

### Summary

Over the course of 2014, the emphasis of the fund transitioned away from capital deployment to investment realisations. Of Coutts Private Equity Limited Partnership II's ('CPELPII') 12 underlying funds, only three were able to make new investments over the year (Apax Europe VII, CVC Asia III and Thomas H. Lee Parallel Fund VI), with only Apax's investment period stretching into the early months of 2015. That being said, there was an aggregate of nine new investments made in the year.

Given the switch to exits over the year, CPELPII had a strong positive net distribution position in 2014 with many of its underlying funds taking advantage of the favourable exit markets for private equity investments. CPELPII distributed \$118,654,701 back to LPs over the course of 2014 taking total distributions to \$193,458,751. At year-end, drawn down capital remained at \$464,301,000.

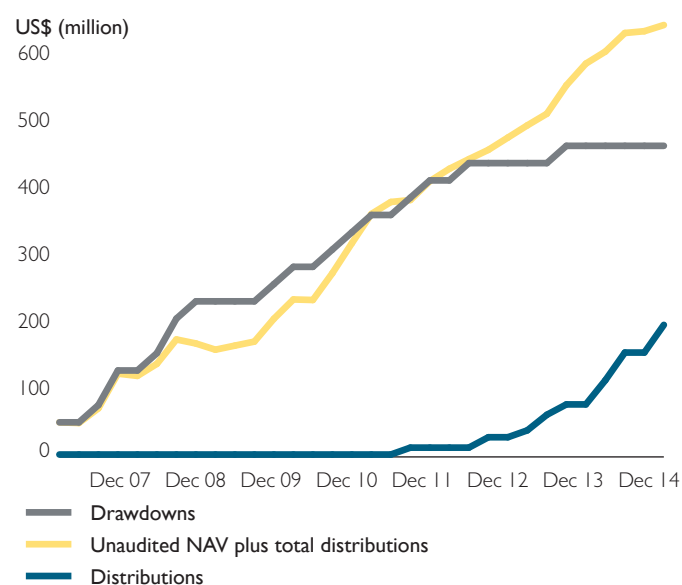
CPELPII's performance as at 31 December 2014, accounting for realised and unrealised investments, was an IRR of 6.7%. The remaining value of CPELPII was \$451,103,782. The total value of CPELPII plus distributions made so far therefore amounts to \$644,562,533 or a TVPI of 1.39 times cost.

† The current base case estimate for the final return of this fund is approximately 1.6x paid in capital. Please note this analysis on returns is for illustrative purposes only and is based on a range of assumptions. Actual results could differ materially from those illustrated and therefore no reliance can be placed on these figures.

### Key information

Operational fee	1.25% p.a. of Limited Partner Commitments drawn down at quarter end
Performance fee	10%, with a 10% p.a. hurdle rate
Vintage	2007
First close date	23 April 2007
Final close date	23 April 2007
Domicile, legal structure	Cayman Islands, Closed Ended Exempted LP
Manager	Aberdeen SVG Private Equity Managers Limited
Financial year end	31 December
Fund currency	USD

### CPELPII performance: drawdowns, net asset value and distributions



Past performance should not be taken as a guide to future performance.

