

PIP primarily invests in a diversified portfolio of private equity funds across the world.

The Manager, Pantheon, is one of the world's foremost private equity specialists. With 30 years' experience, and a team of over 65 investment professionals, Pantheon is well positioned to guide PIP towards its objective of maximising capital growth.

Contents

FINd	inciai Summary	
Cha	airman's Statement	
The	Manager's Review:	4 8
>	Market Review	9
>	Investments Called in the Half Year to 31st December 2011	10
>	Distributions in the Half Year to 31st December 2011	12
>	Finance	15
>	Portfolio Overview	16
>	Portfolio Analysis	18
>	Outstanding Commitments	20
>	The Top 20 Managers by Value and Outstanding Commitments	22
>	The Top 20 Companies by Value	23
>	Objective and Investment Policy	24
Inte	rim Management Report and Responsibility Statement of the Directors	25
Cor	ndensed Income Statement (unaudited)	26
Cor	ndensed Reconciliation of Movements in Equity Shareholders' Funds	
	(unaudited)	27
Cor	ndensed Balance Sheet (unaudited)	28
Cor	ndensed Cash Flow Statement (unaudited)	29
Not	es to the Half Yearly Financial Statements (unaudited)	30
Inde	ependent Review Report	34
Dire	ectors and Advisers	35

Financial Summary

Highlights	31ST DECEMBER 2011	30TH JUNE 2011	CHANGE
Summary of results			
Adjusted NAV per share	1,134.0p	1,104.1p ¹	2.7%
Adjusted net assets	£826.2m	£733.1m ¹	12.7%
Ordinary shares			
Share price	625.8p	714.0p	(12.4%)
Discount to adjusted NAV per share	44.8%	35.3%	
Redeemable shares			
Share price	645.0p	710.0p	(9.2%)
Discount to adjusted NAV per share	43.1%	35.7%	
	SIX MONTHS TO	YEAR TO	
	31ST DECEMBER 2011	30TH JUNE 2011	
Portfolio activity			
Distributions	£80.5m	£165.2m	
Investments called	£28.1m	£84.1m ²	
Net portfolio cash flow	£52.4m	£81.1m	

¹ 30th June 2011 figures relate to the adjusted NAV, which excluded a derivative asset relating to the Company's standby subscription agreements with certain institutions under which those institutions could be called upon by the Company to subscribe for new redeemable shares in the Company ("Standby Commitments"). These agreements were required to be included as an asset in the Company's accounts to comply with FRS 26. The Board considered that the best measure of the Company's economic value to shareholders at 30th June 2011 was the adjusted NAV per share, which is directly comparable to previously published NAV per share. The utilisation and expiry of Standby Commitments in the September 2011 quarter led to a reversal of the asset in the accounts.

² Excludes £18.8m acquisition cost of a new secondary transaction completed in the year to 30th June 2011.

	4.454.5	2.454.56	5.75456		SINCE		
	1 YEAR	3 YEARS	5 YEARS	10 YEARS	INCEPTION		
Performance at 31st December 2011		%	% P.A.	% P.A.	% P.A.	% P.A.	
NAV per share		15.9	0.2	6.5	6.6	11.4	
Ordinary share price		0.1	37.6	(5.1)	2.7	9.2	
FTSE All-Share Total Return		(3.5)	12.9	1.2	4.8	7.6	
MSCI World Total Return (sterling)		(4.5)	9.5	2.9	3.5	6.2	

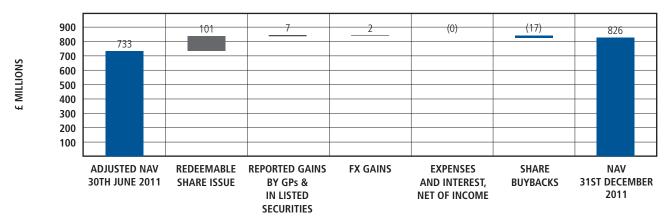
PIP was launched on 18th September 1987. Historical NAV per share calculations use adjusted NAV per share where applicable. £1,000 invested at inception, assuming reinvestment of dividends, capital repayments and cash flows from the exercise of warrants would have been worth £8,525 at 31st December 2011.

Historical record



^{*}Includes the effects of dividends, capital repayments and warrants. Historical NAV per share calculations use adjusted NAV per share where applicable.

NAV movement



The above chart reconciles the opening and closing NAV for the six months to 31st December 2011.

Historical data	NAV* (£M)	NAV PER SHARE* (PENCE)	ORDINARY SHARE PRICE (PENCE)	•	OUTSTANDING COMMITMENTS (£M)
Half year period ended 31st December 2011	826.2	1,134.0	625.8	775	211
Financial year end (30th June):					
2011	733.1	1,104.1	714.0	810	243
2010	636.5	958.7	486.0	763	331
2009	513.6	773.6	295.3	648	428
2008	736.1	1,108.7	750.0	806	641
2007	610.3	919.2	917.5	527	528
2006	441.0	796.8	726.5	372	365
2005	381.5	657.9	650.5	315	245
2004	245.2	572.5	463.0	233	137
2003	220.9	546.8	447.0	237	158
2002	196.4	541.6	486.5	175	138
2001	206.1	669.1	574.0	201	138
2000	161.3	599.9	457.5	140	77
1999	145.8	405.6	302.5	78	45
1998	131.3	368.6	294.5	79	50
1997	116.8	328.4	270.0	73	47
1996	106.2	302.5	225.0	48	25
1995	86.9	255.1	207.5	33	8
1994	47.4	239.6	176.5	42	7
1993	30.8	195.5	172.5	28	1
1992	21.3	139.7	93.5	28	0
1991	21.0	129.1	86.5	31	1
1990	20.2	126.7	80.5	32	2
1989	16.7	120.9	95.0	25	2
1988	12.4	102.5	75.0	2	0

^{*} Includes participating loan notes in issue between 2000 and 2004. Historical NAV and NAV per share figures disclosed in the table above relate to adjusted NAV and adjusted NAV per share where applicable.

Capital structure at 31st December 2011

Ordinary shares	36,896,013
Redeemable shares	35,958,534
Total	72,854,547



Chairman's Statement

I am pleased to report PIP's net asset value ("NAV") per share increased by 2.7% to 1,134.0p in the half year to 31st December 2011, despite the public market volatility in the third quarter of 2011. The increase in NAV per share was driven by valuation gains and uplifts from share buybacks. However, the market price of redeemable and ordinary shares moved negatively, in line with the direction of stock markets. This is disappointing as it increases the discount at which the Company's shares have traded in the period.

Investment performance

Distributions, which are often executed at uplifts to carrying value, amounted to a healthy £80m for the period.

Valuations, particularly those of large buyout funds, were inevitably impacted by public market volatility in the September 2011 quarter. However, overall, the portfolio showed positive performance in the half year to 31st December 2011, in contrast to falls of 7% and 6% in the MSCI World and FTSE All-Share indices respectively.

Capital structure

A year ago, I stated that it was a key priority to extend the Company's bank loan facility and review whether the equity capital structure could be simplified. As previously disclosed, a new facility, expiring in June 2015, was agreed which remains undrawn. Following this, on 24th August 2011, the Company terminated the standby bridge loan arrangements by exchanging £100.5m of new redeemable shares for the £100.5m of loan notes then outstanding on its balance sheet. The Company also announced the termination of the remaining standby agreements effective from 30th September 2011. The balance sheet is now debt-free and the capital structure has been simplified.

Secondaries remain the main investment focus

During this phase of the investment cycle, the Board favours investments that have a shorter duration and a lower unfunded component than committing to primary fund investments. Accordingly, the Board currently intends that the Company should continue to emphasise investments in secondary interests and also occasionally to invest by participating in co-investments alongside leading private equity managers selected by Pantheon, our Manager. As secondary investments by nature are opportunistic the Company will, through its co-investment programme, be able to build additional exposure in those regions we believe to be particularly attractive.

Share buybacks increased NAV per share

Given the wide discount at which the shares have traded in the period, the Board has prioritised share buybacks over new secondary transactions as an investment priority. In the half year to 31st December 2011 PIP bought back, for cancellation, a total value of £17.4m shares, resulting in an uplift to NAV per share of approximately 16p, or 1.4% of PIP's adjusted NAV per share at 30th June 2011. PIP's growing financial strength increases its capacity for new investments, but share buybacks will remain a compelling investment alternative while discounts are high.

Change to Net Asset Value

In the six months to 31st December 2011 PIP's net assets increased by £93.1m to £826.2m. Of this increase, £100.5m resulted from the exchange of loan notes for new redeemable shares in August 2011, while reported gains in unlisted and listed securities amounted to £7m. Expenses and interest of £7m were fully offset by income, whilst foreign exchange movements on the portfolio and cash balances added £2m. The net asset value was reduced by the £17m market value of ordinary and redeemable shares bought back and cancelled by the Company during the half year.

Solid performance progress from mid-cap buyout funds

Small and mid-cap buyout funds, which represent a majority of the Company's buyout portfolio, outperformed large and mega buyout funds in all regions. This was particularly evident in the US, where large and mega buyout funds were significantly impacted by falls in public markets, possibly reflecting the higher levels of leverage typical of capital structures at the large end of the market. PIP's European buyout portfolio, which has greater exposure to mid and small cap buyout funds, outperformed the US and Asia. A number of substantial realisations were beneficial to performance, particularly in Europe. PIP's European exposure is weighted predominantly in the UK, Germany and Scandinavia, with only a small exposure to Southern European countries such as Spain and Italy, which together represent approximately 4% of PIP's overall portfolio.

