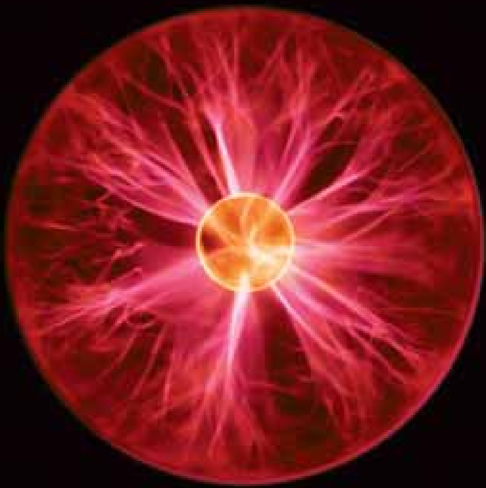
OAKLEY CAPITAL INVESTMENTS LIMITED
INTERIM REPORT AND ACCOUNTS
30 JUNE 2012



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CHAIRMAN'S STATEMENT

I am pleased to report a period of secure progress in the six months to 30 June 2012. The portfolio companies of Oakley Capital Private Equity L.P. (the "Limited Partnership") continued to perform well, showing good earnings growth. The Limited Partnership made follow-on investments in four portfolio companies: Time Out America LLC ("Time Out New York"), Time Out Group Limited ("Time Out London"), Emesa B.V. ("Emesa") and Broadstone Pensions and Investments Limited ("Broadstone").

PERFORMANCE

Net asset value per share as at 30 June 2012 was £1.74, an increase of 2% from the position at 31 December 2011. Of the £4.5 million increase in the six month period from 31 December 2011, £0.6 million arose from the revaluation of the Company's investment in the Limited Partnership. In addition, there was a net increase of £0.6 million in loans made by the Company, either to the Limited Partnership or directly to portfolio companies, interest receivable from the Company's lending activities increased by £1.7 million, and cash and cash equivalents increased by £1.6 million. Compared to the same period last year, net asset value per share has fallen by 3%.

Of the total net asset value at 30 June 2012 of £223.4 million, £113.2 million represents investments made by the Company into the Limited Partnership and £33.2 million as investments made directly to the Limited Partnership's portfolio companies in the form of mezzanine finance and senior loan notes. Cash and cash equivalents accounted for £72.2 million of the balance. Other assets amount to £4.8 million.

The Limited Partnership had total commitments of €287.7 million at 30 June 2012 of which the Company's commitment was €187.4 million representing 65.15% of the total.

The Company's investment portfolio, not including its Limited Partnership interest, comprises debt finance provided directly to a number of the Limited Partnership's portfolio companies. These typically take the form of mezzanine loans with fixed interest rates of 15.0%. The Company may also provide secured senior debt financing to portfolio companies, usually at interest rates of 8.5%. The Company also provided a revolving credit facility to the Limited Partnership with a LIBOR based interest rate which to-date has earned interest of 6.5% per annum. The Company's investments in loan instruments show a net increase of £0.6 million from £32.6 million as at 31 December 2011 to £33.2 million at the end of the period. Within this net increase, new loans to the Limited Partnership amounted to £4.5 million and the portfolio companies repaid £3.9 million of their outstanding debt, demonstrating good cash generation in those businesses during the period.

As previously disclosed, the Company has made a capital commitment in the amount of €100.0 million (£86.0 million) to a successor fund to the Limited Partnership.

INVESTMENTS

During the period, the Limited Partnership provided additional funding to Time Out London, Time Out New York, Emesa and Broadstone to enable them to pursue their strategies.

OUTLOOK

The Limited Partnership's portfolio companies performed well in the first half of 2012, showing good earnings growth. The Limited Partnership expects this momentum to continue, despite the challenging economic situation in Europe.

In July 2012, the Company repurchased 2,063,650 shares for £2,511,998 at an average price of £1.22. The shares have been held in treasury. All of the rights of the shares while held in treasury have been suspended (including economic participation, voting and dividend and other distribution rights).

Deal flow remains strong and the Limited Partnership has a number of bolt-on acquisitions and new portfolio investments under review. As a consequence, we anticipate making one or more further investments before the year end.

James Keyes

Chairman

THE MANAGER'S REPORT

THE COMPANY AND THE LIMITED PARTNERSHIP

The Company provides investors with exposure to Oakley Capital Private Equity L.P. (the "Limited Partnership"), an unlisted UK and European mid-market private equity fund with the aim of providing investors with significant long-term capital appreciation.

Oakley Capital (Bermuda) Limited (the "Manager"), a Bermudian company, has been appointed manager to the Company and the Limited Partnership. The Manager has appointed Oakley Capital Limited (the "Investment Adviser") as the investment adviser to the Manager with respect to the Company and the Limited Partnership. The Investment Adviser is primarily responsible for advising the Manager on the investment and realisation of the assets of the Limited Partnership and the Company.

The Limited Partnership's investment strategy is to invest in sectors that are growing or where consolidation is taking place. Within the core sector interests, the Limited Partnership invests in both performing and under-performing companies, supporting buy and build strategies, businesses encountering rapid growth, or businesses undergoing significant operational or strategic change. Investing in a diverse range of portfolio companies, the Limited Partnership's objective is to work proactively with the portfolio companies' management teams, together with other stakeholders, in order to create substantial shareholder value.

The Limited Partnership looks to acquire a controlling interest in companies with an enterprise value of between £20.0 million and £150.0 million, though companies with a lower enterprise value are considered where the Manager believes that anticipated returns justify the investment.

The Limited Partnership aims to deliver in excess of 25% gross internal rate of return (IRR) per annum on investments. The life of the Limited Partnership is expected to be approximately 10 years, which includes a five year investment period.

MARKET BACKGROUND

The Eurozone's second quarter economic output figures confirmed that the region's economy was contracting. The sovereign debt crisis continues to dampen growth prospects leaving the Eurozone with the likelihood of a stagnant economy for the balance of 2012. In general, the Limited Partnership's portfolio companies have proved to be resilient to these adverse economic pressures, having enjoyed good earnings growth over the period. This reflects the focus in the portfolio on value-saving businesses and, more particularly, on high-growth internet based services.

PERFORMANCE

For the six months to 30 June 2012, the Company's net asset value increased from £218.9 million to £223.4 million, a net increase of £4.5 million. This increase arises from interest income of £2.8 million, fees and foreign exchange losses of £1.7 million, and an increase in unrealised appreciation on investments of £3.4 million. On a look-through basis, this appreciation in value was primarily driven by underlying operational improvements in the Limited Partnership's portfolio companies, particularly Emesa and Intergenia. The unrealised appreciation in attributable fair value in these two businesses was £3.3 million and £5.3 million respectively, though this was partly offset by a reduction in fair value of Verivox of £5.9 million. The Verivox decline arose as a result of a distribution of £2.7 million made by the Limited Partnership to the Company with respect to Verivox, and a reduction in fair value reflecting relatively subdued levels of trading in the first half of 2012, compounded by unfavourable foreign exchange movements. The Limited Partnership's investment in Broadstone increased by £0.7 million in the period, to fund working capital, and there were similar investments of £1.2 million in Time Out and £1.1 million in Emesa. The share price of AIM listed Daisy Group plc ("Daisy") fell from 95.5 pence as at 31 December 2011 to 92.5 pence at 30 June 2012, resulting in a decrease in attributable fair value of £1.0 million. There was also a reduction of £0.2 million arising from unrealised foreign exchange movements. With regard to the Limited Partnership's other portfolio companies, namely Headland Media Limited ("Headland Media") and Monument Securities Limited ("Monument Securities"), there have been no material changes to these businesses since the year end and consequently their fair values have remained unchanged.

The Company's net asset value decreased in the year from £230.9 million at 30 June 2011 to £223.4 million at 30 June 2012, a fall of £7.5 million. The net asset value per share at 30 June 2012 is £1.74, down from £1.80 at 30 June 2011, a decline of 3%. In the same period, the Company's share price decreased from £1.50 at 30 June 2011 to £1.14 at 30 June 2012. As a consequence of this 21 month low in the share price, in July 2012 the Company acquired just over two million of its own shares in the market at a blended price of £1.22. The acquired shares are held in treasury.

