PricewaterhouseCoopers Accountants N.V. and other PricewaterhouseCoopers network firms.

6.5 Interest and other financial income

	2010	2009
Related parties	**29**	463
Other	**528**	433
Result forward contracts	**2,450**	–
Currency results	**–**	242
Total	**3,007**	1,138

6 NOTES TO THE CONSOLIDATED INCOME STATEMENT

6.6 Interest and other financial expense

	2010	2009
Interest expense	(152)	(47)
Result forward contracts	–	(438)
Currency results	(190)	–
Total	**(342)**	(485)

6.7 Corporate income tax

The total tax charge for the year amounts to €12,372 (2009: €4,609), which to a large extent is related to Dutch fiscal entities and the US subsidiary. The overall effective tax rate in 2010 is 26.4% (2009: 52.9%). The statutory tax rate in The Netherlands is 25.5% (2009: 25.5%). The difference between the effective tax rate and the statutory tax rate is in 2010 mainly due to the different statutory rates for AlpInvest Partners Inc, AlpInvest Partners Ltd and AlpInvest Partners UK Limited.

6.8 Share third parties

	2010	2009
Share third parties	**(11,271)**	**(1,420)**

This amount represents the share in the profit of holders of Certificates of Shares other than the Company ('Third parties') in some of the entities that are part of the consolidation (see paragraph 8.3). Third parties are entities whose ultimate beneficial owners are Directors and (former) employees of the Company and its subsidiaries.

7 SUPPLEMENTARY INFORMATION CONSOLIDATED FINANCIAL STATEMENTS

7.1 Employees

	2010	2009
Average number of FTE	113	121
Of which outside The Netherlands	45	49

COMPANY FINANCIAL STATEMENTS

COMPANY BALANCE SHEET

(before proposed profit appropriation)

€ thousands	December 31, 2010	December 31, 2009
ASSETS		
Fixed assets		
Tangible fixed assets[8.2]		
Other fixed assets	**652**	941
Financial fixed assets[8.3]		
Participation in group companies	**12,799**	9,317
	13,451	10,258
Current assets		
Accounts receivable		
Receivables from Group companies	**27**	794
Receivables from related parties	**2**	1,598
Trade receivables	**227**	202
Tax and social security receivables	**–**	2,359
Tax receivable	**–**	3,877
Forward contracts[8.4]	**1,360**	–
Prepayments and accrued income[8.5]	**1,024**	1,071
	2,640	9,901
Cash and cash equivalents[8.6]		
Short-term deposits	**102,786**	35,089
Cash	**8**	41,180
	102,794	76,269
Total assets	**118,885**	96,428

The reference numbers relate to the notes which form an integral part of the financial statements.

COMPANY BALANCE SHEET

(before proposed profit appropriation)

€ thousands	December 31, 2010	December 31, 2009
LIABILITIES AND EQUITY		
Shareholders' equity[8.7]		
Share capital	**4,000**	4,000
Reserve for currency exchange differences	**542**	128
Legal reserve	**153**	90
Other reserves	**48,459**	48,524
Profit for the year	**23,275**	2,678
Total shareholders' equity	**76,429**	55,420
Provisions		
Pensions and other long-term employee benefits	**371**	(211)
Long-term liabilities		
Deferred compensation	**–**	6,972
Current liabilities		
Liabilities to group companies	**17,579**	9,946
Liabilities to related parties	**–**	10
Trade creditors	**344**	396
Tax and social security payables	**620**	88
Tax liabilities	**3,974**	2,030
Forward contracts[8.4]	**–**	568
Other short-term liabilities[8.8]	**19,568**	21,209
	42,085	34,247
Total liabilities and equity	**118,885**	96,428

The reference numbers relate to the notes which form an integral part of the financial statements.

COMPANY INCOME STATEMENT

€ thousands	2010	2009
Income from participating interests after tax	**9,852**	3,956
Other results after tax	**13,423**	(1,278)
Net profit	**23,275**	2,678

The reference numbers relate to the notes which form an integral part of the financial statements.

8 NOTES TO THE COMPANY BALANCE SHEET

8.1 General

The Company financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of The Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in The Netherlands as issued by the Dutch Accounting Standards Board.