Chairman's Statement

(CONTINUED)

Venture and growth valuations remained stable

PIP's venture and growth assets, which account for 32% of the total portfolio, experienced less market-related volatility, with a flat performance over the half year period. The rate of distributions from PIP's venture and growth funds were lower than those from buyout funds, reflecting the current weakness in IPO markets and a reduction in venture-backed M&A activity. PIP's mature venture and growth assets, with a weighted average fund maturity of 7.9 years, should benefit from any future recovery in exit markets. The rate of realisation activity can be a significant factor for investment performance, as distributions from venture assets have often resulted in healthy uplifts to carrying value.

Investment Activity

The increasing maturity of PIP's portfolio naturally strengthens the Company's cash flow, as distributions increasingly outweigh calls of unfunded commitments. The Company's net cash flow continued to pick up from last year. £52m was generated during the half year to 31st December 2011, up from £29m in the same period last year. The Company made no new commitments during the period.

Continuing strong distribution activity

Following the increase in exit activity during the first half of the 2011 calendar year, PIP continued to experience similar levels of distributions from its portfolio in the period, due in part to the completion of exits signed earlier in the year. Furthermore, we continue to see evidence that distributions played a significant part in driving performance; the top 25 distributions in the period achieved an average multiple to cost of 3.3 times and uplift to carrying value of 38%.

Call rates showing signs of slowing

The Company invested £28m through calls from underlying private equity funds. These calls represent 12% of opening undrawn commitments, down from approximately 14% in the same period last year. This modest slowdown in the pace of investment activity reflects both the increased caution of managers due to the uncertain macro-economic environment and also the weaker debt markets, particularly in Europe.

Share buybacks and new investment commitments

After 31st December 2011 the Company signed an agreement committing £5m to a secondary interest which has now completed, but made no new commitments during the period, focusing instead on investing through share buybacks. The Company invested a total of £17.4m buying back its shares for cancellation at an average discount of approximately 40% to the 30th June 2011 adjusted NAV per share, resulting in an uplift to PIP's NAV per share of 16p. Since 31st December 2011, the Company has bought back a further £4.8m of shares at an average discount of approximately 42%, taking the total amount bought back to 4.5% of PIP's total shares outstanding prior to any share buybacks.

In pursuing its investment strategy, the Company will continue to weigh new secondary and co-investment opportunities against the opportunity to acquire more of its own shares at a significant discount to NAV.

Financing and Capital Structure

Adjustments to the capital structure

In August 2011 the Company exchanged for new redeemable shares the full outstanding £100.5m balance of loan notes issued in 2008 and 2010 to bridge calls under the Company's standby redeemable share subscription agreements ("Standby Commitments") with certain institutions. The new redeemable shares were issued under these Standby Commitments at a subscription price of 1,104.1p, equal to the adjusted NAV per share at 30th June 2011. The Company subsequently terminated the remaining £49.5m of Standby Commitments with effect from 30th September 2011.

Loan facility remains undrawn

PIP's multi-currency, revolving credit agreement, which remains unutilised, comprises facilities of \$82m and €57m that will expire in June 2015. The Board intends to reserve the credit facilities to enable the Company to finance calls of undrawn commitments in the event that distributions from investments are insufficient to do so.

Undrawn commitments are well covered

Outstanding commitments to investments, which are likely to be called over several years, stood at £211m at 31st December 2011, down from £243m at 30th June 2011.

At 31st December 2011, the Company's available financing was £157m, comprising cash balances of £57m and the unutilised bank loan facility of £100m. This available financing, together with the private equity portfolio of £775m, represented 4.4 times the value of the Company's £211m of undrawn commitments.

Outlook

The outlook is for weak economic growth to continue in many of the markets in which the Company's investments are based. Despite this, in the absence of a more challenging economic environment that could result from disorderly changes in the membership of the Eurozone, the maturity of the Company's portfolio should help it to continue to perform depending on the level of realisation activity in the coming periods. Although the outlook for exits through IPOs remains uncertain, we believe M&A will dominate exit activity given the high level of cash on many corporate balance sheets. This activity should drive distributions and ultimately performance.

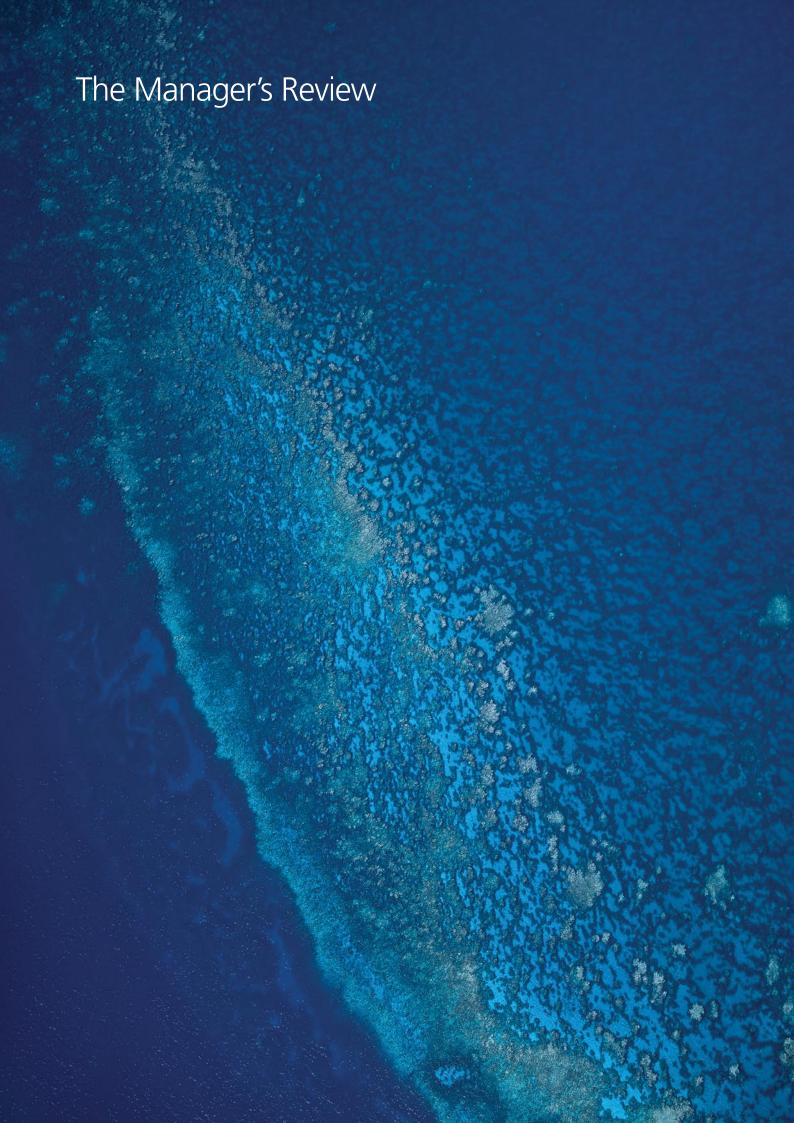
While the debt markets, especially in Europe, have certainly slowed somewhat, debt remains available for attractive buyout targets and the need for growth equity investment will continue in some markets. Therefore we expect to see call activity continuing in the coming period.

With more widespread recognition of the economic uncertainties, attractive investment opportunities should increase as vendors resume their efforts to meet structural and liquidity objectives. This has been experienced to a significant extent already in the secondary market where deal flow patterns indicate a return to historically high levels of secondary investment activity. The Company is strongly positioned to benefit from these developments and will continue to emphasise secondary investment and co-investment in its investment programme, together with share buybacks.

TOM BARTLAM

27th February 2012

MH Butter



Market Review

Buyouts

The resurgence of buyout activity which began in 2010 continued to gain pace in the first half of 2011 with credit markets becoming increasingly accommodating. This slowed markedly in the second half of the year as risk aversion amongst lenders increased amidst growing concern over the European debt crisis. In all markets, but particularly in Europe, while credit markets can be said to be open for business, there is no doubt that financing costs have risen and that credit availability is both more constrained and more volatile.

In the USA, buyout volume totalled \$111bn during 2011, an approximate 40% increase over 2010, although activity remains well below that of 2007, which peaked at \$434bn. Leveraged buyout loan volume has also rebounded, totalling \$52bn during the year. While valuations have risen as a consequence of the increase in volume, purchase price multiples remain below peaks reached in 2007, and debt multiples have moderated. Take-privates and secondary buyouts continue to represent a significant proportion of transactions completed. A similar picture emerged in Europe, which saw around a 50% increase in transactions in 2011. However, in the final guarter of 2011 there was a significant slowdown in deals and exits due to volatility in financial markets and the Eurozone crisis. In particular, the reduced appetite of banks to underwrite new loans, given the current economic conditions, has been a stumbling block to completing new transactions.

Venture and Growth

The US venture capital environment continues to benefit from rapid developments in certain areas of the technology market. Investment pace has ranged from approximately \$25bn to \$30bn annually for each of the past six years. More recently, venture capital investment performance has strengthened based on the growth prospects for certain companies and the greater receptivity of public markets (particularly for the technology, energy and healthcare sectors). While M&A transactions continue to represent a majority of the liquidity generated by venture-backed companies, public offerings raised \$12bn in 2011 and \$9bn in 2010.

After the recent strength in venture-backed exits, IPO activity has already slowed following recent stock market volatility. However, if markets stabilise again we could continue to see strength in M&A activity within the sector, as cash-rich IT and healthcare firms seek to acquire venture-backed companies developing potentially disruptive technologies.