At 30 June 2012 the Company's assets were divided between its investments in the Limited Partnership (51%), cash and cash equivalents and other assets (34%) and loans provided directly to portfolio companies (15%). These loans generally take the form of mezzanine finance, ensuring that uncalled cash continues to earn a positive return. At 30 June 2012, the total value of the loans outstanding was £33.2 million.

The Manager follows The International Private Equity and Venture Capital Valuation Guidelines in establishing fair value. In considering valuation, the Limited Partnership's Investment Adviser used a combination of the market approach and the income approach. The market approach ascribes a value to a business interest or shareholding by comparing it to similar businesses, using the principle of substitution: that is, that a prudent purchaser would pay no more for an asset than it would cost to acquire a substitute asset with the same utility and income earning potential. In the income approach, an economic benefit stream from the business interest is selected, generally based on historic or forecast cash flows and generally a derivative of profits. The cash flow is then discounted to present value using a risk-adjusted discount rate.

Income, represented by interest, has increased by £0.4 million to £2.8 million in the six months to 30 June 2012 compared to the same period in 2011. Expenses were up by £0.2 million as a result of fee increases half year on half year. Net investment income for the six months was £2.8 million compared to £2.4 million for the same period in 2011.

REVIEW OF INVESTMENTS

The Company invests principally in the Limited Partnership. The primary objective of the Limited Partnership is to invest in a diverse portfolio of private mid-market UK and European businesses, aiming to provide investors with significant long-term capital appreciation.

The Company's investment in the Limited Partnership has increased by £0.6 million to £113.2 million over the six months to 30 June 2012. The attributable fair value of the Limited Partnership's portfolio companies increased by £3.2 million in aggregate due to overall performance improvements in those businesses which lifted fair values by £2.9 million. Follow-on investments in the period contributed a further increase of £3.0 million. These were offset by a distribution made by the Limited Partnership with respect to Verivox to its Limited Partners, including £2.7 million received by the Company. The value attributed to the Company's share of the Limited Partnership's cash and other assets fell by £2.6 million in the period.

Performance related, operational and rating, increases in Emesa and Intergenia attributed £7.6 million to the increase in the fair value of the investment in the Limited Partnership. There was a reduction of £1.0 million due to a fall in Daisy's share price at the period end and a reduction of £3.2 million arising in Verivox, where trading volumes continued to lag behind their 2010 high. Verivox, however, remains a very attractive investment with an IRR in the Limited Partnership of 144%, a money multiple of 11x, and with good cash generation, as demonstrated by the distribution made in the period.

For the balance of the portfolio companies, fair values were held at 31 December 2011 levels except for increases derived from additional equity funding provided to certain businesses and small adjustments resulting from foreign exchange translation rates.

The Company's investment in mezzanine and senior loans increased by £0.6 million over the six month period from £32.6 million at 31 December 2011 to £33.2 million at 30 June 2012. In the period, there were two repayments of Company debt, and bridging loans were provided to the Limited Partnership. In February 2012, Headland Media repaid its mezzanine loan of £1.6 million in full. In March 2012, Intergenia repaid £2.1 million of its £8.4 million senior debt leaving £6.1 million outstanding, after foreign exchange differences.

From time to time, the Company provides bridging loans to the Limited Partnership. The loans are used by the Limited Partnership to fund short-term cash demand thereby enabling the Limited Partnership to better manage the frequency and size of its cash calls. The bridging loans generally have a term of six months and an interest rate which is linked to LIBOR. To date, those loans have earned interest for the Company at the rate of 6.5% per annum. These bridging loans are effectively underwritten by capital calls. The interest generated from a bridging loan exceeds the interest earned by the Company on its bank deposits, allowing the Company to earn higher returns on part of its cash reserves. On 19 March 2012 the Company entered into a £12.0 million revolving credit facility with the Limited Partnership; as of 30 June 2012 the Limited Partnership had drawn down £4.5 million of this facility.

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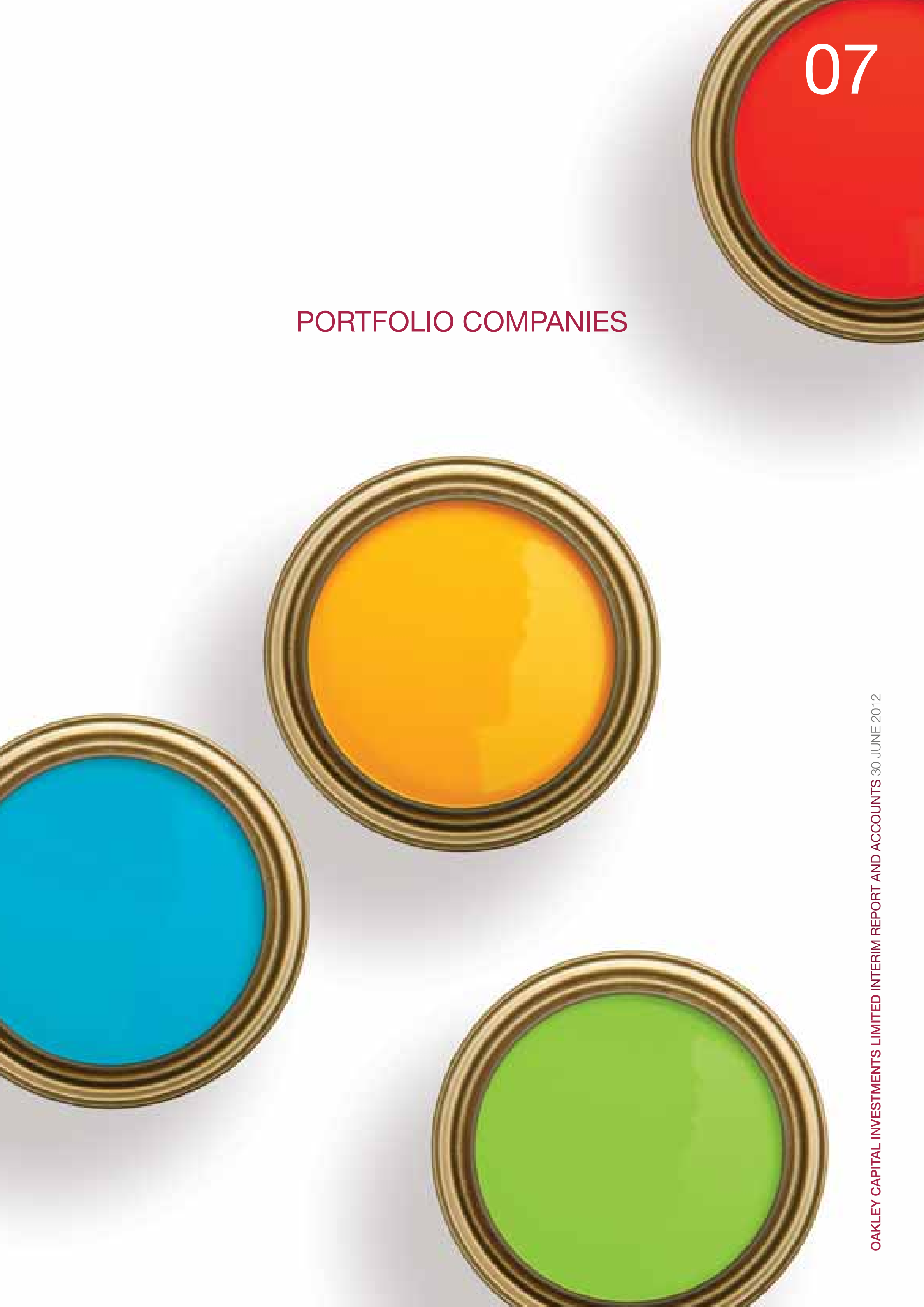
PORTFOLIO COMPANIES



Daisy

Sector: Telecoms
Location: United Kingdom
Investment date: 21 July 2009
Website: www.daisygroupplc.com

BUSINESS OVERVIEW

Daisy Group plc ("Daisy") is a leading provider of integrated voice and data services to small and medium sized businesses providing customers with access to a combined product set from a single platform.