The accounting policies for the Company financial statements and the consolidated financial statements are the same. For the accounting policies for the Company balance sheet and income statement, reference is made to the notes to the consolidated balance sheet and income statement in chapters 2 and 3.

Group companies are stated at net asset value in accordance with paragraph 2.4 to the consolidated financial statements.

8.2 Tangible fixed assets

Tangible fixed assets	Computers and software	Furniture office and other equipment	Leasehold improvements	Total
Balance on January 1, 2010				
Cost	5,398	923	860	7,181
Accumulated depreciation	(4,939)	(605)	(696)	(6,240)
Book value	**459**	**318**	**164**	**941**
Movements in 2010				
Additions	229	19	-	248
Disposals	(24)	(71)	-	(95)
Depreciation	(337)	(131)	(69)	(537)
Accumulated depreciation on disposals	24	71	-	95
	(108)	**(112)**	**(69)**	**(289)**
Balance on December 31, 2010				
Cost	5,603	871	860	7,334
Accumulated depreciation	(5,252)	(665)	(765)	(6,682)
Book value	**351**	**206**	**95**	**652**

Tangible fixed assets are depreciated over a period ranging from three to five years.

8.3 Financial fixed assets

	Group companies and participating interest
Balance on January 1, 2010	
Book value	**9,317**
Movements in 2010	
Investments	18
Disposals	–
FX-translation participating interests	412
Income from participating interests	9,852
Dividend paid	(6,800)
	3,482
Balance on December 31, 2010	
Book value	**12,799**

8 NOTES TO THE COMPANY BALANCE SHEET

As at December 31, 2010, AlpInvest Partners N.V. had interests in the following companies:

Name of company	Registered office	% ownership	Core Activities
AlpInvest Partners Holding Inc.	New York	100	Advisory and management services
AlpInvest Partners Inc.	New York	100 through AlpInvest Partners Holding Inc	Advisory and management services
AlpInvest Partners Inc.	Hong Kong	100	Advisory and management services
AlpInvest Partners UK Ltd.	London	100	Advisory and management services
AlpInvest Partners Later Stage Co-Investments Custodian II B.V.	Amsterdam	100	Acts as custodian of AlpInvest Partners Later Stage Co-Investments II C.V.
AlpInvest Partners Later Stage Co-Investments Custodian IIA B.V.	Amsterdam	100	Acts as custodian of AlpInvest Partners Later Stage Co-Investments IIA C.V.
AlpInvest Partners Fund of Funds Custodian IIA B.V.	Amsterdam	100	Acts as custodian of AlpInvest Partners Fund of Funds IIA C.V.
Alpinvest Private Equity Partners B.V.**	Amsterdam	100	Acts as general partner of AlpInvest Private Equity Fund C.V. and does everything in connection therewith or ancillary thereto.
Betacom XLII B.V.	Amsterdam	100	Provides risk bearing capital in any form, such as equity, or convertible loans to existing and new enterprises.
AlpInvest Partners Later Stage Co-Investments II C.V.	Amsterdam	0.99 through Betacom XLII B.V.	Acts as limited partner of AlpInvest Partners Later Stage Co-Investments II C.V.
Betacom XLV B.V.**	Amsterdam	100	Enters into and acts as general partner of limited partnerships which aim at making investments and acting as limited partner in limited partnerships
Betacom Beheer 2004 B.V.**	Amsterdam	100	Manages limited partnerships.
AlpInvest Partners Direct Investments B.V.**	Amsterdam	40.90*	Holding company
AlpInvest Partners Co-Investments B.V.**	Amsterdam	56.22*	Holding company
AlpInvest Partners Direct Secondary Investments B.V.	Amsterdam	56.93*	Acts as advisor and intermediary of investors in relation to the investment in funds in general, and in particular in relation to making investments and divestments in private equity funds.
AlpInvest Partners Fund Investments B.V.**	Amsterdam	64.27*	Acts as advisor and intermediary of investors in relation to the investment in funds in general, and in particular in relation to the making of investments and divestments in private equity funds.
AlpInvest Partners Later Stage Co-Investments Management II B.V.**	Amsterdam	45.90*	Acts as general partner of AlpInvest Partners Later Stage Co-Investments II C.V.
AlpInvest Partners Later Stage Co-Investments Management IIA B.V.**	Amsterdam	100*	Acts as general partner of AlpInvest Partners Later Stage Co-Investments IIA C.V. and holding and financing company.
AlpInvest Partners Fund of Funds Management IIA B.V.**	Amsterdam	100*	Acts as general partner of AlpInvest Partners Fund of Funds IIA C.V., holding and financing company.
AlpInvest Partners European Mezzanine Investments B.V.	Amsterdam	100*	Makes mezzanine investments and performs all direct and indirect activities in connection therewith.

