CONVERSUS CAPITAL, L.P.

QUARTERLY FINANCIAL REPORT

For the quarter ended 31 March 2011

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CONVERSUS AT A GLANCE

Our Company	Conversus Capital, L.P. [1] • Guernsey Limited Partnership • Listed on Euronext Amsterdam by NYSE Euronext • Symbol: CCAP • 66,799,445 units outstanding as of 31 March 2011 • Website: www.conversus.com
Mission	To provide immediate exposure to a diversified portfolio of private equity assets, access to best-in-class general partners and consistent NAV returns that outperform the public markets
Highlights	• Largest publicly-traded portfolio of third party private equity funds • Fully invested portfolio of top-tier, diversified and seasoned private equity investments • Sophisticated financial management with public company corporate financial tools to maximize efficiency of the balance sheet and operate with little cash drag
Alignment of Interests	• Strong corporate governance, with an Independent Board of Directors and an Independent CFO • Performance driven compensation structure for investment manager • Substantial investments by sponsors and management
Investment Manager	Conversus Asset Management, LLC • Leverages the platforms of sponsors Bank of America and Oak Hill Investment Management • Experienced investment team comprised of 28 investment professionals with over 200 years of combined experience

Key Metrics ($ and units outstanding in 000s except per unit data)	**As of 31 Mar 2011**	**As of 31 Dec 2010**	**% Change**
Net Asset Value	$ 1,926,374	$ 1,949,073	(1.2)%
Units Outstanding	66,799	70,335	(5.0)%
Net Asset Value per Unit	$ 28.84	$ 27.71	4.1 %
Unit Price	$ 20.30	$ 18.01	12.7 %
Market Capitalization	$ 1,356,020	$ 1,266,733	7.0 %
Investment NAV	$ 1,855,874	$ 1,885,278	(1.6)%
Unfunded Commitments	$ 527,038	$ 572,363	(7.9)%
Cash and Cash Equivalents	$ 83,929	$ 77,467	8.3 %
Notes and Interest Payable	$ 1,000	$ 1,000	-%
Wtd. Avg. Net Assets - YTD	$ 1,937,724	$ 1,780,274	8.8 %
Wtd. Avg. Portfolio Company Life	5.2 years	5.1 years	2.0 %
Wtd. Avg. Fund Life	8.2 years	8.1 years	1.2 %

[1] Conversus Capital, L.P. is an authorized closed-ended investment scheme for Guernsey regulatory purposes and is subject to the supervision of the Guernsey Financial Services Commission and market conduct supervision by the Authority for the Financial Markets in the Netherlands.

NOTE ON NAMING AND OTHER CONVENTIONS

Conversus Capital, L.P. ("Conversus LP") makes all of its investments through Conversus Investment Partnership, L.P. ("Investment Partnership"), a Guernsey limited partnership, and its subsidiaries. Conversus LP, the Investment Partnership and the Investment Partnership's subsidiaries are collectively referred to as "Conversus." Where we use the terms "we," "ours," "us" and other such terms, we refer to Conversus.

Conversus Asset Management, LLC is referred to as "CAM" or the "Investment Manager" and Conversus Participation Company, LLC is referred to as "CPC."

Bank of America Corporation is referred to as "BAC" and Oak Hill Investment Management, L.P. (together with OHIM Investors, L.P.) as "OHIM."

The estimated net asset value ("NAV") of Conversus is referred to as "total NAV" or simply "NAV" and includes all net balance sheet items of Conversus. The NAV of Conversus' investments is referred to as "investment NAV."

Our credit facility (see Note 6 of the combined financial statements) is referred to as the "credit facility," the "collateralized fund obligation program" or the "Program."

Derivative instruments held to partially hedge market exposure on our public equity securities are referred to as "derivative instruments," "derivatives" or "swaps."

Distributions and calls from fund investments are referred to as "portfolio cash flows." Calls include capital called by our general partners for fund fees and expenses.

All amounts set forth in this report are in thousands, unless otherwise noted, except for per unit data. All dollar amounts are in U.S. dollars.

OPERATING SUMMARY

The following table displays a summary of operating results for the quarter ended 31 March 2011.

Summary Operating Results		
Net Change in Unrealized Appreciation on Investments	$	34,172
Net Realized Gains		26,623
Investment Income		7,167
Total Expenses		(15,529)
Total Increase in Net Assets Resulting from Operations	$	52,433

- The net change in unrealized appreciation on investments of $34.2 million was comprised of net unrealized gains of $71.9 million related to public equity securities, $8.1 million in unrealized foreign currency gains and net unrealized gains of $6.7 million on a derivative instrument. Private holdings experienced net unrealized gains of $9.5 million before taking into account $62.0 million in reversals of previous unrealized gains which became realized during the period or that related to positions converted from private to public due to IPOs.
- Net realized gains of $26.6 million included $61.5 million in gross realized gains on investments, $21.4 million in gross realized losses on investments, a $10.6 million realized loss on a derivative instrument and $2.9 million in portfolio company write-offs by general partners.
- Net investment income was $7.2 million which was mainly comprised of dividend and interest income.
- Total expenses were $15.5 million. Further expense detail can be found in the table below.
- The increase in net assets from operations of $52.4 million resulted in a gain per unit outstanding of $0.76.

