

THE 2006 DAVY BES FUND (“the Fund”)

Half Yearly Report – March 2012

Fund Investments

The 2006 Davy BES Fund, which raised €14,042,883, made seventeen investments as follows:

	Amount Invested €	% of Fund
Wall Manufacturing Limited	1,000,000	7.12%
Hynes Interiors Limited	1,000,000	7.12%
Glee Dee Engineering Limited	1,000,000	7.12%
Telemed Technology Limited t/a Ircona	750,000	5.34%
Globe Technical Services Limited	750,000	5.34%
Innovation Enterprises Limited t/a Audit Diagnostics	1,000,000	7.12%
Label Tech Limited	750,000	5.34%
Carrig Wind Farm Limited	1,000,000	7.12%
Skehanagh Wind Farm Limited	1,000,000	7.12%
Exoftware Agile Solutions Limited	850,000	6.05%
Service Matters Limited	1,000,000	7.12%
Food Surplus Management Limited	450,000	3.20%
Moneenatieve Wind Farm Limited	1,000,000	7.12%
Carlow Casket Company Limited	442,883	3.15%
Green Farm Foods Limited	1,000,000	7.12%
Sunshine Juice Limited	750,000	5.34%
Phoenix Pet Foods Limited	300,000	2.16%
	<u>14,042,883</u>	<u>100%</u>

Investment Update

As you are aware from the audited financial statements for the year ended 31 December 2010, the financial assets as at 31 December 2010 were valued at €10,100,000. As you are also aware the Fund is audited on an annual basis and we will provide you with an updated valuation as soon as the audited accounts for the year ended 31 December 2011 are finalised.

Set out below is a brief summary in relation to each investment.

Wall Manufacturing Limited

The 2006 Davy BES Fund invested €1,000,000 in Wall Manufacturing Limited on 19 October 2007. Wall Manufacturing was incorporated in November 1998. The company is involved in the manufacture of steel joisting and frames. The BES monies were used for marketing and promoting the products.

Hynes Interiors Limited

The 2006 Davy BES Fund invested €1,000,000 in Hynes Interiors Limited (“Hynes”) in October 2007. Hynes is based in Dundalk, Co. Louth and is involved in the manufacturing and supply of kitchens and furniture. The Fund monies were used to finance working capital and capital expenditure. The Manager wrote down the value of the investment to €nil in the financial statements for the year ended 31 December 2010 as a liquidator was appointed to Hynes in April 2011.

Glee Dee Engineering Limited

The 2006 Davy BES Fund invested €1,000,000 in GleeDee Engineering Limited (“GleeDee”) in October 2007. GleeDee was incorporated in July 1998 and is based in Cashel, Co. Tipperary. The company is involved in the powder coating of gates, fences and railings which provides colour and protection against corrosion. The Fund monies were used to finance capital expenditure.

Telemed Technology Limited t/a Ircona

The 2006 Davy BES Fund invested €750,000 in Telemed Technology Limited t/a Ircona on 13 November 2007. The company is involved in the manufacture of complex electronics based products. Ircona recently diversified into product development and has developed an in building wireless system to boost mobile phone signals in large buildings. The BES monies were used to finance working capital and product development of Clear Cone.

Globe Technical Services Limited

The 2006 Davy BES Fund invested €750,000 in Globe Technical Services Limited on 20 November 2007. Globetech is based in Cork and is involved in software testing, parking enforcement software and hardware and mobile logistics software and hardware. The fund monies were used for product and market development and to help finance working capital.

Innovation Enterprises Limited t/a Audit Diagnostics

The 2006 Davy BES Fund invested €1,000,000 in Innovation Enterprises Limited t/a Audit Diagnostics in November 2007. The company is based in Cork and is involved in the development and manufacture of clinical chemistry reagents for use in the clinical chemistry diagnostics market. The BES monies were used by the company to finance capital expenditure and working capital

Label Tech Limited

The 2006 Davy BES Fund invested €750,000 in Label Tech Limited in November 2007. The company, which is based in Santry, Dublin 9 is involved in the manufacture and printing of self adhesive labels. The BES monies were used by the company to finance capital expenditure and working capital.

Carrig Wind Farm Limited

The 2006 Davy BES Fund invested €1,000,000 in Carrig Windfarm Limited in November 2007. The company operates a windfarm producing electricity for sale under the terms of a power purchase agreement. The windfarm is based in County Offaly. The BES monies were used by the company to finance working capital.

Skehanagh Wind Farm Limited

The 2006 Davy BES Fund invested €1,000,000 in Skehanagh Wind Farm Limited in November 2007. The company operates a windfarm producing electricity for sale under the terms of a power purchase agreement. The windfarm is based in County Offaly. The BES monies were used by the company to finance working capital.

Exoftware Agile Solutions Limited

The 2006 Davy BES Fund invested €850,000 in Exoftware Agile Solutions Limited in December 2007. The company provides a consultancy service to companies developing software. The business is based in Guinness Enterprise Centre, Taylor's Lane, Dublin 8. The BES monies were used by the company to finance research and development and working capital.

Service Matters Limited

The 2006 Davy BES Fund invested €1,000,000 in Service Matters Limited in December 2007. Service Matters Limited is based in Golf Links Road, Roscommon. The company is involved in the provision of environmental services. The Fund monies were used to finance working capital and capital expenditure.

Food Surplus Management Limited

The 2006 Davy BES Fund invested €450,000 in Food Surplus Management Limited in December 2007. The company commenced trading in 2004 and specialises in the treatment of food and waste packaging recycling. The company currently operates from a facility in Trim, Co. Meath. The BES monies were used to finance capital expenditure and working capital.

Moneenatieve Windfarm Limited

The 2006 Davy BES Fund invested €1,000,000 in Moneenatieve Wind Farm Limited in December 2007. The company operates a windfarm producing electricity for sale under the terms of a power purchase agreement. The windfarm is based in Counties Leitrim & Roscommon. The BES monies were used by the company to finance working capital.

Carlow Casket Company Limited

The 2006 Davy BES Fund invested €442,883 in Carlow Casket Company Limited in December 2007. The company was involved in the manufacture of coffins and caskets and operated from a facility in Borris, Co. Carlow. In February 2009, the company's premises caught fire which affected the trade significantly. The impact of the disruption costs encountered by the fire together with the difficult trading conditions meant that the company was unable to recover and on 20 May 2010 a liquidator was appointed. The Manager wrote down the value of the investment to €nil in the financial statements for the year ended 31 December 2010.

Green Farm Foods Limited

The 2006 Davy BES Fund invested €1,000,000 in Green Farm Foods Limited ("Green Farm") in December 2007. Green Farm Foods Limited manufactures value-added food products. The Fund monies were used to finance working capital and capital expenditure to finance the company's growth.

Sunshine Juice Limited

The 2006 Davy BES Fund invested €750,000 in Sunshine Juice Limited in December 2007. The company commenced trading in 1998 and produces a range of freshly squeezed juices, fruit smoothies, fresh fruit salads and jams. The company currently operates from a facility in Tinryland, Co. Carlow. The BES monies were used to finance capital expenditure and working capital.

Phoenix Pet Foods Limited

The 2006 Davy BES Fund invested €300,000 in Phoenix Pet Foods Limited in December 2007. The company commenced trading in 1996 and manufactures premium pet food products using outdated but good quality human foods. The company currently operates from a facility in Dunshaughlin, Co. Meath. The BES monies were used to finance capital expenditure and working capital.