Secondary Market

Secondary market transaction volumes were at a record level in 2011, although here also volumes slowed in the second half of 2011. Estimates for total transaction volume in the year are around \$24bn. The supply of deals in 2012 continues to look robust, with a number of \$1bn-plus deals in the pipeline. As ever, volumes are highly sensitive to prevailing levels of discounts to NAV, with fewer sellers transacting when discounts are higher. Pricing appeared to peak around June 2011, although interests in high quality buyout funds can still attract buyers at narrow discounts to NAV. A spread has been developing between European funds and equivalent quality US funds, reflecting the perception of the higher risk in owning European assets. On the demand side, it is estimated that secondary investors have \$32.5bn in dry powder, according to UBS research. A number of secondary groups are expected to be fundraising in 2012.

Asia

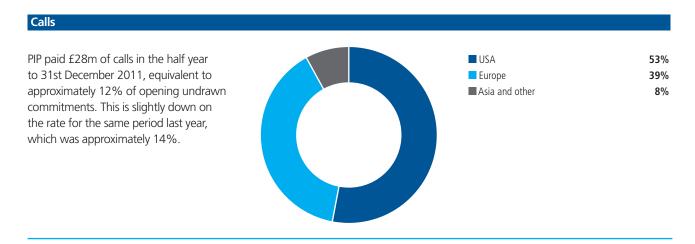
While the Company's Asian investment portfolio incorporates a significant buyout element, it is characterised by much higher levels of growth capital investment. In 2011, investment levels in the Asian private equity market almost matched 2010 levels, even after a slowdown caused by the increase in global economic uncertainty in the second half of the year. Greater China continues to dominate the region, accounting for more than 40% of Asian investment. Rising investor interest saw more funds raised with a focus on South East Asia, particularly Indonesia. Japan remains an underactive buyout market although some large investments were recorded, with some funds taking advantage of lower valuations in one of the largest economies in Asia.

In five of the last seven years, IPOs have accounted for the largest share of realisation activity in Asia. However, during 2011 M&A realisations outpaced IPOs, reflecting the downturn in equity markets in the second half of 2011. IPO activity in 2012 may remain muted as equity markets globally respond to the headwinds in the developed world.

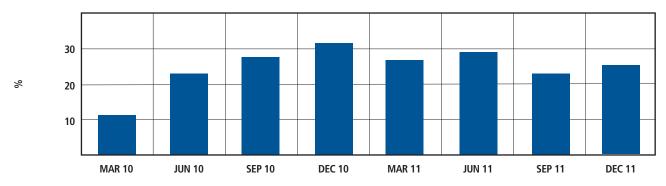
The Company experienced high levels of realisations from its portfolio in 2011, reflecting both buoyant IPO markets in the first half and strong trade sales as corporate buyers made acquisitions both within and outside the region. Notable examples include Nestlé's purchase of Hsu Fu Chi, a Chinese confectionary company, and Canada-based Valeant Pharmaceuticals' purchase of Australian pharmaceutical company iNova.

Investments Called in the Half Year to 31st December 2011

New investments financed during the year ranged across many sectors and regions, from business services, manufacturing and energy companies to casual restaurant chains, software developers and healthcare providers. Further calls from the Company's undrawn commitments of £211m will be made in the coming year, ensuring that PIP continues to invest throughout the economic cycle.



Quarterly call rate (annualised)1



Call rates have recovered considerably since the start of calendar year 2010. However, in the half year to 31st December 2011 call rates fell slightly, reflecting greater uncertainty in the financial markets.

¹ Call rate equals calls in period divided by opening undrawn commitments. Call figures exclude the £18.8m acquisition cost of a new secondary transaction completed in the June 2011 quarter.

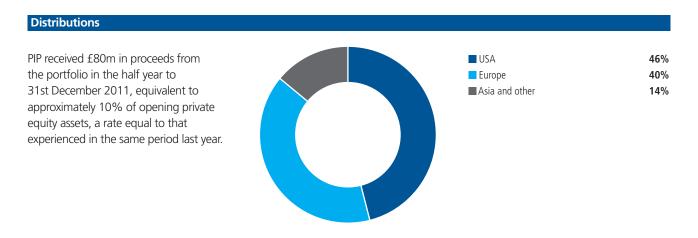
Largest 25 calls during the half year to 31st December 2011

COMPANY ¹	DESCRIPTION CAI	LS £M
California Pizza Kitchen /Lawson Software	CPK is a casual dining chain and franchise. Lawson provides resource planning software products to various sectors	1.4
ASCO Group	Provides outsourced logistics services and solutions to the oil and gas industry	1.3
Prym	Supplies sewing and textile products	0.8
Coventya/Oase Holding	Coventya supplies plating process chemicals for metal finishing. Oase supplies pumps and filters for ponds and fountains	0.8
OSSA/Q Diagnóstica	OSSA is a civil engineering group focused on tunnels and other underground works. Q Diagnóstica provides diagnostic imaging services	0.8
Pharmaceutical Product	Provides drug discovery, development and lifecycle management services	0.7
Development		
Blackboard/GLM	Blackboard supplies global educational software. GLM is a tradeshow producer	0.6
Undisclosed IT company	Provides IT infrastructure	0.6
Excelligence Learning	Provides children's educational products and supplies through various channels	0.5
Corporation		
IN tIME Holding	Provides time-critical delivery services	0.5
Insurity	Provides software and services to the property and casualty insurance industry	0.5
Royall & Company	Provides strategic direct marketing and advisory services to traditional colleges and universities	0.5
MediaMath/Mindbody/	MediaMath provides a digital media-buying platform. Mindbody provides online software for the health industry.	0.4
InSite Wireless Group	InSite provides distributed antenna systems	
Energy 21/	Energy 21 is an operator of solar power parks in the Czech Republic. KHG operates a hospital and medical clinic in Turkey	0.3
Kent Hospital Group		
EP Minerals	Manufactures diatomaceous earth filter aids, functional additives and absorbents	0.3
Gruppo Coin	Italian apparel retailer	0.3
Innovative Aftermarket	Markets vehicle protection products, services and software through franchised automobile dealers	0.3
Systems		
LEAF Commercial Capital/	LEAF provides small-ticket equipment leases. Country Fresh processes and distributes produce and organic products	0.3
Country Fresh		
Balconi	Produces and distributes bakery products	0.3
Financière ECT/Silver Care	Financière ECT specialises in inert waste management and recycling. Silver Care operates nursing homes	0.3
Scotch & Soda	Manufactures and retails casual apparel	0.3
Powervar Holdings	Manufactures and distributes power quality products to various end markets	0.3
Grupo TorreSur	Wireless tower company in Brazil	0.2
Delachaux	Manufactures rail equipment	0.2
Smulders/CMI	Smulders is a steel construction group. CMI provides facilities for television recordings, post-production and	0.2
	electronic news gathering	
TOTAL		12.7
COVERAGE OF TOTAL CALLS		45%

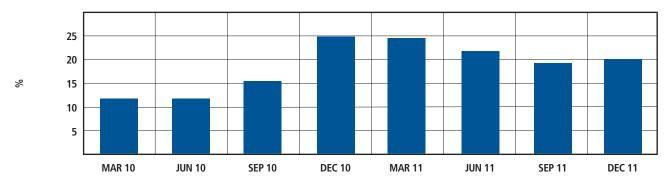
¹ Relates to the main company or companies associated with each call.

Distributions in the Half Year to 31st December 2011

PIP received distributions from more than 300¹ funds, with many at significant uplifts to carrying value. The Company's mature and diversified portfolio should continue to generate significant distributions in the coming quarters.

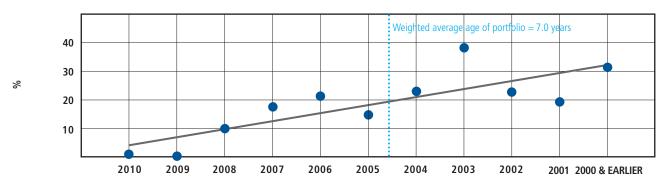


Quarterly distribution rate (annualised)²



Distribution rates have picked up since the financial crisis, increasing significantly from the last quarters of 2010. As with PIP's call rates, distribution rates fell slightly in the half year to 31st December 2011, reflecting the uncertainty in financial markets and a softer exit environment.

Distribution rate (annualised)² in the half year to 31st December 2011 by fund vintage



Mature vintages tend to distribute at higher rates, due to the fact that the underlying managers of mature funds have had time to implement changes in their portfolio companies and prepare them for exit.

¹ This figure looks through feeders and funds-of-funds. ² Distribution rate equals distributions in period divided by opening portfolio value.

Largest 25 distributions during the half year to 31st December 2011

COMPANY ¹	DESCRIPTION DISTRIBUTION	ONS £M
Nycomed	Manufactures and markets a range of branded pharmaceuticals	7.5
Converteam	Supplies systems and equipment for the conversion of energy	3.7
Orchid Orthopedic Solutions	Manufactures and supplies implants and instruments for the orthopaedic and dental markets	3.6
MYOB	Provides software products and services to SMEs and accounting firms	2.3
Vizada	Provides mobile satellite communications	1.7
Phadia	In-vitro allergy diagnostics company	1.6
Siteco/Martek Power	Siteco manufactures and supplies technical lighting equipment. Martek operates in the power conversion industry	1.4
Mincom	Provides software solutions to companies in asset-intensive industries	1.3
Husky International	Supplies injection moulding equipment and services to the plastics industry	1.3
Sterilin Limited	Manufactures and supplies single use plasticware for clinical and laboratory use in life sciences	1.1
Drake Beam Morin	Provides career transition and talent development services	1.1
QTC Management	Provides IT-enabled case management services and healthcare expertise to various US government agencies	1.0
Triple Point	Provides software to manage commodities and enterprise risk	1.0
Innovation Interactive	Provides digital marketing services	0.9
V. Group	Provides independent ship management, marine manpower and marine services	0.8
Norit	Supplies clean technologies and components for purification and filtration systems	0.8
Com Hem	Distributor of TV services in Sweden	0.8
Bureau van Dijk	Publishes company information and business intelligence	0.8
Electronic Publishing		
Magotteaux	Provides high performance wear resistant consumables to the mining, cement, aggregates, utilities and dredging industries	0.7
Ferrosan	Distributes consumer-based healthcare products	0.7
Idex	Provides comprehensive energy solutions	0.7
Jack Wolfskin	Provides outdoor fashion and equipment	0.7
Provimi	Manufactures and markets animal nutrition products	0.7
Hsu Fu Chi	Manufactures confectionary and snacks	0.6
Falck	Provides assistance, emergency services, healthcare and safety training	0.6
TOTAL		37.4
COVERAGE OF TOTAL DISTRIB	UTIONS	46%

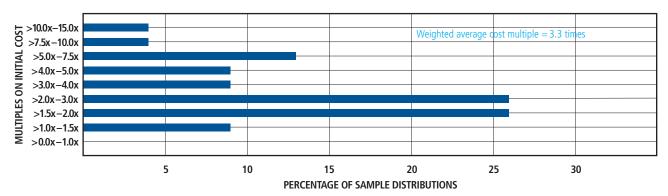
Approximately 66% of the distribution value above was derived from trade sales, 32% from sales to other private equity firms and 2% to existing shareholders.