Name of company	Registered office	% ownership	Core Activities
AlpInvest Partners US Mezzanine Investments B.V.**	Amsterdam	62.90*	Makes investments in general and in particular investments and divestments in mezzanine funds, and everything ancillary thereto.
AlpInvest Partners Direct Investments 2003 B.V.**	Amsterdam	0*	Holding and financing company.
AlpInvest Partners Fund Investments 2003 B.V.**	Amsterdam	28.76*	Acts as advisor and intermediary of investors and in relation to the investment in funds in general and especially in relation to making investments in private equity funds.
AlpInvest Partners 2003 B.V.**	Amsterdam	28.76*	Holding and financing company
AlpInvest Partners Mezzanine Investments 2005/2006 B.V.	Amsterdam	100*	Invests funds, including making investments and divestments in mezzanine funds and everything directly or indirectly related, as well as provides financial (advisory) services.
AlpInvest Partners Fund Investments 2006 B.V.**	Amsterdam	100*	Acts as general partner of one or more limited partnership(s).
AlpInvest Partners 2006 B.V.**	Amsterdam	100*	Holding and financing company.
AlpInvest Partners 2009 B.V.**	Amsterdam	100	Acts as general partner of one or more limited partnership(s).
AlpInvest Partners Fund Investments 2009 B.V.**	Amsterdam	100	Acts as general partner of one or more limited partnership(s).
AlpInvest Partners Beheer 2006 B.V.**	Amsterdam	100	Incorporates, participates in (in any form), manages, supervises and/or finances enterprises, companies and partnerships.
AlpInvest Beheer 2006 Ltd.**	Cayman Islands	100 through AlpInvest Partners Beheer 2006 B.V.	Acts as general partner of AlpInvest Partners Beheer 2006 LP
AlpInvest Partners Mezzanine Investments 2007/2009 B.V.**	Amsterdam	100*	Holding and financing company.
AlpInvest Partners Clean Technology Investments 2007-2009 B.V.**	Amsterdam	100*	Acts as general partner of one or more limited partnerships and holding companies.
AlpInvest Partners Clean Technology Investments 2010-2011 B.V.	Amsterdam	100	Acts as general partner of one or more limited partnerships and holding companies
AlpInvest Partners 2008 B.V.**	Amsterdam	100*	Holding and participation company
Oeral Investments B.V.	Zeist	100	Holding company
AP Private Equity Investments I B.V.	Amsterdam	100 through Oeral Investments B.V.	Management and financing services
AP Private Equity Investments III B.V.	Amsterdam	100 through Oeral Investments B.V.	Management and financing services
AP Private Equity Investments IV B.V.	Amsterdam	100 through Oeral Investments B.V.	Management and financing services

* AlpInvest Partners N.V. controls and consolidates all these entities as it holds one priority share in each of the entities. Stichting Admininistratie Kantoor AlpInvest Partners holds 100% of the ordinary shares in these entities. AlpInvest Partners N.V. holds the indicated percentage of the certificates issued by Stichting Admininistratie Kantoor AlpInvest Partners.

** These companies act as General Partner of CV's and hence are liable for the debts of these CV's to the extent of the BV's own equity.

AP Private Equity Investments II B.V. was dissolved as of December 15, 2010.
The interest in AlpInvest Partners Primary Fund Investments 2009 C.V. was transferred in 2010.

8 NOTES TO THE COMPANY BALANCE SHEET

8.4 Forward contracts

In 2009 and 2010 AlpInvest Partners N.V. economically hedged a large part of its 2010 and 2011 and some of its 2012 funding requirements in US dollars by buying US dollar forward. At December 31, 2010 forward contracts for a total amount of $34,650 (2009: $38,825) were outstanding. The delivery dates of the US dollars have been set to match the US dollar cash outflows between January 2011 and January 2012. The difference between the total value in Euro of the remaining outstanding forward agreements at the spot rate (€25,828 (2009: €27,061)) and the total value in Euro at the forward rate (€24,468 (2009: €27,629)) amounted to €1,360 on December 31, 2010 (2009: €568)). These amounts have been recognised in the income statement.