Daisy's strategic objective is to consolidate the fragmented mid-market telecommunications sector with the aim of building a business of considerable scale. Following its acquisition of Vialtus Solutions from Host Europe in 2009, Daisy has completed 15 acquisitions and has developed to become an industry leading provider of unified communications to the SME and mid-market business sectors in the UK.

BUSINESS UPDATE

On 19 June 2012, Daisy reported an increase in revenue from £266.3 million to £348.6 million, an improvement of 31% and increase in adjusted EBITDA from £40.7 million to £56.3 million, an uplift of 38%, in the 12 months to 31 March 2012. These performance improvements were delivered due to the effective execution of Daisy's strategy of consolidating the fragmented SME and mid-market communications sector. Daisy Group completed two customer base acquisitions during the year to 31 March 2012. On 15 April, Daisy announced the completion of the acquisition of Worldwide Group Holdings Limited, a market-leader in audio-conferencing and call-handling technology with a focus on voice services and data connectivity.

The Daisy share price on 30 June 2012 was 92.5 pence, down from 95.5 pence at 31 December 2011. The share price at 30 June 2012 was used to establish the fair value of the investment.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
N/A	14%	N/A	£17.3m

Verivox

Sector: Online consumer
Location: Germany
Investment date: 4 December 2009
Website: www.verivox.de

BUSINESS OVERVIEW

Verivox GmbH ("Verivox") is Germany's leading consumer energy and telecoms price comparison website with a 12 year history. Verivox receives commissions from energy suppliers when consumers elect to switch providers through its website. Verivox is a well-recognised brand in Germany and is regularly quoted by media as an independent source of energy price data. It has also been certified by Germany's leading consumer protection and standards bodies.

Verivox differentiates itself from competitors by having contractual relationships with over 150 suppliers (competitors have around 50) and by providing users with details of the lowest cost energy supplier even when Verivox does not represent that supplier.

BUSINESS UPDATE

Switching volumes at the start of the year continued at lower levels. However, a number of German energy suppliers have indicated their intention to raise tariffs in 2012, and this should have a positive impact on Verivox. A new CEO, was appointed 1 May 2012 enabling the founder to achieve his goal of stepping back from day-to-day operations. Since his appointment, the new CEO has conducted a thorough review of Verivox's strategy and operations and has initiated a renewed growth strategy. During the period, management also executed a cost cutting programme to improve efficiency, resulting in significant headcount savings. On 1 June 2012, Verivox returned the original cost of the investment of €5.3 million to the Limited Partnership. This resulted in the Company receiving £2.7 million in cash proceeds.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£23.0m	51%	£14.8m[1]	£21.6m

[1]Includes £11.8 million debt provided by the Company at acquisition, since repaid.

Time Out

Sector: Digital media/publishing
Location: United Kingdom and USA
Investment date: 25 November 2010 and 26 May 2011
Website: www.timeout.com

BUSINESS OVERVIEW

Time Out was established in 1968 by Tony Elliott and today is a globally recognised brand in the publishing industry that publishes city-based magazines and travel guides and is building an online presence. The development of the internet has presented the Time Out Group with an opportunity to transition the business from a magazine listings business to a real-time digital provider of entertainment information and qualified editorial opinions, with an added transactional capability.

Globally, the Time Out Group is present in 35 cities across the world, with a worldwide audience of 16 million across both print and digital channels.

BUSINESS UPDATE

The business continues to see strong traffic growth with corresponding growth in digital revenues. During the period, the Time Out New York website and iPad applications were launched. The improved layout and search functionality, combined with the addition of a bespoke e-commerce platform, is expected to drive revenues and profits. This enhanced digital offering will be delivered to the UK later in the year and will also be rolled out to licensees across the globe.

The UK website had 4.1 million unique users at the end of the period, a 71% year on year improvement. Corresponding digital revenues in the first half were 75% up on the same period last year. Licencees will progressively move to the in-house developed global digital platform. In order to develop the digital business, the Limited Partnership provided in the period, £2.0 million to Time Out London and £0.5 million to Time Out New York to fund working capital.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£32.4m	50% Time Out London; 65.7% Time Out New York	£25.8m	£30.2m

Emesa

Sector: Leisure
Location: Netherlands
Investment date: 25 March 2011
Website: www.emesa.nl

BUSINESS OVERVIEW

Emesa was founded in 2004 and has grown significantly to become a leading online consumer auction platform in the European leisure industry. Emesa enables online customers to find and book leisure deals such as short holidays, weekend breaks, spa/beauty visits, event tickets and restaurant visits through its websites. Emesa operates three websites in the Netherlands and in 2011 completed over 1.8 million transactions with a current run rate of over 2 million transactions per annum. Its German website, Aladoo, was launched in the second half of 2011.

BUSINESS UPDATE

Emesa has continued to trade strongly in the Netherlands, performing ahead of budget in the first half of 2012. Management is pursuing a revised strategy in Germany, targeting partnerships with key media players to provide traffic and content. As a result, the cost base in Germany has been reduced to reflect this new strategy. Aladoo will continue to be a net cost to the group whilst users are attracted to the new site and until the brand develops.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£30.0m	68%	£20.1m	£19.8m

Broadstone

Sector: Financial services
Location: United Kingdom
Investment date: 4 November 2010
Website: www.broadstoneltd.co.uk

BROADSTONE™

BUSINESS OVERVIEW

Broadstone Pensions & Investments Limited ("Broadstone"), a top 40 UK wealth manager with high quality clients, operates across two divisions; Private Client Services ("PCS"); and Corporate Pensions and Benefits Services; ("CPB"). The PCS division provides wealth management services to private clients and holds approximately £1 billion of funds under management and advice. The CPB division provides actuarial advice, administration services, employee benefits advice and investment consulting services to trustees of defined benefit pension schemes, corporate entities and defined contribution schemes. Broadstone's main source of revenue is time based fees, with commissions and performance fees accounting for less than 10% of annual revenues.

BUSINESS UPDATE

Since acquisition, the business has gone through a change management programme with a significant investment made in people and internal systems. During the period, the business continued towards break-even whilst funds under management, advice and influence for private and corporate clients in the two divisions remained above £2 billion.

During the period the business launched and integrated a new investment administration and custody service. This will allow the business to leverage efficiencies from its current practices reducing its operating costs while providing a superior service to clients by offering state of the art online accessibility. The system went live in July and will be replacing a number of existing systems. The business has also been undertaking an organic growth strategy based on increasing consultant headcount.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£20.6m	84%	£12.8m	£15.2m

Headland Media

Sector: Digital media
Location: United Kingdom
Investment date: 25 January 2008
Website: www.headlandmedia.com

BUSINESS OVERVIEW

Headland Media Group Limited ("Headland Media") is a business-to-business media content provider with offices in the UK, Europe, Asia and the US. Headland Media is the leading provider of news digest services to the hotel and shipping sectors and is a provider of entertainment and training services to offshore industries and other remote locations with specialist communication needs. Headland Media distributes media content to around 13,000 destinations using proprietary distribution channels and has an audience of approximately 20 million listeners and 250,000 readers. Revenue is derived from recurring (subscription) revenue and non-recurring (one-off installation) charges. Headland Media has a loyal customer base and provides services to 1,700 hotels and 9,000 cruise and merchant ships.

BUSINESS UPDATE

Headland Media has continued to grow its hotel business with 200 new hotels added in the first half of 2012. Major contracts have been renewed and new products developed, including additional newspaper digests covering crewing countries and maritime news. Business performance has been in line with 2012 forecast.

On 16 February 2012, Headland Media repaid the Company its $2.5 million mezzanine debt and interest in full, funded by £1.0 million of bank debt and the remaining balance from internally generated cash.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£6.3m	80%	£4.5m	£5.6m

Monument Securities

Sector: Financial services
Location: United Kingdom
Investment date: 31 March 2008
Website: www.monumentsecurities.com

BUSINESS OVERVIEW

Monument Securities Limited ("Monument Securities") is an independent equity, derivatives and fixed income broker with a long history. The company provides services to institutions, fund managers, market professionals, corporates and hedge funds. Monument Securities is a member of the NYSE, Euronext, LIFFE, Eurex, and the London Stock Exchange and is regulated by the Financial Services Authority.