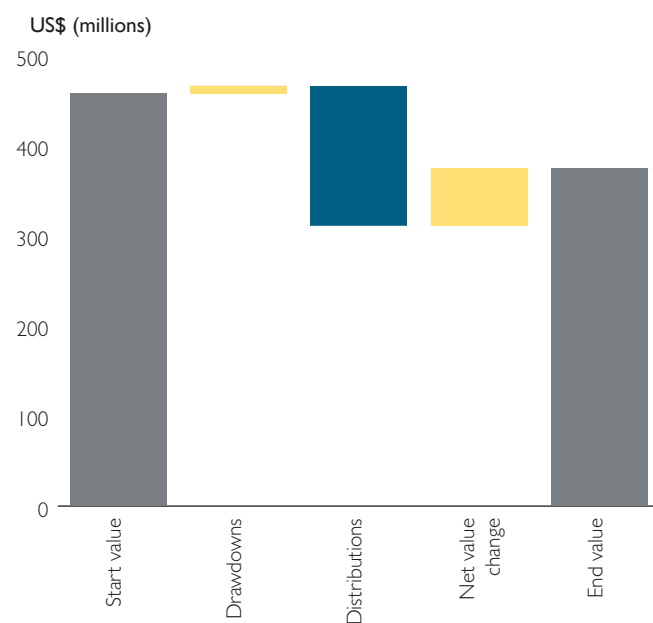
### Portfolio Overview

Investee fund	Vintage year	Strategy	Geography	Investment date	Currency	Commitment (local currency million)
AEVII	2007	Buyout	Europe	Mar 07	EUR	30.0
BCPV	2005	Buyout	Global	Jun 07	USD	60.0
CEPIII	2007	Buyout	Europe	Jul 07	EUR	50.0
CPV	2007	Buyout	North America	May 07	USD	70.0
CVCAIII	2008	Growth	Asia/Oceania	Jan 08	USD	20.0
DHV	2007	Buyout	Europe	Jun 07	EUR	40.0
FIFV	2007	Other	North America	May 07	USD	25.0
KKRA	2007	Growth	Asia/Oceania	Jun 07	USD	35.0
PAIEV	2007	Buyout	Europe	Aug 07	EUR	7.5
THLVI	2006	Buyout	North America	Jun 07	USD	50.0
TPGAV	2007	Growth	Asia/Oceania	Jun 07	USD	20.0
WPX	2007	Other	Global	Oct 07	USD	50.0

### Annual portfolio investment activity (US\$ millions)

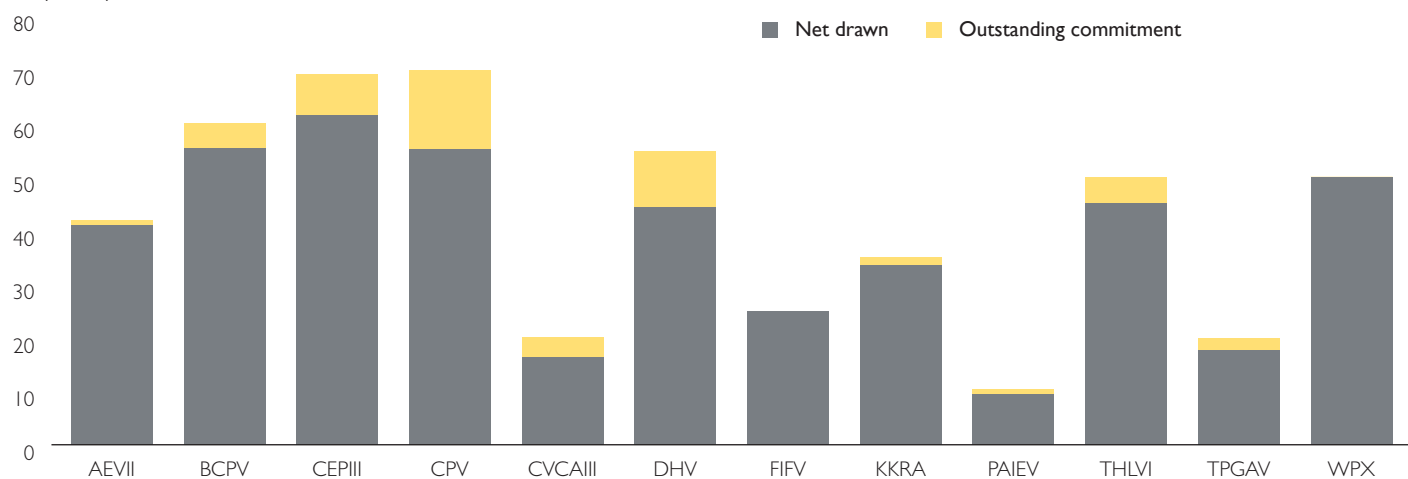
Investee Fund	Start value	Drawn	Distributed	Net value change	End value
AEVII	41.6	1.1	10.3	2.2	34.6
BCPV	58.2	1.6	23.5	9.4	45.7
CEPIII	60.2	0.4	30.4	16.0	46.2
CPV	61.5	0.2	16.7	13.1	58.1
CVCAIII	15.6	0.4	4.1	3.1	15.0
DHV	34.9	0.5	11.8	-1.1	22.5
FIFV	21.0	0.0	3.4	2.4	20.0
KKRA	41.6	0.6	19.9	7.4	29.7
PAIEV	10.8	0.2	1.5	-0.6	8.9
THLVI	48.7	3.2	18.8	8.3	41.4
TPGAV	16.0	-0.2	4.9	2.6	13.5
WPX	47.5	0.0	9.9	1.3	38.9
<b>Total</b>	<b>457.7</b>	<b>8.0</b>	<b>155.1</b>	<b>63.9</b>	<b>374.5</b>

Figures may not always sum exactly due to rounding.