¹ Relates to the main company or companies associated with each distribution.

Distributions in the Half Year to 31st December 2011

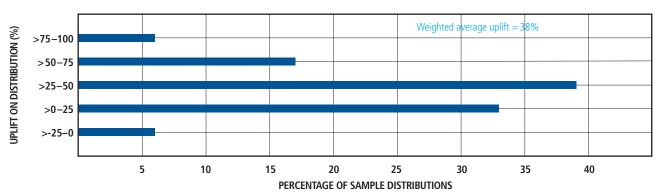
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Cost multiples on a sample of the largest distributions in the half year to 31st December 2011¹



The chart above shows the range of multiples on initial cost, where information is available, achieved by the underlying fund manager on the largest 25 distributions. The weighted average cost multiple of the sample was 3.3 times. 100% of the distributions in the sample generated multiples in excess of 1.0 times cost for the underlying fund, over 60% achieved multiples in excess of 2.0 times and over 20% of the sample generated multiples in excess of 5.0 times. These results highlight the continued ability of private equity managers to create significant value over the course of an investment.

Uplifts to previous valuations on a sample of the largest distributions in the half year to 31st December 2011²



The chart above shows the range of uplifts to previous valuations, where information is available, achieved by the underlying fund manager on the largest 25 distributions. The weighted average uplift of the sample was 38%. 94% of the sample distributed an amount greater than the previous valuation, over 60% of the sample generated uplifts in excess of 25% and over 20% generated uplifts in excess of 50%. These findings are consistent with our view that distributions tend to be significantly incremental to returns. PIP's mature portfolio is well placed to continue to generate a good level of distributions in the coming year.

Weighted average cost multiple and uplift above have been weighted by distribution value. The percentages in the distribution charts relate to number not value.

¹ The available data in the sample represented approximately 38% of PIP's total distributions for the half year to 31st December 2011. This data is based upon cost multiples (gross or net) available at the time of the distribution.

² The available data in the sample represented approximately 34% of PIP's total distributions for the half year to 31st December 2011.

Finance

Finance

Cash and available bank facility

At 31st December 2011 the Company had cash balances equivalent to £56.5m, up from £27.6m at 30th June 2011.

The Company has a multi-currency revolving credit facility agreement ("Loan Facility") that is due to expire in June 2015 and comprises facilities of \$82m and €57m. The Loan Facility remained undrawn at 31st December 2011.

Standby financing and loan notes

Between 2005 and 2008 PIP entered into a number of standby agreements (the "Standby Commitments") with certain institutions under which the Company could require the institutions to subscribe up to £150m for new redeemable shares, at a price equal to the prevailing NAV per share at the time of subscription. The purpose of these Standby Commitments was to provide an additional level of assurance that PIP would be in a position at all times to meet its financial obligations. Furthermore, in December 2008 and September/ October 2010, PIP issued to these institutions a total of £100.5m in unsecured subordinated loan notes which were due to mature on 15th November 2011 (the "Loan Notes") in order to bridge calls under the Standby Commitments.

On 24th August 2011, PIP drew down £100.5m under the Standby Commitments resulting in the issue of 9,102,279 new redeemable shares (based on the prevailing adjusted NAV per share at 30th June 2011 of 1,104.12p). Simultaneously, the Company repaid £100.5m of Loan Notes, effectively exchanging the full balance of the Loan Notes for new redeemable shares. At the end of September 2011 the Board terminated the remaining £49.5m of Standby Commitments.

These actions have enabled the Company to simplify its capital structure by removing the Loan Notes from the balance sheet.

Commitment cover

At 31st December 2011, PIP's available financing stood at £156.9m, comprising £56.5m in cash balances and £100.4m in undrawn bank facility (sterling equivalent). The sum of the Company's available financing and private equity portfolio exceeded its undrawn commitments by 4.4 times, up from 3.9 times at 30th June 2011.

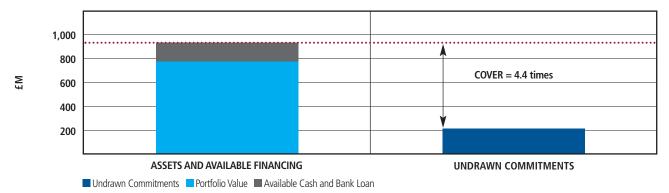
It should be noted that a portion of the Company's undrawn commitments might not be called by the underlying managers. When a fund is past its investment period, which is typically between five and six years, it generally cannot make any new investments (only draw capital to fund existing follow-on investments or pay expenses). As a result, the rate of capital calls in these funds tends to slow dramatically. 31% of the Company's undrawn commitments are in fund vintages that are greater than five years old.

Share buybacks

In the half year to 31st December 2011, the Company bought back for cancellation a total of £4.0m ordinary shares and £13.4m redeemable shares at an average price per share of 641p and 665p respectively. These transactions were executed at an overall average discount of approximately 40% to the 30th June 2011 adjusted NAV per share. These buybacks have resulted in an uplift to PIP's NAV per share of 16p, representing 1.4% of PIP's adjusted NAV per share at 30th June 2011.

Since the half year end the Company has bought back, for cancellation, a further 230,000 ordinary shares and 500,000 redeemable shares, at an overall average discount of 42% to the 31st December 2011 NAV per share. Since the Company began acquiring its own shares in August 2011, PIP has deployed a total of £22m in implementing share buybacks, acquiring 4.5% of PIP's total shares outstanding prior to any share buybacks.

Commitment cover as at 31st December 2011



secondary transactions.

Portfolio Overview

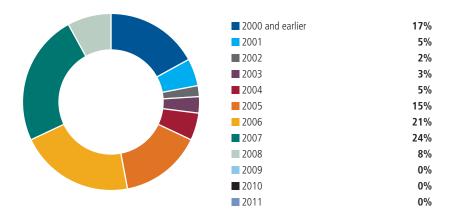
The diversification of PIP's portfolio, with assets spread across different investment styles and stages including buyout, venture and growth, and special situations, helps to reduce volatility of both returns and cash flows. The maturity profile of the portfolio ensures that PIP is not overly exposed to any one vintage. Furthermore, PIP's geographical diversification extends its exposure beyond the USA and Europe, to regions with higher rates of economic growth such as Asia. As such, the Company offers a comprehensively global, diversified selection of private equity assets, carefully selected by Pantheon for their quality.

Portfolio Analysis by Value as at 31st December 2011¹ Geography USA 54% The majority of PIP's geographical Europe 35% exposure is focused on the USA and ■ Asia and other 11% Europe, reflecting the fact that these regions have the most developed private equity markets. PIP's assets based in Asia and other regions provide access to faster-growing economies. 36% Stage ■ Buyout: Small/Mid PIP's portfolio is well diversified across Buyout: Large/Mega 20% different private equity investment ■ Venture and Growth 32% styles and stages. The majority of the ■ Special Situations 6% Company's buyout exposure is focused Generalist 4% on mid- and small-cap funds, which have Directs 2% tended to utilise lower levels of leverage in their acquisition structures than the very largest funds. In addition, PIP has a significant exposure to venture and growthfocused funds, many of which were acquired through the secondary market. Primary/secondary Primary 64% 64% of the portfolio is derived from Secondary 36% primary transactions and 36% from

Maturity

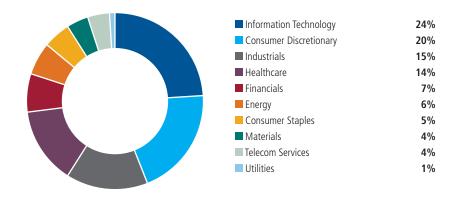
PIP's portfolio is well diversified by fund vintage (referring to the year the fund made its first drawdown). Only 16% of the portfolio relates to large/mega buyouts from fund vintages 2005 to 2007, indicating that the Company has a relatively low exposure to the higher levels of leverage experienced during the peak of the buyout market.

Because PIP acquires many of its investments in the secondary market, it achieves further "backward diversification" and is able to acquire assets having good visibility of underlying company quality and prospects.



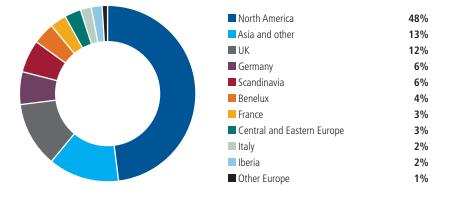
Company sector

PIP's portfolio is well diversified by the sectors in which the underlying companies operate. This sectoral diversification helps to minimise the effects of cyclical trends within particular industry segments. Relative to the FTSE All-Share and MSCI World indices, PIP is underweight in many of the segments that have been most recently associated with high levels of volatility, such as energy and financials.