BUSINESS UPDATE

The first half of 2012 saw some stagnation as volumes remained depressed. It is clear that the overall levels of market activity may remain low for some time. Accordingly, a cost cutting programme was instigated so that costs are now in line with current revenues and the management team believe that the resulting cost structure will leave the business at break-even.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£5.6m	51%	£1.8m	£1.8m

Intergenia

Sector: Technology
Location: Germany
Investment date: 31 December 2011
Website: www.intergenia.de

TRANSACTION HISTORY

On 31 December 2011, the Limited Partnership acquired a 51% stake in the business conducted by Intergenia AG, a leading web hosting company providing managed, dedicated and cloud hosting. The transaction valued Intergenia at a total enterprise value of £72 million (including transaction costs). The Limited Partnership provided £25.2 million of equity financing and the Company provided senior debt of £8.4 million. Intergenia's management and its founders retain a significant stake in the company.

BUSINESS OVERVIEW

Intergenia was founded in 1998 with a head office based in Cologne. Intergenia trades under three different hosting brands PlusServer, serverloft and SERVER4YOU. Intergenia has an industry-leading low cost infrastructure due to its data centre in Strasbourg, which is one of Europe's most efficient data centres. It has 7,000 square metres of leasehold-owned data centre space split between Strasbourg, France and St. Louis, USA. Intergenia has a geographically diversified customer base composed predominantly of SME customers and is one of the German market leaders in dedicated hosting to SME customers. Intergenia also runs WorldHostingDays ("WHD"), the largest series of hosting conferences worldwide.

BUSINESS UPDATE

Intergenia's business has traded in line with budget. Management launched a new product range for SERVER4YOU and serverloft that has been well received. Management are working towards the launch of a new product, High Bandwidth hosting, in the autumn. They have also developed new reporting tools for operating metrics in line with their post-acquisition plan and additionally have identified potential hires to strengthen the management team. In March, Intergenia was able to repay £2.1 million of the senior debt provided by the Company.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Fair value of the Company's interest
£72.0m	51%	£24.8m	£27.8m

DISPOSALS

Host Europe (sold 28 October 2010)

Sector: Technology
Location: United Kingdom
Investment date: 2 April 2008
Website: www.hosteurope.com

DISPOSAL DETAILS

On 15 September 2010 the Limited Partnership announced the disposal of Host Europe to Montagu Private Equity, subject to approval by Germany's Federal Cartel Office (Bundeskartellamt). Having received this approval, the sale was completed on 28 October 2010.

Total consideration for the sale was £222.0 million. The consideration was used to repay third party debt; to pay Host Europe management in respect of their interests; to meet transaction costs; and to repay debt due to the Company of £16.9 million plus accrued interest. As a result of the disposal, on 10 November 2010, the Limited Partnership distributed £111.9 million of proceeds to the Limited Partners, including £72.7 million to the Company.

Prior to the sale of Host Europe, the shares it held in Daisy Group plc ("Daisy") were extracted and continue to be held by the Limited Partnership. These 36.25 million shares, representing 14% of Daisy were acquired as part of the consideration for the disposal of Host Europe's Vialtus division in July 2009.

Host Europe was acquired by the Limited Partnership at a total transaction value of £128 million. The consideration was satisfied by a mixture of cash, vendor loan note and bank loans and mezzanine financing from the Company. The Limited Partnership contributed £48.0 million. Outstanding mezzanine loans due to the Company at the time of the disposal, amounting to £19.9 million (including accrued interest), were repaid on 28 October 2010.

RETURN

The exit value of the investment in Host Europe was £111.9 million against an invested cost of £48.0 million, generating a money multiple of 2.3x and an IRR of 48% to the Limited Partners. The Company received a total distribution of £92.6 million from the disposal comprising a return on its investment through the Limited Partnership of £72.7 million and the repayment of outstanding mezzanine finance owed by Host Europe of £19.9 million.

Enterprise value at acquisition	Total equity held	Value of Company's interest at acquisition	Exit value of the Company's interest
£128m	83%	£51.0m	£92.6m

STATEMENTS OF ASSETS AND LIABILITIES

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

	Notes	Unaudited six months ended 30 June 2012 £	Unaudited six months ended 30 June 2011 £	Audited year ended 31 Dec 2011 £
Assets				
Investments	2c, 5, 7	146,333,352	141,587,718	145,143,787
Cash and cash equivalents	3	72,238,895	87,160,933	70,108,870
Accrued interest receivable		5,001,026	2,395,551	3,961,377
Other receivables		136,714	87,496	15,638
Total assets		223,709,987	231,231,698	219,229,672
Liabilities				
Accounts payable and accrued expenses		312,181	294,442	300,960
Total liabilities		312,181	294,442	300,960
Net assets attributable to shareholders		223,397,806	230,937,256	218,928,712
Represented by:				
Share capital		1,281,250	1,281,250	1,281,250
Share premium		119,276,094	119,276,094	119,276,094
Retained earnings		102,840,462	110,379,912	98,371,368
		223,397,806	230,937,256	218,928,712
Number of shares outstanding	9	128,125,000	128,125,000	128,125,000
Net asset value per share		1.74	1.80	1.71

The notes following form an integral part of these financial statements.

SCHEDULES OF INVESTMENTS

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

30 June 2012	Fair value as a % of net assets	% interest	Principal amount/ Quantity	Cost £	Fair value £
Investments in Limited Partnership					
Bermuda					
Oakley Capital Private Equity L.P.	50.66%	65.15%		58,354,209	113,178,713
Unquoted debt securities					
Investments in senior loan notes					
United Kingdom					
Time Out Group BC Limited					
Interest at 8.5% p.a.					
Maturity date March 2013	2.24%		£5,000,000	5,000,000	5,000,000
Bermuda					
TONY OCIL (Bermuda) Limited					
Interest at 8.5% p.a.					
Maturity date May 2014	0.98%		$3,400,000	2,109,020	2,178,720
WHDI (Bermuda) Limited					
Interest at 8.5% p.a.					
Maturity date November 2013	2.71%		€7,500,000	6,276,000	6,051,000
Total senior loan notes	5.93%			13,385,020	13,229,720
Investments in mezzanine loans					
Bermuda					
Fitzwilliam Holdco Limited					
Interest rate at 15% p.a.					
Maturity date November 2015	2.69%		£6,000,000	6,000,000	6,000,000
Time Out (Bermuda) Limited					
Interest rate at 15% p.a.					
Maturity date November 2015	2.78%		£6,200,000	6,200,000	6,200,000
TONY OCIL (Bermuda) Limited					
Interest rate at 15% p.a.					
Maturity date May 2016	1.43%		$5,000,000	3,101,500	3,204,000
Total mezzanine loans	**6.90%**			**15,301,500**	**15,404,000**
Investments in revolving loan facility					
Bermuda					
Oakley Capital Private Equity L.P.					
Interest rate at 6.5% p.a.					
Maturity date September 2012	2.02%		£4,520,919	4,520,919	4,520,919
Total revolving loan facility	**2.02%**			**4,520,919**	**4,520,919**
Total investments	**65.51%**			**91,561,648**	**146,333,352**

For details of the underlying investments of the Limited Partnership, please refer to Note 7.
The notes following form an integral part of these financial statements.

