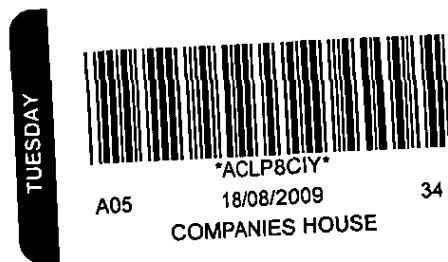


MILESTONE CAPITAL HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2008



milestone
capital

Company Number: 5962074

REPORT OF THE DIRECTORS

The directors present their Annual Report and Audited Financial Statements for the year ended 31 December 2008.

Principal activities, business review and results

The principal activity of the company is to act as a holding company. The principal activity of the company's subsidiaries is the provision of advisory services in connection with private equity investments in management buy-outs, buy-ins and other venture capital investments.

The company's overall performance is measured by profitability and the loss before tax for the year was £5,250 (2007: loss of £23,400). Details of the results for the year are set out on page 5. The directors have not accrued a dividend for the year (2007: £nil).

The risks and uncertainties faced by the company are those inherent within the private equity industry and are outlined further, along with the other risks and uncertainties faced by the Milestone Group, in the Member's Report prepared by Milestone Capital Partners LLP, the company's ultimate parent undertaking. Consolidated financial statements can be obtained from the address on page 13.

On 15 May 2008 Milestone Capital Partners LLP replaced the company as the ultimate parent undertaking of the group. As a consequence, these financial statements present information about the company as an individual undertaking and not about its group.

There have been no significant developments or changes in activities during the year and the Directors intend that the company will continue as a holding company to the group.

No important events affecting the Company have occurred since the end of the financial year.

Directors, members and their interests

The directors of the company during the year, none of which had any interest in the shares of the company, were as follows:

C.W. Robinson
E.R.M. Rinner

The members who served Milestone Capital Partners LLP, the ultimate parent undertaking, throughout the period were as follows:

C.W. Robinson	(appointed 31 July 2007)
E.R.M. Rinner	(appointed 31 July 2007)
P.R. Conboy	(appointed 15 May 2008)

Political and charitable contributions

The company made no political or charitable donations or incurred any political expenditure during the year.

REPORT OF THE DIRECTORS continued

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

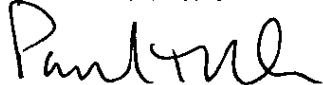
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the parent undertaking and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law.

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

By order of the Board



P.W. Dickson
Company Secretary

13 August 2009

Registered Office:
3rd Floor, 14 Floral Street
London WC2E 9DH

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF MILESTONE CAPITAL HOLDINGS LIMITED

We have audited the financial statements of Milestone Capital Holdings Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditor

The directors' responsibilities for preparing the Directors' Report and financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company affairs as at 31 December 2008 and of the profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

London
13 August 2009

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2008

	Notes	2008 £	2007 £
Administrative expenses	2	(5,250)	(23,400)
Loss on ordinary activities before taxation	2	(5,250)	(23,400)
Taxation	3	7,020	-
Profit / (loss) for the year		1,770	(23,400)

The results above were all derived from continuing activities.

The company has no recognised gains and losses other than those reported above and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 7 to 13 form part of these financial statements.

BALANCE SHEET
As at 31 December 2008

	Notes	2008 £	2007 £
Fixed assets			
Investments in subsidiary undertakings	4	986,004	986,004
Current assets			
Debtors: amounts falling due within one year	5	7,020	-
Creditors: amounts falling due within one year	6	(700,654)	(695,404)
Net current liabilities		<u>(693,634)</u>	<u>(695,404)</u>
Net assets		<u>292,370</u>	<u>290,600</u>
Represented by			
Called-up share capital	7	200	200
Share premium account	8	313,800	313,800
Profit and loss account	8	(21,630)	(23,400)
Shareholders' funds	9	<u>292,370</u>	<u>290,600</u>

These financial statements were approved by the Board of Directors on 13 August 2009 and signed on its behalf by:



C.W. Robinson
Director

The notes on pages 7 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2008

I. Accounting policies

The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and under the historical cost accounting rules.