### Portfolio commitments and net drawdowns

US\$ (million)



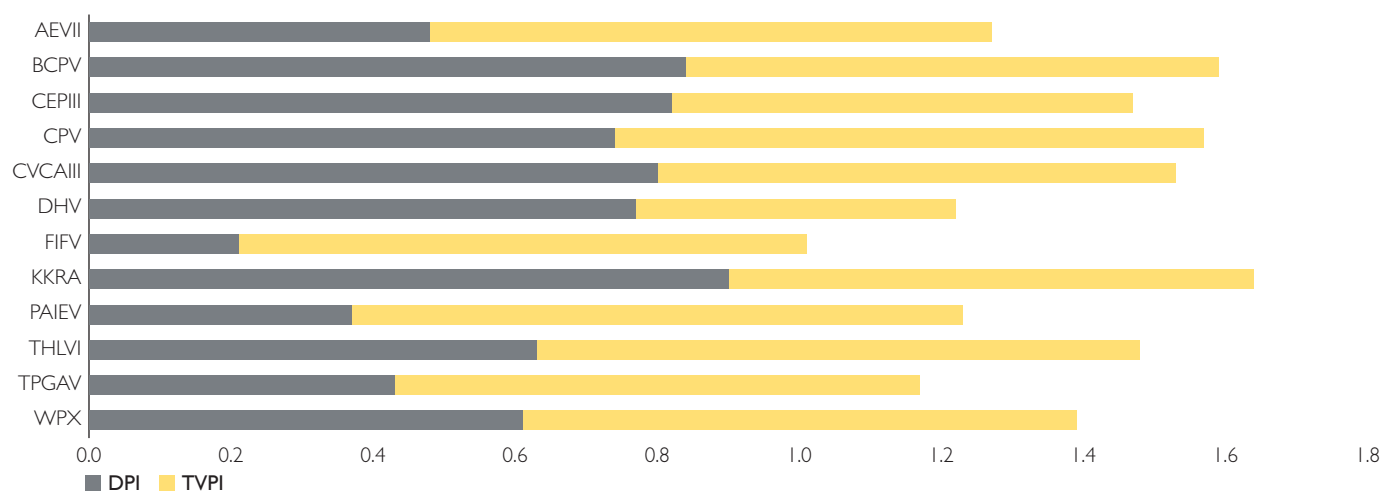
## Portfolio performance

Investee fund	Net drawn (US\$ m)	% drawn	NAV (US\$ m)	DPI*	TVPI*	Annual TVPI change*	IRR (%)
AEVII	41.0	98.0	34.6	0.48	1.27	0.05	5.6
BCPV	55.4	92.3	45.7	0.84	1.59	0.16	9.5
CEPIII	61.6	89.0	46.2	0.82	1.47	0.22	10.5
CPV	55.1	78.7	58.1	0.74	1.57	0.19	13.1
CVCAIII	16.4	81.8	15.0	0.80	1.53	0.13	14.8
DHV	44.3	80.7	22.5	0.77	1.22	-0.02	4.9
FIFV	24.9	99.5	20.0	0.21	1.02	0.10	0.3
KKRA	33.5	95.8	29.7	0.90	1.64	0.17	14.6
PAIEV	9.5	92.1	8.9	0.37	1.22	-0.05	5.2
THLVI	45.1	90.2	41.4	0.63	1.48	0.15	8.0
TPGAV	17.6	88.2	13.5	0.43	1.17	0.14	4.1
WPX	50.0	100.0	38.9	0.61	1.38	0.02	8.0
<b>Total investments</b>	<b>454.4</b>	<b>90.0</b>	<b>374.5</b>	<b>0.69</b>	<b>1.43</b>	<b>0.12</b>	<b>8.7</b>
Cash, accruals and other assets			76.6				
<b>Total fund</b>	<b>464.3</b>	<b>90.0</b>	<b>451.1</b>	<b>0.42</b>	<b>1.39</b>	<b>0.13</b>	<b>6.7</b>

\*The methodology for TVPI and DPI has been updated from Q3 2014. Please refer to the glossary of terms for further details.