SCHEDULES OF INVESTMENTS continued

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

30 June 2011	Fair value as a % of net assets	% interest	Principal amount/ Quantity	Cost £	Fair value £
Investments in Limited Partnership					
Bermuda					
Oakley Capital Private Equity L.P.	44.90%	65.01%		38,805,708	103,682,168
Unquoted debt securities					
Investments in senior loan notes					
United Kingdom					
Time Out Group BC Limited					
Interest at 8.5% p.a.					
Maturity date March 2013	2.17%		£5,000,000	5,000,000	5,000,000
The Netherlands					
Emesa Netherlands BV					
Interest at 8.5% p.a.					
Maturity date March 2014	3.91%		€10,000,000	8,717,000	9,025,000
Bermuda					
TONY OCIL (Bermuda) Limited					
Interest at 8.5% p.a.					
Maturity date May 2014	0.92%		$3,400,000	2,109,020	2,123,300
Total senior loan notes	6.99%			15,826,020	16,148,300
Investments in mezzanine loans					
United Kingdom					
Headland Media Limited					
Interest at 15% p.a.					
Maturity date December 2014	0.68%		$2,500,000	1,645,945	1,561,250
The Netherlands					
Emesa Group Holdings BV					
Interest at 15% p.a.					
Maturity date March 2016	2.11%		€5,400,000	4,707,180	4,873,500
Bermuda					
Fitzwilliam Holdco Limited					
Interest rate at 15% p.a.					
Maturity date November 2015	2.60%		£6,000,000	6,000,000	6,000,000
Time Out (Bermuda) Limited					
Interest rate at 15% p.a.					
Maturity date November 2015	2.68%		£6,200,000	6,200,000	6,200,000
TONY OCIL (Bermuda) Limited					
Interest rate at 15% p.a.					
Maturity date May 2016	1.35%		$5,000,000	3,101,500	3,122,500
Total mezzanine loans	**9.42%**			**21,654,625**	**21,757,250**
Total investments	**61.31%**			**76,286,353**	**141,587,718**

For details of the underlying investments of the Limited Partnership, please refer to Note 7.

The notes following form an integral part of these financial statements.

SCHEDULES OF INVESTMENTS continued

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

31 December 2011	Fair value as a % of net assets	% interest	Principal amount/ Quantity	Cost £	Fair value £
Investments in Limited Partnership					
Bermuda					
Oakley Capital Private Equity L.P.	51.41%	65.01%		61,328,362	112,553,747
Unquoted debt securities					
Investments in senior loan notes					
United Kingdom					
Time Out Group BC Limited Interest at 8.5% p.a. Maturity date March 2013	2.28%		£5,000,000	5,000,000	5,000,000
Bermuda					
TONY OCIL (Bermuda) Limited Interest at 8.5% p.a. Maturity date May 2014	1.00%		$3,400,000	2,109,020	2,195,040
WHDI (Bermuda) Limited Interest at 8.5% p.a. Maturity date November 2013	3.82%		€10,000,000	8,368,000	8,353,000
Total senior loan notes	7.10%			15,477,020	15,548,040
Investments in mezzanine loans					
United Kingdom					
Headland Media Limited Interest at 15% p.a. Maturity date December 2014	0.74%		$2,500,000	1,645,945	1,614,000
Bermuda					
Fitzwilliam Holdco Limited Interest rate at 15% p.a Maturity date November 2015	2.74%		£6,000,000	6,000,000	6,000,000
Time Out (Bermuda) Limited Interest rate at 15% p.a. Maturity date November 2015	2.83%		£6,200,000	6,200,000	6,200,000
TONY OCIL (Bermuda) Limited Interest rate at 15% p.a. Maturity date May 2016	1.47%		$5,000,000	3,101,500	3,228,000
Total mezzanine loans	7.78%			16,947,445	17,042,000
Total investments	66.29%			93,752,827	145,143,787

For details of the underlying investments of the Limited Partnership, please refer to Note 7.
The notes following form an integral part of these financial statements.

STATEMENTS OF OPERATIONS

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

	Notes	Unaudited six months ended 30 June 2012 £	Unaudited six months ended 30 June 2011 £	Audited year ended 31 Dec 2011 £
Investment income				
Interest		2,862,486	2,407,551	5,570,248
Withholding tax on interest		(105,869)	–	(117,436)
Miscellaneous		53,595	–	–
Total income		2,810,212	2,407,551	5,452,812
Expenses				
Management fees	4	330,857	277,122	591,481
Performance fees	4	81,465	–	–
Professional fees	6	166,789	137,379	339,923
Other		140,337	157,659	339,023
Interest		4,718	941	1,721
Total expenses		724,166	573,101	1,272,148
Net investment income		**2,086,046**	**1,834,450**	**4,180,664**
Realised and unrealised gains and losses on foreign exchange and investments				
Net realised (losses)/gains on foreign exchange		(466,220)	351,910	502,413
Net change in unrealised (losses)/gains on foreign exchange		(8,915)	3,539	12,362
Net realised foreign exchange (losses)/gains on investments		(522,561)	79,145	(524,533)
Net change in unrealised appreciation/ (depreciation) on investments		3,380,744	13,720,869	(189,536)
Net realised and unrealised gains/(losses) on foreign exchange and investments		2,383,048	14,155,463	(199,294)
Net increase in net assets resulting from operations		**4,469,094**	**15,989,913**	**3,981,370**
Net gain per share		0.03	0.12	0.03

The notes following form an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

	Unaudited six months ended 30 June 2012 £	Unaudited six months ended 30 June 2011 £	Audited year ended 31 Dec 2011 £
Net increase in net assets resulting from operations			
Net investment income	2,086,046	1,834,450	4,180,664
Net realised (loss)/gain on foreign exchange	(466,220)	351,910	502,413
Net change in unrealised (losses)/gain on foreign exchange	(8,915)	3,540	12,362
Net realised foreign exchange (losses)/gain on investments	(522,561)	79,145	(524,533)
Net change in unrealised appreciation/ (depreciation) on investments	3,380,744	13,720,869	(189,536)
Net increase in net assets resulting from operations	4,469,094	15,989,913	3,981,370
Net increase in net assets	**4,469,094**	**15,989,914**	**3,981,370**
Net assets at beginning of period/year	**218,928,712**	**214,947,342**	**214,947,342**
Net assets at end of period/year	**223,397,806**	**230,937,256**	**218,928,712**

The notes following form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011 AND THE FISCAL YEAR ENDED 31 DECEMBER 2011 (Expressed in British Pounds)

	Unaudited six months ended 30 June 2012 £	Unaudited six months ended 30 June 2011 £	Audited year ended 31 Dec 2011 £
Cash flows from operating activities			
Net increase in net assets resulting from operations	4,469,094	15,989,914	3,981,370
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:			
Net realised and unrealised (losses)/gains on foreign exchange and investments	(2,383,048)	(14,155,464)	199,294
Payments for purchases of investments	(4,760,535)	(46,558,009)	(80,448,664)
Proceeds on disposal of investments	6,429,153	12,478,545	28,299,047
Change in accrued interest receivable	(1,039,649)	(1,581,412)	(3,147,238)
Change in other receivables	(121,076)	(57,943)	13,915
Change in accounts payable and accrued expenses	11,221	(225,874)	(219,356)
Net cash used in operating activities	**2,605,160**	**(34,110,243)**	**(51,321,632)**
Net effect of foreign exchange (loss)/gain	(475,135)	355,449	514,775
Net increase/(decrease) in cash and cash equivalents	2,130,025	(33,754,794)	(50,806,857)
Cash and cash equivalents at beginning of period/year	70,108,870	120,915,727	120,915,727
Cash and cash equivalents at end of period/year	**72,238,895**	**87,160,933**	**70,108,870**
Interest paid during the period/year	4,718	941	1,721

The notes following form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIODS ENDED 30 JUNE 2012 AND 2011
AND THE FISCAL YEAR ENDED 31 DECEMBER 2011

1. THE COMPANY

Oakley Capital Investments Limited (the "Company") is a closed-ended investment company which was incorporated under the laws of Bermuda on 28 June 2007. The principal objective of the Company is to achieve capital appreciation through investments in a diversified portfolio of private mid-market UK and European businesses. The Company achieves its investment objective primarily through an investment in Oakley Capital Private Equity L.P. (the "Limited Partnership"), an exempted limited partnership established in Bermuda on 10 July 2007. The manager is Oakley Capital (Bermuda) Limited (the "Manager") and the investment adviser to the Manager with respect to the Company and the Limited Partnership is Oakley Capital Limited (the "Investment Adviser"). The Company and the General Partner of the Limited Partnership have two Directors in common.