Company geography

The geographical exposure of PIP's underlying company investments is diversified across North America, Europe and Asia. Notably, PIP's European exposure is focused upon Northern European economies.



¹ Geography, Stage, Primary/Secondary and Maturity charts are based upon underlying fund valuations and account for 100% of PIP's overall portfolio value. Company Sector and Company Geography charts are based upon underlying company valuations at 30th June 2011 and account for approximately 90% of PIP's overall portfolio value.

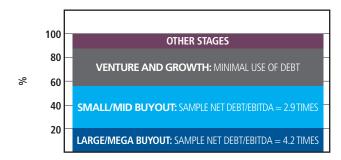
Portfolio Analysis

Buyout Debt Multiples¹

Venture and growth, small/mid-size buyouts and large/mega buyouts account for 88% of the portfolio value, and have differing leverage characteristics:

- > The venture and growth portfolio accounts for 32% of portfolio value and has very little or no reliance on debt.
- Small/mid-size buyout assets, which account for 36% of portfolio value, tend to contain a moderate level of debt. Sample underlying net debt/EBITDA for small/mid-size buyout assets at 30th June 2011 was 2.9 times.
- Large/mega buyout assets, which account for 20% of portfolio value, contain higher levels of debt with underlying sample net debt/EBITDA of 4.2 times, a figure that is relatively low compared to the debt multiples of deals executed at the peak of the buyout market in 2006/2007.

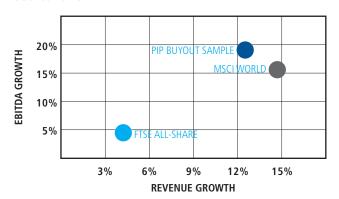
PIP portfolio by stage at 31st December 2011 with sample buyout net debt to EBITDA at 30th June 2011



Buyout Revenue and EBITDA Growth¹

- Weighted average revenue and EBITDA growth for the sampled buyout companies was +12.5% and +19.0% respectively in the 12 months to 30th June 2011. This compares favourably with the MSCI World and FTSE All-Share indices, both of which recorded lower EBITDA growth in the same period.
- These revenue and EBITDA growth figures suggest resilience at the underlying company level. In particular, they suggest that, on the whole, our managers have been successful in managing costs, driving efficiencies and positioning their companies for top line growth.

Revenue and EBITDA growth in the 12 months to 30th June 2011



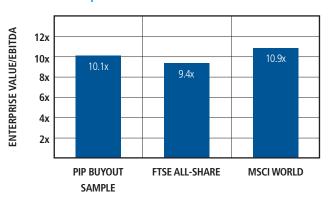
¹ Buyout sample methodology

The sample buyout growth, net debt/EBITDA and EV/EBITDA figures were calculated from approximately 65%, 85% and 85% respectively, of the value of the companies within the largest 50 buyout funds and direct investments as at 30th June 2011, accounting for approximately 45%, 55% and 55% respectively of the value of PIP's buyout and direct portfolio. The figures are based upon unaudited data. The revenue and EBITDA figures were based upon the 12 months to 30th June 2011. The net debt and enterprise value figures were based upon 30th June 2011 underlying valuations. The underlying company data was weighted by NAV to calculate an average. Individual company revenue and EBITDA growth figures were capped between +1000% and -1000% to avoid large distortions from movements relative to a small denominator. FTSE All-Share and MSCI World data was taken from Bloomberg.

Buyout Valuation Multiple¹

- Accounting standards require private equity managers to value their portfolio at fair value. This leads to volatility in valuations reflecting movements in the broader markets. However, valuations of private equity assets can often leave some room for value enhancement when liquidity is released through a sale.
- Sample weighted average enterprise value/EBITDA for the 12 months to 30th June 2011 was 10.1 times.

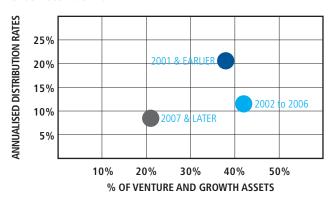
Valuation multiple at 30th June 2011



Venture and Growth Distribution Rates

- Over 35% of PIP's venture and growth assets are in funds dated 2001 and earlier. These companies are now mature and many are cash-generative, having survived the bursting of the technology bubble and the latest downturn. Venture managers focus their attention on those companies that have the ability to drive meaningful returns and are generally quick to pull out of investments in failing companies. Consequently, only venture assets with good potential survive to maturity.
- > Mature venture companies, which often resemble growth investments in terms of cash generation and profitability, have shown an increased likelihood of returning cash to investors. It is our view that PIP's mature venture and growth assets can continue to generate a good level of distributions. Given that distributions have tended to lead to uplifts, PIP's mature venture and growth portfolio is in a position to continue to perform.

Annualised distribution rates in the half year to 31st December 2011²



² Annualised distribution rate equals distributions in half year multiplied by two and divided by opening portfolio value.

Outstanding Commitments

PIP's outstanding commitments to fund investments, 71% of which relate to primary funds and 29% of which relate to secondary funds, are well diversified by stage and geography and will enable the Company to participate in future investments with many of the highest quality fund managers in the private equity industry.

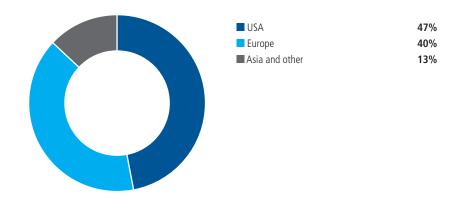
Portfolio Analysis by Outstanding Commitments as at 31st December 2011

PIP's outstanding commitments to investments decreased to £211m at 31st December 2011 compared with £243m at 30th June 2011. The Company paid calls of £28m in the half year period.

The remaining movements in undrawn commitments were caused by fluctuations in exchange rates and cancellations of outstanding commitments by general partners.

Geography

The USA and Europe have the largest outstanding commitments, reflecting the fact that they have the most developed private equity markets. Commitments to Asia and other regions provide access to faster-growing economies.



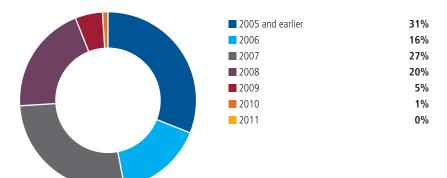
Stage

PIP's undrawn commitments are well diversified across all major stages of private equity. The majority of the buyout exposure is with mid-cap and smaller funds. Venture and growth forms a significant portion of the Company's undrawn commitments.



Maturity

31% of PIP's undrawn commitments are in the 2005 fund vintage or older. Most relate to funds that are outside their investment periods and, as such, should have slower call rates. It is likely that a portion of these commitments will not be drawn.



Pantheon Vehicles

Pantheon Ventures (UK) LLP ("Pantheon") is not entitled to management and commitment fees in respect of PIP's holdings in, and outstanding commitments to, the firm's managed fund-of-funds vehicles. In addition, Pantheon has agreed that PIP will never be disadvantaged in terms of fees compared with the position it would have been in had it made investments directly into the underlying funds rather than indirectly through such fund-of-funds vehicles.

The Top 20 Managers by Value and Outstanding Commitments

Top 20 managers by value as at 31st December 2011

% OF PIP'S TOTAL PRIVATE NUMBER MANAGER REGION STAGE BIAS **EQUITY ASSET VALUE EUROPE** BUYOUT 2.5% 1 Equistone* 2 **CVC Capital Partners GLOBAL BUYOUT** 2.5% 3 **BUYOUT Apax Partners EUROPE** 2.3% 4 **Nova Capital Management EUROPE BUYOUT** 2.3% 5 **Golden Gate Capital BUYOUT** 2.1% **USA** 6 **Brentwood Associates USA BUYOUT** 2.0% Vision Capital **EUROPE BUYOUT** 1.7% 8 **IK Investment Partners EUROPE** BUYOUT 1.6% 9 **Doughty Hanson & Co EUROPE BUYOUT** 1.6% 10 **BUYOUT Providence Equity Partners USA** 1.6% 11 Carlyle Group **GLOBAL GENERALIST** 1.5% 12 **Genstar Capital Partners** 1.4% **USA** BUYOUT 13 **Bain Capital USA BUYOUT** 1.4% 14 **ABS Capital Partners USA VENTURE AND GROWTH** 1.3% 15 **Oak Investment Partners** USA **VENTURE AND GROWTH** 1.3% 16 **Hutton Collins EUROPE SPECIAL SITUATIONS** 1.3% 17 **Riverstone Holdings SPECIAL SITUATIONS** 1.2% **USA** 18 **Baring Vostok Capital Partners EUROPE BUYOUT** 1.2% 19 **BUYOUT** 1.2% **Avista Capital Partners** USA 20 **Polaris Venture Partners USA VENTURE AND GROWTH** 1.1%

Top 20 managers by outstanding commitments as at 31st December 2011

% OF OUTSTANDING NUMBER MANAGER COMMITMENTS REGION STAGE BIAS **EUROPE SPECIAL SITUATIONS Hutton Collins** 3.9% 2 **CVC Capital Partners GLOBAL BUYOUT** 3.9% 3 **Summit Partners GLOBAL VENTURE AND GROWTH** 2.9% 4 **Clessidra Capital Partners EUROPE** BUYOUT 2.6% 5 **GrandBanks Capital USA VENTURE AND GROWTH** 2.4% **VENTURE AND GROWTH** 6 **ABS Capital Partners USA** 2.2% 7 **ASIA AND OTHER** Unison BUYOUT 2.2% 8 **Carlyle Group GLOBAL GENERALIST** 2.2% 9 **Private Equity Partners EUROPE BUYOUT** 2.0% 10 **Baring Vostok Capital Partners EUROPE BUYOUT** 1.7% 11 Equistone* **BUYOUT** 1.6% **EUROPE** 12 Mid-Europa Partners **EUROPE BUYOUT** 1.5% 13 **Doughty Hanson & Co BUYOUT EUROPE** 1.5% 14 **CCMP Capital ASIA AND OTHER** BUYOUT 1.5% 15 Mercapital **EUROPE BUYOUT** 1.5% 16 Vision Capital **EUROPE BUYOUT** 1.5% **VENTURE AND GROWTH** 17 **Gemini Israel Funds EUROPE** 1.4% 18 1.3% **Brentwood Associates USA BUYOUT** 19 **Castle Harlan Associates GLOBAL BUYOUT** 1.1% 20 **Herkules Capital EUROPE BUYOUT** 1.1%

^{*} Formerly Barclays Private Equity.