8.5 Prepayments and accrued income

	December 31, 2010	December 31, 2009
Prepaid rent	199	–
Accrued interest	11	2
Prepaid management fee	132	132
Amounts prepaid for related parties	86	245
Other receivables and prepaid items	596	692
Total	**1,024**	1,071

8.6 Cash and cash equivalents

Cash and deposits are at the Company's free disposal.

8.7 Shareholders' equity

Share capital

The Company's authorized capital at year-end 2010 was €20,000,000 divided into 20,000 ordinary shares of €1,000 each. Issued share capital totals €4,000,000, consisting of 4,000 ordinary shares with a nominal value of €1,000 each. The issued shares are fully paid. (All figures in this paragraph are to the nearest Euro).

Reserve for currency exchange differences

	2010	2009
Balance on January 1	128	303
Movements in the year	414	(175)
Balance on December 31	542	128

This reserve relates to the revaluation of AlpInvest Partners Holding Inc, AlpInvest Partners Inc., AlpInvest Partners Ltd and AlpInvest Partners UK Ltd.

Legal reserve

	2010	2009
Balance on January 1	90	–
Released to/added from other reserves	62	90
Balance on December 31	153	90

This reserve relates to the positive difference of fair value less cost price of a participation in AlpInvest Partners Later Stage Co-Investments II C.V. which is accounted for at fair market value.

Other reserves

	2010	2009
Balance on January 1	48,524	38,508
Profit previous year	2,678	9,888
Dividend paid out	(2,678)	–
Addition due to changes in accounting policy RJ271	–	218
Released from/(moved to) legal reserve	65	(90)
Balance on December 31	48,459	48,524

8.8 Other liabilities

	December 31, 2010	December 31, 2009
Personnel related items	**18,112**	20,139
Accrued expenses	**1,272**	900
Directors' fee payable to related parties	**184**	170
Total	**19,568**	21,209

8.9 Off-balance sheet commitments and contingencies

Multi-year financial obligations

Rental obligations amount to €958 per annum (2009: €958 per annum).

The monthly obligations for car leases amount to €17 (2009: €17). These contracts have an average remaining life of 24 months (2009: 22 months).

The monthly obligations for copiers amount to €11 (2009: €8). The contracts have an average remaining life of 54 months (2009: 41 months).

The monthly obligation for Bloomberg terminals amounts to €1.7 (2009: €1.6). The contracts, which expire in 2012, will be automatically renewed for a period of 2 years.

The monthly obligation for an ICT service contract amounts to €40 (2009: €40). The contract expires December 31, 2011, but can be ended at any time during that period taken into account a notice period of 3 months.

Guarantees

There are no outstanding guarantees on behalf of the Company.

Capital requirements

Total capital requirements for (counterparty) credit risks calculated by the Standardised Approach amount to €2,932 (2009: €2,329) as at December 31, 2010 and can be specified as follows.

Credit and counterparty credit risks by risk weights

Risk weight	Exposure value	Risk weighted exposure amount	Capital requirement
0%	4,952	–	–
20%	102,821	20,564	1,645
100%	16,082	16,082	1,287
Total	**123,855**	**36,646**	**2,932**

9 SUPPLEMENTARY INFORMATION COMPANY FINANCIAL STATEMENTS

9.1 Remuneration of Directors

The remuneration of Directors of the Company included in the income statement amount to the following:

	2010	2009
Personnel expenses		
Salaries and wages	**2,477**	2,460
Bonuses	**3,900**	2,410
Deferred compensation	**–**	734
Pension charges	**495**	481
Other personnel expenses and social charges	**172**	195
Total	**7,044**	6,280

The outstanding provision for the deferred compensation scheme as at December 31, 2010 is included in the balance sheet under current liabilities and the allocation is recognized in the income statement under personnel expenses.