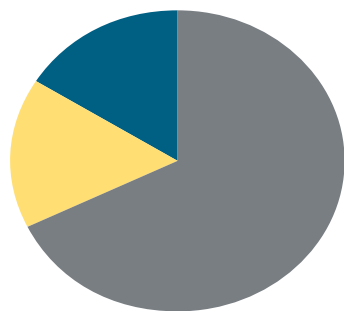
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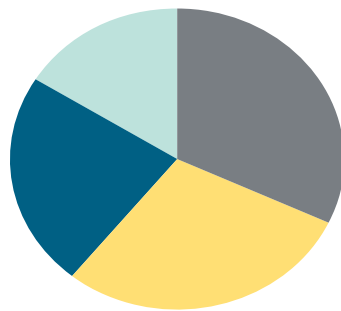
## Portfolio breakdown by underlying fund

## Fund strategy



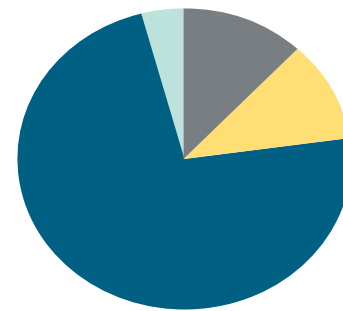
■ Buyout	68
■ Growth	16
■ Other	16

## Fund geography



■ North America	32
■ Europe	29
■ Global	23
■ Asia/Oceania	16

## Fund vintage



■ 2005	12
■ 2006	11
■ 2007	73
■ 2008	4

All amounts are as a percentage of total investment NAV at 31 December 2014.

## Underlying funds

## Apax Europe VII L.P. ('AEVII')

AEVII is a private equity fund which seeks to generate exceptional returns primarily by investing, in partnership with proven management teams, in European businesses in the five core areas of Apax Partners' sector expertise, although the fund has the ability to invest globally. Typically, these investments are buy-outs of businesses where the opportunity exists for Apax to catalyse change and drive value creation.

As of 31 December 2014, approximately 99% of CPELPII's commitment to AEVII has been invested in 34 companies and AEVII values the total amount invested by the fund at 1.5 times cost (inclusive of distributed proceeds).

## Blackstone Capital Partners V L.P. ('BCPV')

BCPV invests primarily in privately negotiated investments that have equity-like returns, often involving leverage. Its focus is generally on large cap companies in the United States and Western Europe. In addition, a number of investments may be made in transactions with major global operating companies as partners.

As of 31 December 2014, BCPV has invested approximately 97% of CPELPII's commitment in 44 companies and BCPV values the total amount invested by the fund at 1.8 times cost (inclusive of distributed proceeds).

## Carlyle Europe Partners III L.P. ('CEPIII')

CEPIII's investment objective is to generate superior long-term capital appreciation primarily through privately negotiated equity and equity-related investments, principally arising from relationships with management teams, corporate partners or family-owned businesses seeking a financial partner, primarily in companies based, or having or pursuing operations, in Europe.

As of 31 December 2014, CEPIII has called and invested approximately 94% of CPELPII's commitment to CEPIII in 22 companies and CEPIII values the total amount invested by the fund at 1.9 times cost (inclusive of distributed proceeds).

## Carlyle Partners V L.P. ('CPV')

CPV makes privately negotiated equity or equity-related investments, focusing on leveraged buyout transactions primarily in the United States. In its leveraged buyout transactions, the Fund intends to (i) acquire portfolio companies primarily in industries with which Carlyle has experience or understands, (ii) finance acquisitions using leverage from debt incurred by such companies, (iii) motivate and incentivise management of such portfolio companies to increase shareholder value and (iv) sell its interest in each portfolio company when the value of the business has significantly increased. CPV may also invest other types of private equity transactions, such as growth equity financings, strategic joint ventures with corporate partners and recapitalisations.

As of 31 December 2014, approximately 93% of CPELPII's commitment to CPV has been invested in 23 companies, four of which involve both debt and equity holdings and CPV values the total amount invested by the fund at 1.9 times cost (inclusive of distributed proceeds).

#### **CVC Asia Pacific Partners III L.P. ('CVCAIII')**

CVCAIII's objective for its investment programme is to take control positions in medium to large-sized, established companies in the Asia Pacific region, with a view to generating long-term capital appreciation. The Partnership targets a top quartile IRR return to investors net of all fee costs etc. The core geographic markets of CVCAIII are in Australia, Greater China, Japan, Singapore and South Korea.