The Top 20 Companies by Value

Top 20 companies by value as at 31st December 2011

% OF PIP'S TOTAL PRIVATE NUMBER **COMPANY SECTOR EQUITY ASSET VALUE** Carbolite **INDUSTRIALS** 1.2% 1 2 Attendo **HEALTHCARE** 1.1% 3 Yandex* INFORMATION TECHNOLOGY 0.6% 0.5% 4 **Array Marketing Group INDUSTRIALS** 5 **Global Blue FINANCIALS** 0.5% 6 BrightHouse **CONSUMER DISCRETIONARY** 0.5% Splunk INFORMATION TECHNOLOGY 0.5% 8 **Evonik** 0.4% **MATERIALS VBrick Systems** 9 INFORMATION TECHNOLOGY 0.4% 10 Siltron INFORMATION TECHNOLOGY 0.4% 11 TDC* **TELECOMMUNICATION SERVICES** 0.4% InterXion* 12 INFORMATION TECHNOLOGY 0.4% 13 **Bibby Scientific** INFORMATION TECHNOLOGY 0.4% 14 The Teaching Company **CONSUMER DISCRETIONARY** 0.4% 15 Rosetta Stone* 0.3% **CONSUMER DISCRETIONARY** 16 **PRA International HEALTHCARE** 0.3% 17 2e2 INFORMATION TECHNOLOGY 0.3% 18 **Fairway Market CONSUMER STAPLES** 0.3% 19 INFORMATION TECHNOLOGY 0.3% Ancestry.com* 20 **HEALTHCARE** 0.3%

^{*}Quoted holding as at 31st December 2011.

Objective and Investment Policy

Objective and Investment Policy

The Company's primary investment objective is to maximise capital growth by investing in a diversified portfolio of private equity funds and, occasionally, directly in private companies.

The Company's policy is to make unquoted investments, in general, by subscribing for investments in new private equity funds and buying secondary interests in existing private equity funds and, occasionally, by acquiring direct holdings in unquoted companies, usually either where a vendor is seeking to sell a combined portfolio of fund interests and direct holdings or where there is a private equity manager, well known to the Company's Manager, investing on substantially the same terms.

The Company may invest in private equity funds which are quoted. In addition, the Company may from time to time hold quoted investments in consequence of such investments being distributed to the Company from its fund investments or in consequence of an investment in an unquoted company becoming quoted. The Company will not otherwise normally invest in quoted securities, although the Company reserves the right to do so should this be deemed to be in the interests of the Company.

The Company may invest in any type of financial instrument, including equity and non-equity shares, debt securities, subscription and conversion rights and options in relation to such shares and securities and interests in partnerships and limited partnerships and other forms of collective investment scheme. Investments in funds and companies may be made either directly or indirectly, through one or more holding, special purpose or investment vehicles in which one or more co-investors may also have an interest.

The Company employs a policy of over-commitment. This means that the Company may commit more than its available uninvested assets to investments in private equity funds on the basis that such commitments can be met from anticipated future cash flows to the Company and through the use of borrowings and capital raisings where necessary.

The Company's policy is to adopt a global investment approach. The Company's strategy is to mitigate investment risk through diversification of its underlying portfolio by geography, sector and investment stage. Since the Company's assets are invested globally on the basis, primarily, of the merits of individual investment opportunities, the Company does not adopt maximum or minimum exposures to specific geographic regions, industry sectors or the investment stage of underlying investments.

In addition, the Company adopts the following limitations for the purpose of diversifying investment risk:

- the requirement for approval as an investment trust that no holding in a company will represent more than 15% by value of the Company's investments at the time of investment;
- the aggregate of all the amounts invested by the Company in (including commitments to or in respect of) funds managed by a single management group may not, in consequence of any such investment being made, form more than 20% of the aggregate of the most recently determined gross asset value of the Company and the Company's aggregate outstanding commitments in respect of investments at the time such investment is made; and
- the Company will invest no more than 15% of its total assets in other UK-listed closed-ended investment funds (including UK-listed investment trusts).

The Company may invest in funds and other vehicles established and managed or advised by Pantheon or any Pantheon affiliate. In determining the diversification of its portfolio and applying the manager diversification requirement referred to above, the Company looks through vehicles established and managed or advised by Pantheon or any Pantheon affiliate.

The Company may enter into derivatives transactions for the purposes of efficient portfolio management and hedging (for example, hedging interest rate, currency or market exposures).

Surplus cash of the Company may be invested in fixed interest securities, bank deposits or other similar securities.

The Company may borrow to make investments and typically uses its borrowing facilities to manage its cash flows flexibly, enabling the Company to make investments as and when suitable opportunities arise and to meet calls in relation to existing investments without having to retain significant cash balances for such purposes. Under the Company's articles of association, the Company's borrowings may not at any time exceed 100% of the Company's net asset value. Typically, the Company does not expect its gearing to exceed 30% of gross assets. However, gearing may exceed this in the event that, for example, the Company's pipeline of future cash flows alters.

The Company may invest in private equity funds, unquoted companies or special purpose or investment holding vehicles which are geared by loan facilities that rank ahead of the Company's investment. The Company does not adopt restrictions on the extent to which it is exposed to gearing in funds or companies in which it invests.

Interim Management Report and Responsibility Statement of the Directors

IN RESPECT OF THE HALF YEARLY FINANCIAL REPORT

Interim Management Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chairman's Statement and the Manager's Review.

The principal risks facing the Company are substantially unchanged since the date of the Annual Report for the year ended 30th June 2011 and continue to be as set out in that report.

Risks faced by the Company include, but are not limited to, funding of investment commitments, risks relating to investment opportunities, financial risk of private equity, long-term nature of private equity investments, liquidity/marketability risk, valuation uncertainty and market price risk, gearing, interest rate risk, foreign currency risk, competition, the unregulated nature of underlying investments, defaults on commitments, taxation and the risks associated with the engagement of third parties.

Responsibility Statement

The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with the Statement on Half Yearly Financial Reports issued by the UK Accounting Standards Board and gives a true and fair view of the assets, liabilities and financial position of the Company; and
- > this Half Yearly Financial Report includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last annual report that could do so.

This Half Yearly Financial Report was approved by the Board of Directors on 27th February 2012 and the above responsibility statement was signed on its behalf by Tom Bartlam, Chairman.

Condensed Income Statement (unaudited)

FOR THE SIX MONTHS TO 31ST DECEMBER

				AS RESTATED*					
SIX	SIX MONTHS TO 31ST DECEMBER 2011				SIX MONTHS TO 31ST DECEMBER 2010			YEAR TO 30TH JUNE 2011	
F	REVENUE	CAPITAL	TOTAL**	REVENUE	CAPITAL	TOTAL**	REVENUE	CAPITAL	TOTAL**
	£′000	£′000	£′000	£′000	£'000	£′000	£′000	£′000	£′000
Gains on investments									
designated at fair value									
through profit or loss***	_	10,671	10,671	_	16,124	16,124	_	100,976	100,976
(Loss)/gain on derivatives conta	ained								
in standby agreements	at								
fair value through profit									
or loss (see Note 6)	_	(53,543)	(53,543)	_	3,272	3,272	_	(10,404)	(10,404)
Currency (losses)/gains on cash									
and borrowings	_	(380)	(380)	_	91	91	_	911	911
Investment income	6,861	_	6,861	4,694	_	4,694	9,986	_	9,986
Investment management									
fees	(4,484)	_	(4,484)	(4,407)	_	(4,407)	(8,836)	_	(8,836)
Other expenses	(486)	(157)	(643)	(578)	(4)	(582)	(1,115)	(37)	(1,152)
DETUDNI ONI ODDINADV									
RETURN ON ORDINARY									
ACTIVITIES BEFORE									
FINANCING COSTS AND TAX	1 001	(42.400)	/41 E10\	(201)	10 402	10 102	25	01 446	01 401
	1,891	(43,409)	(41,518)	(291)	19,483	19,192	35	91,446	91,481
Interest payable and similar charges	(1,113)		(1,113)	(1,673)		(1,673)	(2.427)		(3,427)
Sillilai Cilaiyes	(1,113)		(1,113)	(1,073)	_	(1,073)	(3,427)		(3,427)
RETURN ON ORDINARY									
ACTIVITIES BEFORE TAX	778	(43,409)	(42,631)	(1,964)	19,483	17,519	(3,392)	91,446	88,054
Tax on ordinary activities	(699)	-	(699)	(1,123)	-	(1,123)	(1,920)	_	(1,920)
	(/		(/	() - /		V 1 1	· //		(,- = =)
RETURN ON ORDINARY									
ACTIVITIES AFTER TAX									
FOR THE PERIOD****	79	(43,409)	(43,330)	(3,087)	19,483	16,396	(5,312)	91,446	86,134

- * The amounts at 31st December 2010 have been restated for comparative purposes to reflect the inclusion of a derivative asset relating to the Company's standby commitments. The inclusion and subsequent reversal of the derivative asset was an accounting entry only and had no effect on the cash balances of the Company (see Note 6).
- ** The total column of the statement represents the Company's profit and loss account prepared in accordance with UK Accounting Standards. The supplementary revenue return and capital columns are prepared under guidance published by the Association of Investment Companies.
- *** Includes currency movements on investments.
- **** Return per ordinary and redeemable share is shown in Note 7.