Over time the Managing Board has been receiving Certificates of Shares in connection with and reflecting profit sharing rights related to investment mandates received by AlpInvest. These profit rights will fall due to the individuals only if and when the qualifying profits (carried interest fees) have been earned by AlpInvest (and/or its subsidiaries). Carried interest fees are recognized as income if and when it is certain that the conditions applicable for earning such fees have been fully met and the investors have received back their full investment, all expenses and a minimum contractual return. Equity value accumulated due to carried interest distributions to which the Managing Board is entitled amounted to €5,723*(2009: €591).

AlpInvest senior management has agreed to commit, on a going forward basis, an aggregate amount for investment alongside APG and PGGM which as a minimum requirement will be calculated (or determined) to be the greater of:

- i) 10%-30% of carried interest distributed to each member of AlpInvest Management during the preceding calendar year and;
- ii) 10%-50% of the annual discretionary bonus awards made to each member of AlpInvest Management during the preceding calendar year.

The higher end of the scale will be applicable to Managing Partners and each amount is net of taxes.

The remuneration for Supervisory Board members amounted to €270 in 2010 (2009: €270).

* This is the Director's part of 'Share third parties' as presented in paragraph 5.8 to the consolidated balance sheet and paragraph 6.8 to the consolidated income statement. Total 'Share third parties' amounted to €11,271 (2009: €1,420).

The Managing Board

G.V.H. Doeksen
CEO

J.P. de Klerk
CFO/COO

D.A. D'Aniello

G.A. Youngkin

AlpInvest Partners N.V.
Jachthavenweg 118
1081 KJ Amsterdam
The Netherlands

Amsterdam, July 1, 2011

OTHER INFORMATION

Provisions of the Articles of Association governing profit appropriation

Article 38 of the Articles of Association stipulates that the annual profit shall be at the Annual General Meeting of Shareholders' free disposal.

Proposed profit appropriation

The Managing Board proposes to allocate the profit to the other reserves. This proposal has not been recognised in the financial statements.

Subsequent events

On January 26, 2011 APG and PGGM signed an agreement to sell the shares of AlpInvest Partners N.V. The shares were transferred on July 1, 2011 to AP B.V., a company ultimately owned by The Carlyle Group and AlpInvest Managing Partners.

On July 1, 2011 the legal form of the company was changed through an amendment of the articles of association from an N.V. (`Naamloze Vennootschap') to a B.V. (`Besloten Vennootschap').

On July 1, 2011, the company also changed its governance structure, following the aforementioned acquisition of AlpInvest by The Carlyle Group and AlpInvest management. As per this date, the Supervisory Board was dissolved and consequently the Supervisory Board members Mr. O.W. van der Wyck (Chairman), Mrs. E.F. Bos, Mr. A.B.J. ten Damme and Mr. A. Nühn resigned from the Supervisory Board. Mr. R.G. Chambers had resigned from the Supervisory Board on June 7, 2010. The Managing Board would like to thank the Supervisory Board members for their valuable contribution to the company.

At the same date, Mr. D.A. D'Aniello and Mr. G. A. Youngkin, both members of the Managing Board of The Carlyle Group, joined the Managing Board of the company and Mr. W. Borgdorff and Mr. E.M.J. Thyssen resigned from the Managing Board.

On July 4 ,2011 an amount of €66,000 was paid out from the other reserves as dividend to the shareholders. This payment has not been recognised in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To: the General Meeting of Shareholders of AlpInvest Partners B.V.

Report on the financial statements

We have audited the accompanying financial statements 2010 as set out on pages 7 to 32 of AlpInvest Partners N.V., Amsterdam, which comprise the consolidated and company balance sheet as at 31 December, 2010, the consolidated and company income statement for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the Report of the Managing Board, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, Management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements 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 financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of AlpInvest Partners N.V. as at 31 December, 2010, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