Investments

Investments are stated at cost less any provision for permanent impairment.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences arising on the treatment of certain items for taxation and accounting purposes.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. The deferred tax balance has not been discounted.

Related party transactions

Details of the principal subsidiary companies are shown in note 4.

NOTES TO THE FINANCIAL STATEMENTS continued

2. Loss on ordinary activities before taxation

	2008 £	2007 £
<i>Loss on ordinary activities before taxation is stated after charging/(crediting)</i>		
Auditors' remuneration for:		
- Audit of 2008 financial statements pursuant to legislation	2,950	-
- Audit of 2007 parent company financial statements pursuant to legislation	-	9,900
- Audit of 2007 consolidated financial statements pursuant to legislation	-	12,000
- Other services relating to taxation	2,285	1,500
Taxation services	-	-

Information Regarding Directors and Employees

The directors did not receive any remuneration from the company during the year (2007: £nil). There were no employees during the year (2007: nil).

NOTES TO THE FINANCIAL STATEMENTS continued

3. Taxation

<i>Analysis of charge in the year</i>	2008 £	2007 £
Current tax:		
UK corporation tax on loss of the year	-	-
Adjustments in respect of previous years – group relief	(7,020)	-
Total current tax	(7,020)	
Deferred tax:		
Current year movement to deferred tax	-	-
Prior year adjustment to deferred tax	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	(7,020)	-
 <i>Factors affecting the tax charge for the current year</i>	 2008 £	 2007 £
Loss on ordinary activities before tax	(5,250)	(23,400)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK 28.5% (2007: 30%)	(1,496)	(7,020)
<i>Effects of:</i>		
Increase of trading losses	-	7,020
Group relief of current year losses	1,496	-
Adjustments to tax charge in respect of previous periods	(7,020)	-
Current tax credit for the period	(7,020)	-

NOTES TO THE FINANCIAL STATEMENTS continued

4. Investments

Investments in subsidiary undertakings

Name of Company	Nature of business	Incorporated
EAC Holdings Limited	Intermediate Holding Company	England and Wales
Milestone GP Limited	General Partner ⁽¹⁾	England and Wales
Milestone (Scotland) GP Limited	General Partner ⁽²⁾	Scotland
EAC Group Limited *	Intermediate Holding Company	Guernsey
Milestone Capital SAS *	Advisory services	France
Milestone Capital Services Limited	Service Company ⁽³⁾	England and Wales
EAC Fund I GP Limited	Dormant	England and Wales
EAC Fund II GP Limited	General Partner ⁽⁴⁾	England and Wales
EAC (Scotland) GP Limited	General Partner ⁽⁵⁾	Scotland
EAC (Scotland) (GP3) Limited	General Partner and Managing Limited Partner ⁽⁶⁾	Scotland
EAC Scotland (XL3) Limited	General Partner ⁽⁷⁾	Scotland
EAC Bridge Finance GP Limited	Dormant	England and Wales
EAC German GP GmbH	General Partner ⁽⁸⁾	Germany
EAC Opco Limited	Investment company	Guernsey
EAC Limited	Dormant	England and Wales

Milestone Capital Holdings Limited owns 100% of the Ordinary Share Capital of EAC Holdings Limited, Milestone GP Limited and Milestone (Scotland) GP Limited and was the ultimate controlling party of the group until 14 May 2008. Subsidiaries marked with an asterisk (*) are owned through the intermediate holding company, EAC Holdings Limited. All other subsidiaries are owned through the intermediate holding company EAC Group Limited. In each case, the intermediate holding company owns 100% of the Ordinary Share Capital.