As of 31 December 2014, CVCAIII had invested approximately 100% of CPELPII's commitment to it in 20 underlying investments and CVCAIII values the total amount invested by the fund at 1.9 times cost (inclusive of distributed proceeds).

#### **Doughty Hanson & Co.V L.P. ('DHV')**

DHV's primary purpose is to make equity investments in businesses whose headquarters are located in or whose operations are primarily based in Europe. DHV targets companies with enterprise values typically in excess of €250 million. DHV pursues a highly selective investment policy, so as to create a diversified portfolio through a disciplined focus on risk and reward.

As of 31 December 2014, approximately 78% of CPELPII's commitment to DHV has been invested in 8 companies and DHV values the total amount invested by the fund at 1.6 times cost (inclusive of distributed proceeds).

#### **Fortress Investment Fund V L.P. ('FIFV')**

FIFV invests across a range of sectors in companies that can be acquired at attractive cash flow yields, repositioned and recapitalised to achieve significant organic and external growth. FIFV's investments may include companies and assets that are being undervalued as a result of complexity, under-management, financial distress, capital markets dislocation or structural changes to the way assets are owned and operated. FIFV focuses on acquiring asset-based businesses and asset portfolios that offer downside protection in the form of tangible collateral and diversified cash flows combined with significant upside potential from improvements to the operations, capitalisation, and growth and strategic development of the underlying businesses.

As of 31 December 2014, approximately 100% of CPELPII's commitment to FIFV is invested in 13 different investments and FIFV values the total amount invested by the fund at 1.6 times cost (inclusive of distributed proceeds).

#### **KKR Asia L.P. ('KKRA')**

KKRA engages in management buyouts and build-ups, and growth equity investments, in Asia (not including the Russian Federation or the Middle East). Investments will be made in equity, debt and other securities of Asian companies, with a controlling or other significant interest typically being acquired. KKRA focuses primarily on investing substantial capital for control of large, industry-leading businesses.

As of 31 December 2014, approximately 96% of CPELPII's commitment to KKRA has been called and invested in 22 companies and KKRA values the total amount invested by the fund at 2.1 times cost (inclusive of distributed proceeds).

#### **PAI Europe V ('PAIEV')**

PAIEV targets market-leading companies in Europe within the Services, Capital Goods and Consumer Goods sectors. PAIEV focuses on companies with an enterprise value that is likely to range from €500 million to several billion. PAI seeks to fundamentally improve each of its portfolio companies by enhancing its strategic value through an industrial approach to delivering profitable growth. In January 2010, limited partners consented for PAIEV to reduce commitments by 50%, resulting in CPELPII Guernsey Limited Partnership Inc.'s commitment now being €7.5m.

As of 31 December 2014, approximately 83% of CPELPII's commitment to PAIEV has been invested in 11 companies and PAIEV values the total amount invested by the fund at 1.6 times cost (inclusive of distributed proceeds).

#### **Thomas H. Lee Parallel Fund VI L.P. ('THLVI')**

THLVI's investment strategy focuses on large growth buyouts targeting companies with enterprise values generally between \$500 million and \$10 billion that typically require equity commitments of \$150 million to \$3 billion. THLVI targets companies with strong prospects for organic and/or acquisition-related growth and operating models that generate strong free cash flow. Accordingly, the potential to make add-on acquisitions in consolidating industries or to gain market share can create opportunities to invest additional equity beyond the initial outlay.

As of 31 December 2014, approximately 92% of CPELPII's commitment to THLVI has been committed for investment in 25 companies and THLVI values the total amount invested by the fund at 1.7 times cost (inclusive of distributed proceeds).

**TPG Asia V L.P. ('TPGAV')**

TPGAV invests, directly or indirectly, in entities organised or doing business in the Asia-Pacific region. Investments may be in the form of public or private debt or equity securities. In most instances, these investments will be meaningful in size relative to the overall equity capitalisation of the portfolio company and, as such, TPGAV will seek to negotiate control or management rights beyond those that accompany passive investments.

As of 31 December 2014, TPGAV has invested approximately 84% of CPELPII's commitment to it, in 23 companies and TPGAV values the total amount invested by the fund at 1.3 times cost (inclusive of distributed proceeds).

**Warburg Pincus Private Equity X L.P. ('WPX')**

WPX focuses on growth investing and has successfully built companies at all stages, from conceiving and creating venture capital opportunities, to providing capital to meet the needs of existing businesses, to investing in later-stage buyout transactions and special situations with unique characteristics. WPX continues this focus on thesis-driven growth investments with accomplished management teams who also invest in the transactions.