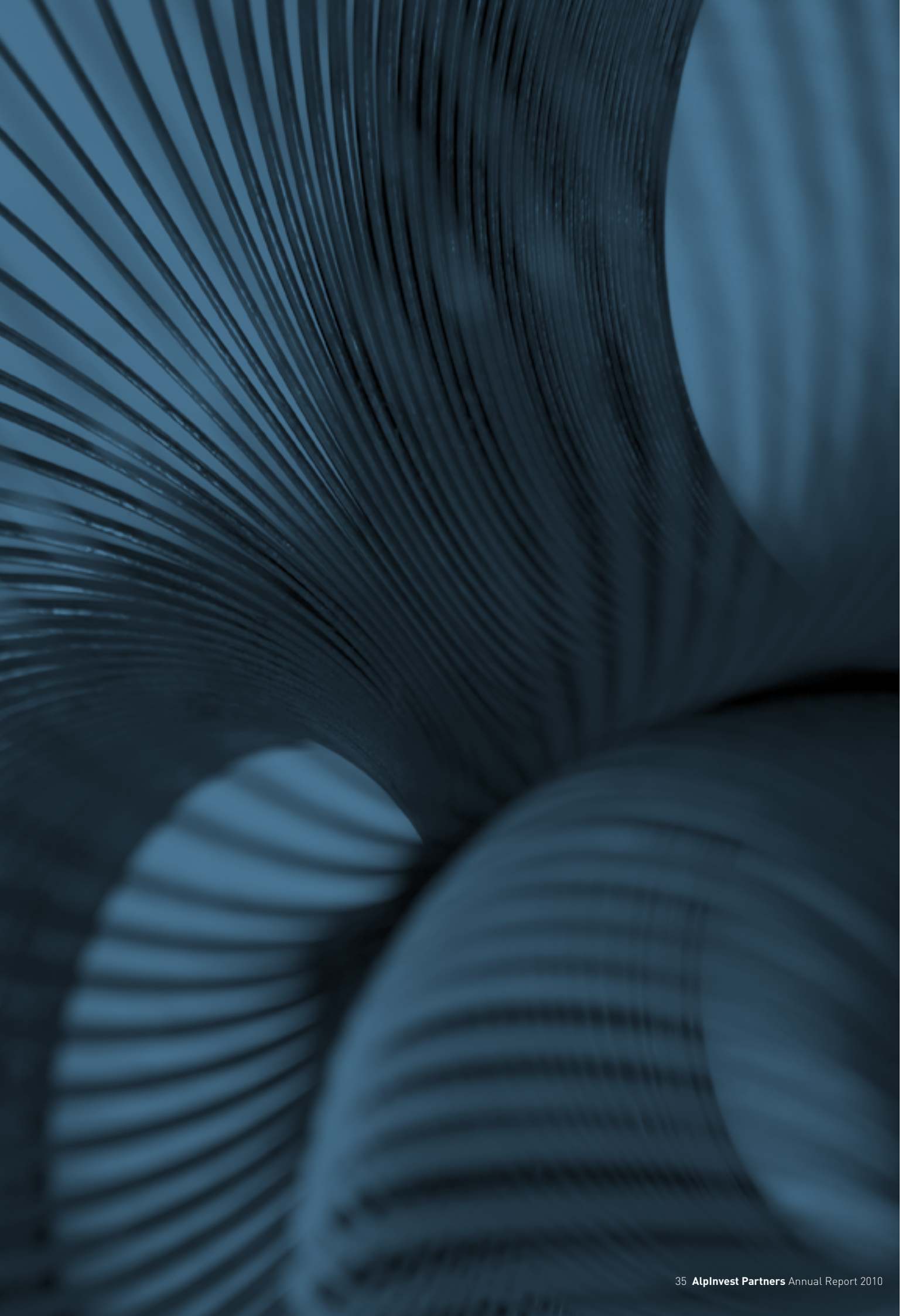
Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Report of the Managing Board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the Report of the Managing Board, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Amsterdam, July 12, 2011

PricewaterhouseCoopers Accountants N.V.

Originally signed by G.J. Heuvelink RA



AMSTERDAM
AlpInvest Partners N.V.
Jachthavenweg 118
1081 KJ Amsterdam
The Netherlands

Phone: +31 20 540 7575
Fax: +31 20 540 7500

NEW YORK
AlpInvest Partners Inc.
630 Fifth Avenue, 28th Floor
New York, N.Y. 10111
U.S.A.

Phone: +1 212 332 6240
Fax: +1 212 332 6241

HONG KONG
AlpInvest Partners Ltd.
701 Citibank Tower
3 Garden Road
Hong Kong
China

Phone: +852 2878 7099
Fax: +852 2878 7009

LONDON
AlpInvest Partners UK Ltd.
13 Charles II Street
London, SW1Y 4QU
England

Phone: +44 20 7747 5100
Fax: +44 20 7747 5101