- (1) General Partner of Milestone Parallel Private Equity Limited Partnership, Milestone Parallel 2008 Limited Partnership, Milestone 2007 Limited Partnership, Milestone 2008 Limited Partnership and Milestone Link Fund Limited Partnership
- (2) General Partner of Milestone Carried Interest Limited Partnership
- (3) Investment Manager from 1 January to 14 May 2008, Service Company from 15 May to 31 December 2008
- (4) General Partner of EAC Fund II Limited Partnership
- (5) General Partner of EAC (Scotland) Limited Partnership
- (6) General Partner of EAC Fund III Limited Partnership and the Managing Limited Partner of EAC Fund III GmbH & Co. Beteiligungs KG
- (7) General Partner of EAC Fund III (Scotland) Limited Partnership
- (8) General Partner of EAC Fund III GmbH & Co. Beteiligungs KG

NOTES TO THE FINANCIAL STATEMENTS continued

4. Investments continued

<i>Investments in subsidiary undertakings</i> continued	2008 £	2007 £
<i>Cost</i>		
At 1 January	986,004	-
Additions	-	986,004
	<hr/>	<hr/>
At 31 December	986,004	986,004
	<hr/>	<hr/>
<i>Provision</i>		
At 1 January	-	-
Provision charged for the year	-	-
	<hr/>	<hr/>
At 31 December	-	-
	<hr/>	<hr/>
<i>Net Book Value at 31 December</i>	986,004	986,004
	<hr/>	<hr/>

5. Debtors

	2008 £	2007 £
Amounts owed by other group companies	7,020	-
	<hr/>	<hr/>
	7,020	-
	<hr/>	<hr/>

6. Creditors: amounts falling due within one year

	2008 £	2007 £
Amount owed to group companies	696,189	227,337
Accruals	4,465	23,400
Debenture loans	-	444,667
	<hr/>	<hr/>
	700,654	695,404
	<hr/>	<hr/>

Debenture loans were unsecured and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS continued

7. Called up share capital

	2008 £	2007 £
<i>Allotted, called up and fully paid</i>		
200 Ordinary shares of £1 each	200	200

8. Reserves

<i>Profit and loss reserve</i>	2008 £	2007 £
At 1 January (2007: 10 October 2006)	(23,400)	-
Profit / (loss) for the financial year	1,770	(23,400)
At 31 December	(21,630)	(23,400)

<i>Share premium account</i>	2008 £	2007 £
At 1 January (2007: 10 October 2006)	313,800	-
Premium on ordinary shares issued	-	313,800
At 31 December	313,800	313,800

9. Reconciliation of movement in shareholders' funds

	2008 £	2007 £
Profit / (loss) for the period	1,770	(23,400)
Nominal value of ordinary shares issued (note 6)	-	200
Premium on issue of ordinary shares	-	313,800
Net increase in shareholders' funds	1,770	290,600
Opening shareholders' funds	290,600	-
Shareholders' funds at 31 December	292,370	290,600

NOTES TO THE FINANCIAL STATEMENTS continued

10. Cash flow statement

Under FRS1 (revised) Cash Flow Statements, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary whose results are included in the publicly available consolidated financial statements of the ultimate parent undertaking.

11. Related party transactions

Under FRS8 Related Party Transactions, the company is exempt from disclosing transactions within the group as it is wholly owned by the group whose consolidated annual financial statements, which include the company's results, are publicly available.

12. Commitments

There were no capital commitments at the end of the financial year (2007: £nil).

13. Ultimate parent undertaking

The company is a wholly owned subsidiary of the ultimate parent undertaking, Milestone Capital Partners LLP, which is incorporated in England and Wales.

Copies of these consolidated financial statements can be obtained from Milestone Capital Partners LLP, 3rd Floor, 14 Floral Street, London WC2E 9DH.

14. Exemption from preparing group financial statements

The Company is exempt from the obligation, under section 228 of the Companies Act 1985, to prepare group financial statements and to deliver them to the Registrar of Companies on the grounds that the Company's results have been consolidated in the group financial statements of Milestone Capital Partners LLP, the ultimate parent undertaking. Consequently these financial statements present information about the company as an individual undertaking and not about its group.