All revenue and capital items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the period.

There were no recognised gains or losses other than those passing through the Income Statement.

Condensed Reconciliation of Movements in Equity Shareholders' Funds (unaudited)

					CAPITAL			
			CAPITAL	OTHER	RESERVE ON			
	SHARE	SHARE	REDEMPTION	CAPITAL	INVESTMENTS	SPECIAL	REVENUE	
	CAPITAL	PREMIUM	RESERVE	RESERVE	HELD	RESERVE	RESERVE	TOTAL
	£′000	£'000	£′000	£'000	£′000	£′000	£′000	£′000
Movement for the six months ended								
31st December 2011								
OPENING EQUITY								
SHAREHOLDERS' FUNDS	25,428	183,184	26	288,790	244,850	99,861	(55,546)	786,593
Return for the period	_	_	_	(34,953)	(8,456)	_	79	(43,330)
Issue of new redeemable shares	91	100,371	_	_	_	_	_	100,462
Ordinary shares bought back for cancellation	(419)	_	419	_	_	(4,034)	_	(4,034)
Redeemable shares bought back for cancellation	(20)	_	20	_	_	(13,503)	_	(13,503)
CLOSING EQUITY								
SHAREHOLDERS' FUNDS	25,080	283,555	465	253,837	236,394	82,324	(55,467)	826,188
31st December 2010 as restated* OPENING EQUITY SHAREHOLDERS' FUNDS	25,428	183,184	26	249,366	192,828	99,861	(50,234)	700,459
Return for the period	_		_	27,643	(8,160)	_	(3,087)	16,396
CLOSING EQUITY								
SHAREHOLDERS' FUNDS	25,428	183,184	26	277,009	184,668	99,861	(53,321)	716,855
Movement for the year ended								
30th June 2011								
OPENING EQUITY								
SHAREHOLDERS' FUNDS	25,428	183,184	26	249,366	192,828	99,861	(50,234)	700,459
Return for the year	_	-	_	39,424	52,022	_	(5,312)	86,134
CLOSING EQUITY								
SHAREHOLDERS' FUNDS	25,428	183,184	26	288,790	244,850	99,861	(55,546)	786,593

^{*} The amounts at 31st December 2010 have been restated for comparative purposes to reflect the inclusion of a derivative asset relating to the Company's standby commitments. The inclusion and subsequent reversal of the derivative asset was an accounting entry only and had no effect on the cash balances of the Company (see Note 6).

Condensed Balance Sheet (unaudited)

		AS RESTATED*	
AS A	AT 31ST DECEMBER 2011	AS AT 31ST DECEMBER 2010	AS AT 30TH JUNE 2011
	£′000	£′000	£′000
Fixed assets			
Investments designated at fair value through profit or loss	774,782	753,965	815,868
Current assets			
Debtors	1,676	3,522	2,440
Derivatives contained in standby agreements at fair value through profit or	loss –	67,219	53,543
Cash at bank	56,515	16,346	27,645
	58,191	87,087	83,628
Creditors: Amounts falling due within one year			
Other creditors	6,785	6,885	12,403
Bank loan	-	16,812	_
Loan notes	_	**100,500	**100,500
	6,785	124,197	112,903
NET CURRENT ASSETS/(LIABILITIES)	51,406	(37,110)	(29,275)
NET ASSETS	826,188	716,855	786,593
Capital and reserves			
Called-up share capital	25,080	25,428	25,428
Share premium	283,555	183,184	183,184
Capital redemption reserve	465	26	26
Other capital reserve	253,837	277,009	288,790
Capital reserve on investments held	236,394	184,668	244,850
Special reserve	82,324	99,861	99,861
Revenue reserve	(55,467)	(53,321)	(55,546)
TOTAL EQUITY SHAREHOLDERS' FUNDS	826,188	716,855	786,593
NET ASSET VALUE PER SHARE — ORDINARY AND REDEEMABLE	1,134.02p	1,079.73p	1,184.77p
ADJUSTED NET ASSET VALUE PER SHARE — ORDINARY AND REDEEMABLE	1,134.02p	978.48p	1,104.12p
DILUTED NET ASSET VALUE PER SHARE — ORDINARY AND REDEEMABLE	N/A	978.48p	1,104.12p
Number of ordinary shares and redeemable shares in issue	72,854,547	66,392,268	66,392,268

^{*} The amounts at 31st December 2010 have been restated for comparative purposes to reflect the inclusion of a derivative asset relating to the Company's standby commitments. The inclusion and subsequent reversal of the derivative asset was an accounting entry only and had no effect on the cash balances of the Company (see Note 6).

^{**} In addition to the series A unsecured subordinated loan notes issued in December 2008, the Company issued £51.0m of series B unsecured subordinated loan notes in September and October 2010, which were all set to mature in November 2011. The standby commitments were partially utilised on 24th August 2011 with 9,102,279 new redeemable shares issued to repay the loan notes outstanding. The Company terminated the remaining standby commitments of £49.5m with effect from 30th September 2011.

Condensed Cash Flow Statement (unaudited)

FOR THE SIX MONTHS TO 31ST DECEMBER

	SIX MONTHS TO 31ST DECEMBER 2011	SIX MONTHS TO 31ST DECEMBER 2010	YEAR TO 30TH JUNE 2011
	£'000	£'000	£'000
Cash flow from operating activities			
Investment income received	6,845	4,696	9,848
Deposit and other interest received/(paid)	16	(2)	2,040
Investment management fees paid	(4,537)	(4,459)	(8,873)
Secretarial fees paid	(108)	(102)	(186)
Other cash payments	(672)	(370)	(808)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1,544	(237)	(17)
Returns on investment and servicing of finance			
Revolving credit facility and overdraft interest paid	-	(463)	(501)
Loan commitment and arrangement fees paid	(577)	(238)	(1,752)
Redeemable share commitment fees paid	(62)	(189)	(312)
Interest on loan notes paid	(322)	(782)	(1,831)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENT AND SERVICE	NG OF FINANCE (961)	(1,672)	(4,396)
Tax			
Net tax paid	(699)	(1,123)	(1,920)
NET CASH OUTFLOW FROM TAX	(699)	(1,123)	(1,920)
Capital expenditure and financial investment			
Purchases of investments	(30,552)	(51,609)	(113,761)
Purchases of government securities	(15,901)	-	(10,874)
Disposals of investments	77,683	74,403	167,053
Disposals of government securities	15,743	-	10,874
Realised currency (losses)/gains	(84)	29	
NET CASH INFLOW FROM CAPITAL EXPENDITURE AND			
FINANCIAL INVESTMENT	46,889	22,823	53,292
NET CASH INFLOW BEFORE FINANCING	46,773	19,791	46,959
Financing			
Drawdown of loan	-	3,754	3,755
Repayment of loan	=	(64,688)	(80,839)
Issue of loan notes	_	51,000	51,000
Expenses relating to issue of redeemable shares	(38)	-	-
Ordinary shares purchased for cancellation	(4,034)	-	-
Redeemable shares purchased for cancellation	(13,503)	-	-
Realised currency gains on repayment of revolving credit facility	_	484	
NET CASH OUTFLOW FROM FINANCING	(17,575)	(9,450)	(26,084)
INCREASE IN CASH	29,198	10,341	20,875

Notes to the Half Yearly Financial Statements (unaudited)

1. Financial Information

The financial information has been prepared on the historical cost basis of accounting, except for the measurement at fair value of investments and financial instruments, and in accordance with applicable UK accounting standards on the basis that all activities are continuing. The accounting policies set out in the statutory accounts for the year ended 30th June 2011 have been applied to this Half Yearly Financial Report.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (revised January 2009) issued by the Association of Investment Companies.

The financial information contained in this Half Yearly Financial Report is not the Company's statutory accounts. The financial information for the six months ended 31st December 2011 and 31st December 2010 are not for a financial year and have not been audited but have been reviewed by the Company's auditors and their report is attached. The statutory accounts for the financial year ended 30th June 2011 have been delivered to the Registrar of Companies and received an audit report which was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under section 498 (2) and (3) of the Companies Act 2006.

2. Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, including its financial position, are set out in the Chairman's Statement and Manager's Review on pages 4 to 23.

At each Board meeting, the Directors review the Company's latest management accounts and other financial information. Its commitments to private equity investments are reviewed, together with its financial resources, including cash held and the Company's borrowing capability. One-year cash flow scenarios are also presented to each meeting and discussed.

After due consideration of the balance sheet and activities of the Company and the Company's assets, liabilities, commitments and financial resources, the Directors have concluded that the Company has adequate resources to continue in operation for the foreseeable future. For this reason, they consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

3. Tax Charge on Ordinary Activities

The tax charge for the six months to 31st December 2011 is £699,000 (six months to 31st December 2010: £1,123,000; year to 30th June 2011: £1,920,000). The tax charge is wholly comprised of irrecoverable withholding tax suffered. Investment gains are exempt from capital gains tax owing to the Company's status as an investment trust.

4. Related Party Transactions

The Manager, Pantheon Ventures (UK) LLP, is regarded as a related party of the Company. Mr R.M. Swire, a Director of the Company, is a director of Pantheon Ventures Limited, a parent undertaking of the Manager.