The Company listed on the AIM market of the London Stock Exchange on 3 August 2007.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The accompanying financial statements are prepared in accordance with U.S. generally accepted accounting principles.

b) Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets during the reporting period. Actual results could differ from those estimates.

c) Investment valuation

Limited Partnership

Security transactions are accounted for on a trade date basis based on the capital drawdown and proceeds distribution dates from the Limited Partnership. The Company's investment in the Limited Partnership is valued at the balance on the Company's capital account in the Limited Partnership as at the reporting date. Any difference between the capital introduced and the balance on the Company's capital account in the Limited Partnership is recognised in net change in unrealised appreciation and depreciation on investments in the Statements of Operations.

The Limited Partnership values investments at fair value and recognises gains and losses on security transactions using the specific cost method.

Mezzanine loans, bridge loans and senior loans

Mezzanine loans, bridge loans and senior loans are initially valued at the price the loan was granted. Subsequent to initial recognition the loans are valued on a fair value basis taking into account market conditions and any appreciation or deterioration in value.

Realised gains and losses are recorded when the security acquired is realised. The net realised gains and losses on sale of securities are determined using the specific cost method.

The Company is subject to the provisions of the FASB guidance on Fair Value Measurements and Disclosure (ASC 820). ASC 820 defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles and expands disclosures about fair value measurements. ASC 820 establishes a hierarchical disclosure framework which prioritises and ranks the level of market price observability used in measuring investments at fair value. Market price observability is affected by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active market quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

The hierarchy of inputs is summarised below:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Investment Advisers' own assumptions in determining the fair value of investments)

The inputs and methodologies used in valuing the securities are not necessarily an indication of the risks associated with investing in those securities.

Securities traded on a national stock exchange are valued at the last reported sales price on the valuation date and are categorised as level 1 within the fair value hierarchy. When prices are not readily available, or are determined not to reflect fair value, the Company may value these securities at fair value as determined in accordance with the procedures approved by the Investment Adviser in consultation with the Manager.

Level 2 securities are valued using representative brokers' prices, quoted prices for similar investments, published reports or, third-party valuations.

Level 3 securities are valued at the direction of the Investment Adviser in consultation with the Manager. In these circumstances, the Manager will attempt to use consistent and fair valuation criteria and may (but is not required to) obtain independent appraisals at the expense of the Company.

The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

d) Income recognition

Interest income and expenses are recognised on the accruals basis.

e) Foreign currency translation

Investments and other monetary assets and liabilities denominated in foreign currencies are translated into British Pound amounts at exchange rates prevailing at the reporting date. Capital drawdowns and proceeds of distributions from the Limited Partnership and foreign currencies and income and expense items denominated in foreign currencies are translated into British Pound amounts at the exchange rate on the respective dates of such transactions.

Foreign exchange gains and losses on other monetary assets and liabilities are recognised in net realised and unrealised gain or loss from foreign exchange in the Statements of Operations.

The Company does not isolate unrealised or realised foreign exchange gains and losses arising from changes in the fair value of investments. All such foreign exchange gains and losses are included with the net realised and unrealised gain or loss on investments in the Statements of Operations.

f) Cash and cash equivalents

The Company considers all short-term deposits with a maturity of 90 days or less as equivalent to cash.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	Unaudited six months ended 30 June 2012 £	Unaudited six months ended 30 June 2011 £	Audited year ended 31 Dec 2011 £
Cash	30,340,776	22,379,833	1,010,856
Short-term deposits	41,898,119	64,781,100	69,098,014
Total cash and cash equivalents	72,238,895	87,160,933	70,108,870

4. MANAGEMENT AND PERFORMANCE FEES

(a) The Company has entered into a Management Agreement with the Manager to manage the Company's investment portfolio. The Manager will not receive a management fee from the Company in respect of funds either committed or invested by the Company in the Limited Partnership or any successor fund managed by the Manager. The Manager will receive a management fee at the rate of 1% per annum in respect of those funds that are not committed to the Limited Partnership or any successor fund (but including the proceeds of any realisations), which are invested in cash, cash deposits or near cash deposits and a management fee at the rate of 2% per annum in respect of those funds which are invested directly in co-investments. The management fee is payable monthly in arrears. During the period ended 30 June 2012, the Company incurred management fees of £330,857 (30 June 2011: £277,122; 31 December 2011: £591,481). As at 30 June 2012, management fees in the amount of £60,232 were payable to the Manager (30 June 2011: £159,424; 31 December 2011: £105,892).

The Manager may also receive a performance fee of 20% of the excess of the amount earned by the Company over and above an 8% hurdle rate per annum on any monies invested as a co-investment with the Limited Partnership or any successor limited partnership. Any co-investment will be treated as a segregated pool of investments by the Company. If the calculation period is greater than one year, the hurdle rate shall be compounded on each anniversary of the start of the calculation period for each segregated co-investment. If the Manager does not exceed the hurdle rate on any given co-investment that co-investment shall be included in the next calculation on a co-investment so that the hurdle rate is measured across both co-investments.

No previous payments of performance fee will be affected if any co-investment does not reach the hurdle rate of the return. During the period ended 30 June 2012, the Company incurred performance fees of £81,465 (30 June 2011: £nil; 31 December 2011: £nil).

As at 30 June 2012, there were no performance fees payable to the Manager (30 June 2011: £nil; 31 December 2011: £nil).

(b) The Manager has entered into an Investment Adviser Agreement with the Investment Adviser to advise the Manager on the investment of the assets of the Company.

The Investment Adviser will not receive a management or performance fee from the Company. Any fees due to the Investment Adviser will be paid by the Manager out of the management fees it receives from the Company.

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following is a summary of the inputs used in valuing the Company's assets carried at fair value:

Investments in Securities	30 June 2012 £	30 June 2011 £	30 Dec 2011 £
Quotes prices (Level 1)	–	–	–
Other significant observable inputs (Level 2)	–	–	–
Significant unobservable inputs (Level 3)	146,333,352	141,587,718	145,143,787

The instruments comprising investments in securities are disclosed in the Schedules of Investments.

The Company has an investment into a private equity limited partnership. The investment is included at fair value based on the Company's balance on its capital account in the Limited Partnership. The valuation of non-public investments requires significant judgment by the Investment Adviser in consultation with the Manager due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such assets. Private equity investments are valued initially based upon transaction price. Valuations are reviewed periodically utilising available market data to determine if the carrying value of these investments should be adjusted. Such market data primarily includes observations of the trading multiples of public companies considered comparable to the private companies being valued. In addition, a variety of additional factors are reviewed by the Investment Adviser, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook and the third party financing environment.

Mezzanine loans, bridge loans and senior loan notes are initially valued at the price the loan was granted. Subsequent to initial recognition, the loans are valued on a fair value basis taking into account market conditions and any appreciation or deterioration in value.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Investment in Securities 30 June 2012 £	Investment in Securities 30 June 2011 £	Investment in Securities 31 Dec 2011 £
Investment in Limited Partnership			
Fair value at beginning of period/year	112,553,747	73,977,584	73,977,584
Purchases	239,616	16,527,060	39,049,714
Proceeds on realisation	(2,737,153)	–	–
Realised foreign exchange loss on realisation	(476,616)	–	–
Net change in unrealised appreciation/(depreciation) on investments	3,599,119	13,177,524	(473,551)
Limited Partnership, fair value at end of period/year	**113,178,713**	**103,682,168**	**112,553,747**
Unquoted debt securities			
Fair value at beginning of period/year	32,590,040	19,730,655	19,730,655
Purchases	4,520,919	30,030,949	41,398,950
Proceeds on disposal	(3,692,000)	(12,478,545)	(28,299,045)
Realised (loss)/gain on disposal	(45,945)	79,145	(524,533)
Net change in unrealised appreciation/(depreciation) on investments	(218,375)	543,346	284,013
Unquoted debt securities, fair value at end of period/year	**33,154,639**	**37,905,550**	**32,590,040**
Fair value at end of period/year	146,333,352	141,587,718	145,143,787

The net change in unrealised appreciation on investments relates to investments held at the respective period/year end.

The investments held by the Limited Partnership are classified as Level 3 investments by the Limited Partnership.