As of 31 December 2014, approximately 100% of CPELPII's commitment to WPX has been invested in 101 companies and WPX values the total amount invested by the fund at 1.7 times cost (inclusive of distributed proceeds).

**Portfolio breakdown by underlying portfolio company**

**Geographic breakdown**

United States	56.8	
China	6.6	
United Kingdom	6.3	
Netherlands	5.0	
India	4.9	
France	3.6	
Australia	2.3	
Canada	1.6	
Switzerland	1.4	
Spain	1.2	
Brazil	1.1	
Israel	1.0	
Indonesia	1.0	
Italy	0.9	
Hong Kong	0.9	
Germany	0.8	
Vietnam	0.8	
Singapore	0.7	
Japan	0.6	
Philippines	0.5	
Bermuda	0.4	
Malaysia	0.4	
Ireland	0.4	
Taiwan	0.3	
Denmark	0.2	
Norway	0.1	
Belgium	0.1	

**Sector breakdown**

Industrials	25.8	
Consumer Services	15.6	
Financials	14.1	
Health Care	12.5	
Technology	12.0	
Consumer Goods	7.1	
Telecommunications	6.2	
Oil and Gas	4.6	
Utilities	1.0	
Basic Materials	0.8	
Other	0.4	

Figures may not always sum exactly to 100 due to rounding.

All amounts are as a percentage of total investment NAV at 31 December 2014.

## Top 20 underlying holdings by cost

Company	Fund	Geography	Sector	Website	% of cost
TMF Group	DHV	Netherlands	Industrials	www.tmf-group.com	5.3
Flagler	FIFV	USA	Financials	www.flaglerdev.com	4.5
Syniverse Technologies, Inc.	CPV	USA	Telecommunications	www.syniverse.com	2.2
Axalta Coating Systems	CEPIII, CPV	USA	Industrials	www.axaltacs.com	2.2
LM Wind Power	DHV	Denmark	Utilities	www.lmwindpower.com	2.1
Sequa Corporation	CPV	USA	Industrials	www.sequa.com	2.0
China International Capital Corporation	KKRA, TPGAV	China	Financials	www.cicc.com.cn	1.7
NBTY, Inc.	CEPIII, CPV	USA	Consumer Goods	www.nbty.com	1.5
Catalent (fka Cardinal PTS)	BCPV	USA	Health Care	www.catalent.com	1.4
CommScope, Inc.	CEPIII, CPV	USA	Technology	www.commscope.com	1.3
Integrated Dental Holdings, Ltd.	CEPIII	UK	Health Care	www.idhgroup.co.uk	1.3
Accudyne Industries (fka Hamilton Sundstrand Industrial)	CPV	USA	Industrials	www.accudyneindustries.com	1.3
Eurofiber	DHV	Netherlands	Technology	www.eurofiber.com	1.3
Biomet	BCPV	USA	Health Care	www.biomet.co.uk	1.3
inVentiv Health Inc.	THLVI	USA	Health Care	www.inventivhealth.com	1.3
Univision Communications, Inc.	THLVI	USA	Consumer Services	www.corporate.univision.com	1.3
B&B Hotels	CEPIII	France	Consumer Services	www.hotel-bb.com	1.2
Hilton	BCPV	USA	Consumer Services	www.hilton.co.uk	1.2
Mapeley	FIFV	UK	Financials	www.mapeley.com	1.2
Altice SA (Numericable & Completel)	CEPIII	France	Telecommunications	www.altice.net	1.1
<b>Grand Total</b>					<b>32.2</b>

Figures may not always sum exactly due to rounding.

## Glossary

<b>Unaudited NAV</b>	The unaudited net asset value as defined in the Limited Partnership Agreement (LPA). Unaudited net asset values calculated in accordance with International Financial Reporting Standards (IFRS) available upon request.
<b>Vintage</b>	Year of fund's first investment.
<b>TVPI</b>	Total Value to Paid In (TVPI) is calculated by adding the remaining (reported) value and the distributions received (cash out) and subsequently dividing that amount by the total capital contributed (cash in).
<b>DPI</b>	Distribution to Paid In (DPI) is calculated by taking the distributions received (cash out) and dividing that amount by the total capital contributed (cash in).
<b>IRR</b>	The internal rate of return is the annualised effective compounded rate of return over the life of an investment.
<b>Net Value Change</b>	Although drawdowns and distributions from underlying funds will affect their value there will be an offsetting impact on the partnership's cash levels; 'Net Value Change' shows the change in Net Asset Value of the portfolio which is not accounted for by drawdown and distribution activity, primarily unrealised valuation changes, foreign exchange movements and fees and expenses in the underlying portfolios.