During the period, services of a total value of £4,484,000 (six months to 31st December 2010: £4,407,000; year to 30th June 2011: £8,836,000) were purchased by the Company from Pantheon Ventures (UK) LLP. At 31st December 2011, the amount due to Pantheon Ventures (UK) LLP in management fees and performance fees disclosed under creditors was £1,453,000 and £5,057,000 respectively. The performance fee payable as at 31st December 2011 relates to the initial 18-month calculation period ending 30th June 2008.

5. Performance Fee

The Manager is entitled to a performance fee from the Company in respect of each 12 calendar month period ending on 30th June in each year. The fee payable in respect of each such period is 5% of any increase in the net asset value of the Company at the end of such period over the applicable "high water mark" plus the hurdle rate of 10%.

The applicable "high water mark" in respect of any calculation period is the net asset value at the end of the previous calculation period in which a performance fee was payable, compounded annually at the hurdle rate for each subsequent completed calculation period up to the commencement of the calculation period for which the performance fee is being calculated.

6. Derivatives

Between the years 2005 and 2008 PIP entered into standby commitments under which certain institutions agreed to subscribe up to an aggregate amount of £150.0m for new redeemable shares in the Company when called upon by the Company at a subscription price per share equal to the prevailing net asset value per share at the time of subscription. In order to comply with FRS 26, the standby commitments had to be treated as a derivative as the Company had the option to require the institutions to subscribe for shares at a price (adjusted net asset value share) which was different to the prevailing share price.

Accordingly the derivative was valued as an asset for the reporting periods to 30th June 2011. The subsequent utilisation

of £100.5m of the £150.0m standby commitments and termination of the remaining £49.5m has led to a reversal of the asset of £53.5m included in the accounts at 30th June 2011. The accounting entries relating to the derivative asset have had no effect on the cash balances of the Company.

The Company issued £100.5m of new redeemable shares on 24th August 2011 under the standby commitments and with effect from 30th September 2011 terminated the remaining standby commitments of £49.5m.

As at 31st December 2011 there is no derivative asset to be valued following the termination of the remaining standby commitments.

7. Return per Ordinary and Redeemable Share

						AS RESTATED			
1 XIS	SIX MONTHS TO 31ST DECEMBER 2011				S TO 31ST DEC	EMBER 2010		YEAR TO 30TH JUNE 20	
RE	VENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
Return on ordinary activities									
after tax in £'000	79	(43,409)	(43,330)	(3,087)	19,483	16,396	(5,312)	91,446	86,134
Loss/(gain) on derivative									
contained in standby									
agreements in £'000	_	53,543	53,543	-	(3,272)	(3,272)	-	10,404	10,404
Adjusted return on ordinary									
activities after tax in £'000*	79	10,134	10,213	(3,087)	16,211	13,124	(5,312)	101,850	96,538
Weighted average ordinary									
and redeemable shares			71,695,943			66,392,268			66,392,268
Diluted weighted average									
ordinary and									
redeemable shares**			N/A			81,722,145			79,977,748
Return per ordinary and									
redeemable share	0.11p	(60.55)p	(60.44)p	(4.65)p	29.35p	24.70p	(8.00)p	137.73p	129.73p
Adjusted return per ordinary									
and redeemable share*	0.11p	14.13p	14.24p	(4.65)p	24.42p	19.77p	(8.00)p	153.41p	145.41p
Diluted return per ordinary									
and redeemable share**	N/A	N/A	N/A	(3.78)p	19.84p	16.06p	(6.64)p	127.35p	120.71p

- * The adjusted return excludes the loss/(gain) on the derivative (see Note 6).
- ** The diluted return for prior periods has been calculated on the basis of the total drawdown of standby commitments of £150.0m. Using the 31st December 2010 adjusted net asset value per share, the Company would have issued 15,329,877 new redeemable shares and reversed the gain on the derivative asset included in the return on ordinary activities. Using the 30th June 2011 adjusted net asset value per share, the Company would have issued 13,585,480 new redeemable shares and reversed the loss on the derivative asset included in the return on ordinary activities.

Notes to the Half Yearly Financial Statements (unaudited)

(CONTINUED)

8. Net Asset Value per Share			
		AS RESTATED	
	31ST DECEMBER 2011	31ST DECEMBER 2010	30TH JUNE 2011
Net assets attributable in £'000	826,188	716,855	786,593
Derivative asset contained in standby agreements in £'000 (see Note 6)	_	(67,219)	(53,543)
Adjusted net assets attributable in £'000*	826,188	649,636	733,050
Ordinary and redeemable shares	72,854,547	66,392,268	66,392,268
Net asset value per share – ordinary and redeemable	1,134.02p	1,079.73p	1,184.77p
Adjusted net asset value per share – ordinary and redeemable	1,134.02p	978.48p	1,104.12p
Diluted net assets attributable in £'000**	N/A	799,636	883,050
Ordinary and redeemable shares following issue of new redeemable shares	N/A	81,722,145	79,977,748
Diluted net asset value per share – ordinary and redeemable**	N/A	978.48p	1,104.12p

- * The adjusted net asset value per share excludes a derivative asset relating to the Company's standby subscription commitments. The standby commitments were partially utilised on 24th August 2011 and 9,102,279 new redeemable shares issued. The Company terminated the remaining standby commitments of £49.5m with effect from 30th September 2011 (see Note 6).
- ** The diluted net asset value per share has been calculated on the basis of the total drawdown of standby commitments of £150.0m.

9. Reconciliation of Return Before Finance Costs and Taxation to Net Cash Flow from Operating Activities						
		AS RESTATED				
	SIX MONTHS TO	SIX MONTHS TO	YEAR TO			
	31ST DECEMBER 2011	31ST DECEMBER 2010	30TH JUNE 2011			
	£′000	£′000	£′000			
Return on ordinary activities before financing costs and tax	(41,518)	19,192	91,481			
Gains on investments	(10,671)	(16,124)	(100,976)			
Loss/(gain) on derivative (see Note 6)	53,543	(3,272)	10,404			
Currency losses/(gains) on cash and borrowings	380	(91)	(911)			
(Decrease)/increase in creditors	(181)	(32)	124			
(Increase)/decrease in other debtors	(9)	90	(139)			
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1,544	(237)	(17)			

		SIX MONTHS TO	SIX MONTHS TO	YEAR T
		31ST DECEMBER 2011	31ST DECEMBER 2010	30TH JUNE 201
		£′000	£′000	£′00
Increase in cash in period		29,198	10,341	20,87
Non-cash movement				
Foreign exchange (losses)/gains		(328)	(448)	33
Movement in net cash flows		28,870	9,893	21,21
Net debt at beginning of period		(72,855)	(120,793)	(120,79
oans drawn down		-	(3,754)	(3,75
oans repaid		-	64,688	81,4
oan notes		100,500	(51,000)	(51,00
NET CASH/(DEBT) AT END OF PERIOD		56,515	(100,966)	(72,85
11. Analysis of Net Cash/(Debt)				
		31ST DECEMBER 2011	31ST DECEMBER 2010	30TH JUNE 20
		£'000	£'000	f'00
		FC F4F	16.246	27.6
Cash at bank Bank loan		56,515	16,346	27,6
oan notes		-	(16,812) (100,500)	(100,5
		56,515	(100,966)	(72,8
12. Fair Value Hierarchy				
Financial assets at fair value th	rough profit or loss at 31	st December 2011		
	TOTAL	LEVEL 1	LEVEL 2	LEVEL
	£′000	£′000	£′000	£′00
Jnlisted investments	774,725	_	-	774,7
isted investments	57	57	-	
	774,782	57	_	774,7
Level 3 financial assets at fair v	alue through profit or lo	ss at 31st December 20	011	
PRIVATE EQUITY INVESTMENTS				тот
			£′000	£′0
Opening balance			863,448	863,4
Purchases at cost			30,552	30,5
ales proceeds			(57,712)	(57,71
otal gains or losses included in "Gains on	investments" in the income stater	nent	(///	
– on assets sold			18,705	18,7
– foreign exchange loss on disposa			(124)	(12
 on assets held as at 31st Decemb 	er 2011		(80,144)	(80,14
CLOSING BALANCE			774,725	774,7

Independent Review Report

TO PANTHEON INTERNATIONAL PARTICIPATIONS PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half yearly financial report for the six months ended 31st December 2011 which comprises the condensed Income Statement, condensed Reconciliation of Movements in Equity Shareholders' Funds, condensed Balance Sheet, condensed Cash Flow Statement and Notes to the half yearly financial statements. We have read the other information contained in the half yearly financial report which comprises only the Financial Summary, Chairman's Statement, The Manager's Review and the Interim Management Report and Responsibility Statement of the Directors and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Our review work has been undertaken so that we might state to the Company those matters we are required to state to them in a review 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, for our review work, for this report, or for the conclusion we have formed.

Directors' Responsibilities

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

As disclosed in Note 1, the annual financial statements of the Company are prepared in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts", issued in January 2009. The condensed set of financial statements included in this half yearly financial report has been prepared in accordance with the Accounting Standards Board Statement "Half Yearly Financial Reports" issued in July 2007.

Our Responsibility

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the six months ended 31st December 2011 is not prepared, in all material respects, in accordance with the Accounting Standards Board Statement "Half Yearly Financial Reports" and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

GRANT THORNTON UK LLP

Auditor London 27th February 2012

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Directors

Tom Bartlam (Chairman) lan Barby Richard Crowder Sir Laurie Magnus Susannah Nicklin Peter Readman Rhoddy Swire

Manager

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Registered in England number: 2147984 A member of the Association of Investment Companies

Designed by The Joneses Photography by Bernhard Edmaier Printed by Sterling Financial Print

The paper used for this publication is produced using Totally Chlorine Free pulp which is sourced from forests that meet the criteria of national certification schemes endorsed by the PEFC.

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