6. ADMINISTRATION FEE

Under the terms of the Company Administration Agreement dated 30 July 2007 between Mayflower Management Services (Bermuda) Limited (the "Administrator") and the Company, the Administrator receives an annual administration fee at prevailing commercial rates, subject to the minimum monthly fee of US$5,000 per month. During the period ended 30 June 2012, the Company incurred administration fees of £78,821 (30 June 2011: £49,334, 31 December 2011: £161,296), which is included in professional fees in the Statements of Operations.

As at 30 June 2012, there was a balance payable of £nil (30 June 2011: £51,957, 31 December 2011: £nil), which is included in accounts payable and accrued expenses.

7. INVESTMENTS

Limited Partnership

The Company has committed substantially all of its capital to the Limited Partnership and its successor fund. The Limited Partnership's primary objective is to invest in a diversified portfolio of private mid-market UK and European businesses, aiming to provide investors with significant long-term capital appreciation. The investment in the Limited Partnership is denominated in Euros. The Limited Partnership has an initial period of ten years from its final closing date of 30 November 2009; however the life of the Limited Partnership may be extended, at the discretion of the General Partner, by up to three additional one year periods to provide for the orderly realisation of investments. The Limited Partnership will make distributions as its investments are realised.

The Company's share of the total capital called by the Limited Partnership to 30 June 2012 was £99,028,528 (€122,745,860) (30 June 2011: £79,409,451 (€96,305,000), 31 December 2011: £101,932,105 (€122,485,000)), representing 65.5% (30 June 2011: 51.50%, 31 December 2011: 65.5%) of the Company's total capital commitment. As at 30 June 2012, the Company accounted for 65.15% of the total capital and commitments in the Limited Partnership (30 June 2011: 51.5%, 31 December 2011: 65.01%).

The Company may also make co-investments with the Limited Partnership based on the recommendations of the Manager.

At 30 June 2012 and 31 December 2011 all of the Limited Partnership's investments have been valued at fair value. At 31 December 2011 the Limited Partnership appointed a third party valuer to determine the fair value of certain underlying businesses taking into account financial information provided by the Limited Partnership's investment adviser. The Limited Partnership's accounts have not been audited for the period ended 30 June 2012 but were audited for the year ended 31 December 2011. The Company's participation in the Limited Partnership has been valued at 30 June 2012 at £113,178,713 (31 December 2011: £112,553,747).

Limited Partnership's investments

The Limited Partnership made follow-on investments in four of its portfolio companies during the period to 30 June 2012; Broadstone Pensions and Investments Limited, Time Out New York, Time Out Bermuda Limited and Emesa B.V. The Company entered into a credit facility with the Limited Partnership to provide a bridging loan to fund the follow-on investments. As of 30 June 2012 the Limited Partnership had drawn down £4.5 million from this facility.

Host Europe Corporation

On 15 September 2010 the Limited Partnership announced the disposal of Host Europe to Montagu Private Equity, subject to approval by Germany's Federal Cartel Office (Bundeskartellamt). Having received this approval, the sale was completed on 28 October 2010. Total consideration for the sale was £222 million. The consideration was used to repay third party debt of £51 million; to repay debt due and interest to the Company of £19.9 million; to pay Host Europe management in respect of their interests of £19 million; and to meet transaction costs of £5.6 million. Net proceeds from the investment were therefore £126.5 million.

Total net proceeds paid to the Limited Partners on 9 November 2010 was £112 million, after performance fees. The Company received £73 million representing approximately 45% of the Company's total commitments and approximately 114% of its called capital at the date of disposal.

Prior to the sale of Host Europe, the shares it held in Daisy Group plc ("Daisy") were extracted and continue to be held by the Limited Partnership through Host Europe (Bermuda) Limited. These 36.25 million shares, representing 14% of Daisy were acquired as part of the consideration for the disposal of Host Europe's Vialtus division in July 2009. The value of the Daisy shares as at 30 June 2012 was 92.5 pence. As at 30 June 2012, the net fair value of this investment attributable to the Company was £17.3 million (31 December 2011: £18.3 million).

Headland Media Limited

Headland Media Limited ("Headland Media") is a leading business to business media content provider of news digest services to the hotel and shipping sectors; as well as a leading provider of entertainment and training services to offshore industries. In total the Limited Partnership has invested £4.4 million in Headland Media. As at 30 June 2012, the net fair value of the investment attributable to the Company was £5.6 million (31 December 2011: £5.8 million).

Monument Securities Limited

Monument Securities Limited ("Monument Securities") is a global equity, derivatives and fixed income broker with a 20 year history. Monument Securities provides services to institutions, fund managers, market professionals, corporates and hedge funds. The Limited Partnership has a 51% interest in Monument Securities and its contribution was £2.8 million. As at 30 June 2012, the net fair value of the investment attributable to the Company was £1.8 million (31 December 2011: £1.8 million).

VVX (Bermuda) Limited

The Limited Partnership, through VVX (Bermuda) Limited, owns 51% of Verivox Holdings Limited ("Verivox"), Germany's largest independent online consumer energy price comparison service. Verivox receives commission from energy suppliers when consumers elect to switch providers through its website. The Limited Partnership contributed £4.6 million in equity. On 1 June 2012, Verivox returned the cost of equity to the Limited Partnership and thereby returning £2.7 million to the Company. As at 30 June 2011, the net fair value of the investment attributable to the Company was £21.6 million (31 December 2011: £27.6 million).

Fitzwilliam Holdco Limited (Broadstone)

On 4 November 2010, the Limited Partnership announced that, through its wholly owned subsidiary, Fitzwilliam Holdco Limited, it has acquired 84.4% of Broadstone, the UK-wide independent provider of investment advice and solutions to private individuals and corporates, from BDO LLP. The total transaction value at time of acquisition was £14.2 million funded through a combination of debt and equity. The Limited Partnership's contribution as at 30 June 2012 was £14.5 million (31 December 2011: £13.1 million). At 30 June 2012 the net fair value of the investment attributable to the Company was £9.2 million (31 December 2011: £8.5 million).

TO (Bermuda) Limited (Time Out London) and TONY (Bermuda) Limited (Time Out New York)

On 25 November 2010, the Limited Partnership acquired 50% of Time Out London, the international multi-channel publisher. Time Out was founded in 1968 and publishes in over 30 countries around the world. Time Out is uniquely positioned to provide services across traditional print, digital channels and live events. The Limited Partnership contributed £9.3 million in 2011 and a further £2.0 million during the period to 30 June 2012. The net fair value of the investment attributable to the Company at 30 June 2012 was £7.2 million (31 December 2011: £6.1 million).

In May 2011, the Limited Partner acquired 65.7% of Time Out America LLC ("Time Out New York"). The investment is anticipated to be synergistic and will enhance the Limited Partnership's previous investment, in November 2010, in Time Out Group Limited ("Time Out London") to create a global digital media group (the "Time Out Group"). In combination, Time Out New York and Time Out London control the worldwide rights to the Time Out brand (excluding Chicago). The Limited Partnership subscribed for equity of £9.3 million ($15.0 million). The Limited Partnership made a further contribution of £0.5 million ($0.7 million). The net fair value of the investment attributable to the Company as at 30 June 2012 was £6.4 million (31 December 2011: £6.3 million).

The total transaction value of the two portfolio companies was a combined £32 million funded through a combination of debt and equity. The Limited Partnership's contribution as at 30 June 2012 for both portfolio companies was £21.1 million (31 December 2011: £18.6 million). At 30 June 2012 and 31 December 2011, the acquisition was valued at cost. The net fair value of the combined investments attributable to the Company at 30 June 2012 was £13.6 million (31 December 2011: £12.4 million).

Emesa B.V.

On 25 March 2011, the Fund announced that it had acquired 68.0% of Emesa B.V., a leading e-commerce company active in the Dutch online leisure market. Emesa was founded in 2004 and has grown significantly to become a leading online consumer auction platform in the European leisure industry. Emesa enables online customers to find and book leisure deals such as short holidays, weekend breaks, spa/beauty visits, event tickets and restaurant visits through its websites. The Limited Partnership provided equity of £10.4 million at the time of acquisition and contributed additional funding of £1.8 million during the period to 30 June 2012. The net fair value attributable to the Company at 30 June 2012 was £19.8 million (31 December 2011: £16.5 million).