\* Please note that the methodology for calculating TVPI and DPI multiples on the underlying funds changed during the third quarter, to better represent investment performance and to bring reporting in line with the preferred methodology under GIPS (Global Investment Performance Standards, as created and administered by the CFA Institute). Where an underlying fund has called more capital than it subsequently requires for a particular investment or fee payment, the excess amount is generally returned immediately to investors. The previous methodology specified that the "total called" number would reflect the amount on the original call notice, with the subsequent return of excess capital included in the "total distributions" number. Under the new methodology, any return of excess capital will be deducted from the "total called" number, and not included under "total distributions". This change may have a slight impact on the TVPI and DPI multiples of the underlying funds set out in the table above, but will have no impact on the TVPI or DPI of the CPELPII fund itself, or on the CPELPII fee calculation.

## Important information

This report supplements the information contained in the Confidential Information Memorandum for the Coutts Private Equity Limited Partnership II (the 'Partnership') published in January 2007, as amended or updated from time to time.

This report is prepared by Aberdeen SVG Private Equity Managers Limited (the 'Investment Manager') on behalf of Aberdeen General Partner CPELPII Limited (the 'General Partner'), the general partner of the Partnership. The General Partner has appointed the Investment Manager to provide investment management services to it. Pursuant to a novation agreement dated 4th of June 2013, the provision of investment management services to the General Partner is undertaken by the Investment Manager. The Investment Manager (formerly known as SVG Managers Limited) is owned, as to 50.1%, by Aberdeen Asset Management PLC and, as to 49.9%, by SVG Capital plc. Aberdeen SVG Private Equity Managers Limited is authorised and regulated by the Financial Conduct Authority in the UK. Prior to the 4th of June 2013 the provision of investment management services to the General Partner was undertaken by Aberdeen Asset Managers Limited, a wholly owned subsidiary of Aberdeen Asset Management PLC.

All information in this report has been compiled by the Investment Manager including, without limitation, its parent company and various subsidiaries and associates thereof. Certain information contained in this report has been provided by The Carlyle Group and Ipes (Guernsey) Limited, the administrator.

To the best knowledge and belief of the Investment Manager, the information in this report is correct at the time of publication but it cannot be guaranteed. Opinions constitute the Investment Manager's judgement as at the date of issue and are subject to change without notice.

This report is not intended as an offer or solicitation to buy or sell securities or any other investment or banking product, nor does it constitute a personal recommendation.

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The value of investments, and the income from them, can go down as well as up, and you may not recover the amount of your original investment. Your attention is drawn to the section in the Confidential Information Memorandum entitled 'Investment considerations and risk factors'.

Past performance should not be taken as a guide to future performance.

Where an investment involves exposure to a foreign currency, changes in rates of exchange may cause the value of the investment, and the income from it, to go up or down.

In the case of some investments, there is no recognised market for them and it may therefore be difficult for you to deal in them or to obtain reliable information about their value or the extent of the risks to which they are exposed.

The products are not regulated by the Financial Conduct Authority. Accordingly, as regards your relationship with the product, you will not be protected by the rules and regulations made under the Financial Services and Markets Act 2000 ('FSMA') and by the Financial Conduct Authority.

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References in this report to Coutts are to any of the various Coutts companies and not necessarily to Coutts & Co.

None of the overseas companies performing functions relating to the Partnership is an Authorised Person subject to the rules and regulations made under the Financial Services Act 2012 for the protection of investors, and compensation under the Financial Services Compensation Scheme will not be available in respect of business transacted with them.

† In considering any performance information contained in this report, investors should bear in mind that past, projected or targeted performance is not necessarily a predictor of future returns. Financial results are subject to a number of uncertainties, such as changes in exchange rates, which may cause the value of foreign investments to rise or fall. The financial illustrations and illustrative investor returns contained in these materials do not constitute forecasts and should not be construed as such. Accordingly, no assurance or representation can be made as to actual future returns on the securities described herein. Nothing contained herein should be relied upon as a promise or representation as to the future.

Calls may be recorded.