WHDI (Bermuda) Limited (Intergenia AG)

In December 2011, the Limited Partnership acquired a 51% stake in Intergenia AG, a leading web hosting company providing managed, dedicated and cloud hosting. The Limited Partnership acquired the investment in Intergenia AG through a fully owned subsidiary, WHDI (Bermuda) Limited, in the form of equity for £25.2 million (€30.2 million). The net fair value of the investment attributable to the Company at 30 June 2012 was £21.7 million (31 December 2011: £16.4 million).

Certain Directors of the Company and the General Partner of the Limited Partnership may also be directors of the investee companies.

Mezzanine financing investments

Headland Media Limited

As part of the Limited Partnership's acquisition of Newslink through Headland Media, the Company provided £1.6 million of debt finance, in the form of a secured mezzanine instrument from the Company. The instrument carries a fixed interest rate of 15% and was repaid in full in February 2012.

Time Out (Bermuda) Limited

As part of the Limited Partnership's acquisition of Time Out Group Limited, the Company provided debt finance of £6.2 million in the form of a mezzanine loan. The instrument carries a fixed interest rate of 15% maturing on 30 November 2015. The fair value is considered to equal the amortised cost.

Fitzwilliam Holdco Limited (Broadstone, formerly BDO Wealth Management)

As part of the Limited Partnership's acquisition of Broadstone, the Company provided debt finance of £6.0 million in the form of a mezzanine loan. The instrument carries an interest rate of 15% and matures on 30 November 2015. The fair value is considered to equal the amortised cost.

VVX (Bermuda) Limited (Verivox)

As part of the Limited Partnership's acquisition of Verivox the Company provided debt finance of £7.3 million (€8.0 million), in the form of an unsecured mezzanine instrument. The instrument carried a fixed interest rate of 15%, maturing no later than 4 December 2019. Due to the strong trading performance enjoyed by Verivox, it was able to repay £6.35 million of the loan on 21 December 2010 leaving a principal balance of £1.42 million (€1.65 million) at 31 December 2010. This was repaid in full on 11 March 2011.

Emesa Group Holdings B.V. (Emesa)

As part of the Limited Partnership's acquisition of Emesa the Company provided debt finance of £4.7 million (€5.4 million), in the form of an unsecured mezzanine instrument. The instrument carried a fixed interest rate of 15%. The loan was repaid in full on 22 December 2011.

TONY OCIL (Bermuda) Limited (Time Out New York)

As part of the Limited Partnership's acquisition of Time Out New York, the Company provided debt finance of £3.1 million ($5.0 million) in the form of a mezzanine loan. The instrument carries a fixed interest rate of 15% before withholding tax and 10.5% after withholding tax. The instrument matures no later than May 2016. The fair value is considered to equal the amortised cost.

Senior loan notes

Time Out (Bermuda) Limited

As part of the Limited Partnership's acquisition of Time Out Group Limited, the Company has also provided a secured senior loan of £5.0 million. The instrument carries a fixed interest rate of 8.5% and matures on 31 March 2013. The fair value is considered to equal the amortised cost.

Emesa Group Holdings B.V. (Emesa)

As part of the Limited Partnership's acquisition of Emesa, the Company has also provided a secured senior loan of £8.7 million (€10.0 million). The instrument carried a fixed interest rate of 8.5% and the loan was repaid in full on 22 December 2011.

TONY OCIL (Bermuda) Limited (Time Out New York)

As part of the Limited Partnership's acquisition of Time Out New York, the Company has also provided a secured senior loan of £2.2 million ($3.4 million). The instrument carries a fixed interest rate of 8.5% before withholding tax and 5.95% after withholding tax. Interest income on this loan is shown net of withholding tax. This instrument matures no later than May 2014. The fair value is considered to equal the amortised cost.

WHDI (Bermuda) Limited (Intergenia AG)

As part of the Limited Partnership's acquisition Intergenia AG, the Company also provided a secured senior loan of £8.4 million (€10.0 million). The instrument carries a fixed interest rate of 8.5%. The instrument matures no later than November 2013. £2.1 million (€2.5 million) of this loan was repaid in March 2012.

Bridge financing investments

Oakley Capital Private Equity L.P.

On 24 March 2011, the Company provided a bridging loan to the Limited Partnership of £12.0 million at an interest rate of 6.5% per annum and a maturity of 29 July 2011. The loan was fully repaid on 15 April 2011. On 24 November 2011, the Company provided a bridging loan of £3.0 million at an interest rate of 6.5% and the maturity date of 29 February 2012. The debt was repaid in full on 8 December 2011. On 19 March 2012 the Company entered into a £12.0 million revolving credit facility with the Limited Partnership, as of 30 June 2012 the Limited Partnership had drawn down £4.5 million under this facility.

8. CAPITAL COMMITMENT

The total capital commitment made by the Company in the Limited Partnership is £151,188,592 (€187,398,260) (30 June 2011: £168,767,500 (€187,000,000), (31 December 2011: £156,197,795 (€187,000,000)). The Limited Partnership may draw upon the capital commitment at any time subject to two weeks' notice on an as needed basis. Since inception, capital in the amount of £99,028,528 (€122,745,860) (30 June 2011: £79,409,451 (€96,305,000), 31 December 2011: £101,932,105 (€122,485,000) was called from the Company by the Limited Partnership. As at 30 June 2012, the amount of capital commitment available to be called from the Company by the Limited Partnership was £52,160,065 (€64,652,400), (30 June 2011: £81,852,237 (€90,695,000), (31 December 2011: £54,265,690 (€64,515,000)).

In December 2011, the Limited Partnership issued a further capital call of €26.2 million (£22.5 million) representing 14% of the total commitments of €187 million. Further, in March 2012 the Company increased its commitment by €398,260. This increased the Company's committed capital to €187,398,260.

The total funded commitments to 30 June 2012 were €122.7 million representing 65.15% of the Company's total commitments.

On 28 October 2010, the Company made a capital commitment in the amount of €100,000,000 in a successor fund to the Limited Partnership. At 30 June 2012, there have been no capital calls in respect of this commitment.

9. SHARE CAPITAL AND WARRANTS

(a) Share capital

The authorised share capital of the Company is £2,000,000 divided into 200,000,000 shares of par value 1 pence each.

Shares of common stock and warrants outstanding are:

Common stock	Unaudited six months ended 30 June 2012 £	Unaudited six months ended 30 June 2011 £	Audited year ended 31 Dec 2011 £
Balance at beginning and end of period/year	128,125,000	128,125,000	128,125,000

10. RELATED PARTIES

Certain Directors of the Company are also Directors, Members and/or Shareholders of the Manager, Oakley Capital Corporate Finance LLP ("Oakley Finance"), Palmer Capital Associates (International) Limited and the Administrator; entities which provide services to and receive compensation from the Company.

The Company has entered into a financial advisory agreement with Oakley Finance. During the period ended 30 June 2012, the Company has not yet incurred financial advisory fees with Oakley Finance (30 June 2011: £nil; 31 December 2011: £25,000, which is included in professional fees in the statements of operations). As at 30 June 2012, there was no balance payable to Oakley Finance (30 June 2011: £nil; 31 December 2011: £nil).

11. TAXATION

Under current Bermuda law the Company is not required to pay any taxes in Bermuda or either income or capital gains. The Company has received an undertaking from the Minister of Finance in Bermuda that in the event of such taxes being imposed, the Company will be exempt from such taxation at least until the year 2016.

The Company was not required to recognise any amounts for uncertain tax positions under FASB ASC 740-10.

12. INDEMNIFICATIONS AND WARRANTIES

In the ordinary course of business, the Company may enter into contracts or agreements that may contain indemnifications or warranties. Future events could occur that lead to the execution of these provisions against the Company. Based on its history, experience and assessment of existing contracts, management feels that the likelihood of such an event is remote.

13. SUBSEQUENT EVENTS

In July 2012, the Company repurchased 2,063,650 shares for £2,511,998 at an average price of £1.22. The shares have been held in treasury. All of the rights of the shares while held in treasury have been suspended (including economic participation, voting and dividend and other distribution rights).

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