The following table displays operating expenses and related annualized operating percentages based on weighted average net assets for the quarter ended 31 March 2011.

Total Operating Expenses and Percentages			
		Expense	Percentage
Fund Fees and Expenses	$	4,955	1.02%
Net Management Fees		4,243	0.88
Performance Fees		-	-
Professional Service Fees		1,794	0.37
Personnel		1,172	0.24
Public Company Costs		619	0.13
Interest		8	0.00
Other General and Administrative		2,738	0.57
Total Expenses	$	15,529	3.21%

- Fund fees and expenses represent charges by the general partners of the funds in which Conversus is invested and are expensed in the period to which they relate. These fees and expenses do not include performance fees or carried interest earned by the general partners. Fund fees and expenses are highly dependent on the billing cycles of the underlying general partners of our investments and fluctuate on a quarterly basis.

- Net management fees are paid to CAM based on an aggregate amount of (i) 1.0% per annum of the value of Conversus' non-cash assets and (ii) 0.5% per annum of Conversus' aggregate unfunded commitments. Of such amount, one-third is paid quarterly, in arrears, in the form of a cash management fee and two-thirds is earned in the form of a contingent profits interest in the Investment Partnership. The contingent profits interest is paid quarterly, in arrears, to the extent there has been sufficient appreciation in Conversus' NAV. CAM has agreed to irrevocably waive its right to 30% of the contingent profits interest through 30 June 2011. Management fees in the operating expense table are shown net of the fees waived.
- Performance fees are paid to CPC based on increases in NAV over a rolling three year period. The 10% performance fee is subject to a 7% per annum preferred return, compounded annually, and a rolling three year high water mark, with full catch-up provisions. Performance fees are calculated quarterly over the relevant period and paid quarterly in arrears, to the extent earned. No performance fees were earned during the quarter ended 31 March 2011 as NAV had not sufficiently increased over the preceding three year period subject to the applicable high water mark. No performance fees were payable to CPC as of 31 March 2011. Assuming no change in NAV during the remainder of 2011, performance fees of approximately $50 million will be earned by CPC in the fourth quarter of 2011 as NAV will have increased sufficiently to exceed the preferred return of 7% compounded for the period beginning 31 December 2008 and ending 31 December 2011. If performance fees are earned in the fourth quarter of 2011, they will be payable at the beginning of 2012.
- Professional service fees represent accounting, audit, tax, legal, compliance and related costs.
- Personnel expense includes compensation and benefits for CCAP employees.
- Public company costs consist of insurance, third party valuation fees, Board of Director compensation, investor relations and regulatory expenses.
- Interest expense represents the interest incurred on amounts borrowed under the credit facility. The expense reflected an average principal balance outstanding of $1 million during the quarter which carried an average interest rate of 3.3%.
- Other general and administrative expenses include amounts reimbursed to CAM for an administrative fee under a services agreement (see Note 9 to the combined financial statements), undrawn fees on the credit facility, taxes, occupancy, travel, miscellaneous employee and other costs.

BUSINESS OVERVIEW

Conversus is designed to provide unit holders with immediate exposure to a diversified portfolio of private equity assets, access to best-in-class general partners and consistent NAV returns that outperform the public markets. We are currently invested in a portfolio that includes funds purchased on the secondary market, commitments to new, or primary funds, and direct co-investments in individual companies. We have also deployed capital to repurchase our units in accretive transactions. We believe that the quality, diversity and maturity of our portfolio, our financial flexibility and our commitment to governance and transparency are our competitive strengths.

Given the maturity and quality of our portfolio, along with other factors, we expect our current portfolio to generate substantial amounts of cash flow over the next several quarters. We intend to deploy capital with the goal of maximizing long-term NAV per unit under the prevailing circumstances, as further described in Investment Strategy below.

Since our portfolio is mature and cash flowing, we can operate with low levels of cash. We currently expect to meet capital calls on unfunded commitments with the cash flows from existing assets and through borrowings under our credit facility (see Note 6 of the combined financial statements).

CAM implements our investment policies and procedures and carries out the day-to-day management and operations of our business pursuant to a services agreement. CAM is owned by BAC, OHIM, certain members of CAM's management, the California Public Employees Retirement System ("CalPERS") and affiliates of Harvard Management Company, Inc. (an investment vehicle for the Harvard University Endowment). CAM leverages the platforms of BAC and OHIM in sourcing and evaluating investments on behalf of Conversus. We believe the depth and breadth of the commercial activities of BAC and OHIM provide valuable perspectives into general market and industry trends, which enhance the ability of CAM to manage our investments and identify attractive investment opportunities.

Our portfolio is managed by the investment team comprised of employees of CAM and OHIM. The senior members of this group average over 15 years of experience in private equity and alternative asset management. CAM's Investment Committee includes senior investment professionals from CAM, BAC and OHIM.

INVESTMENT RESULTS

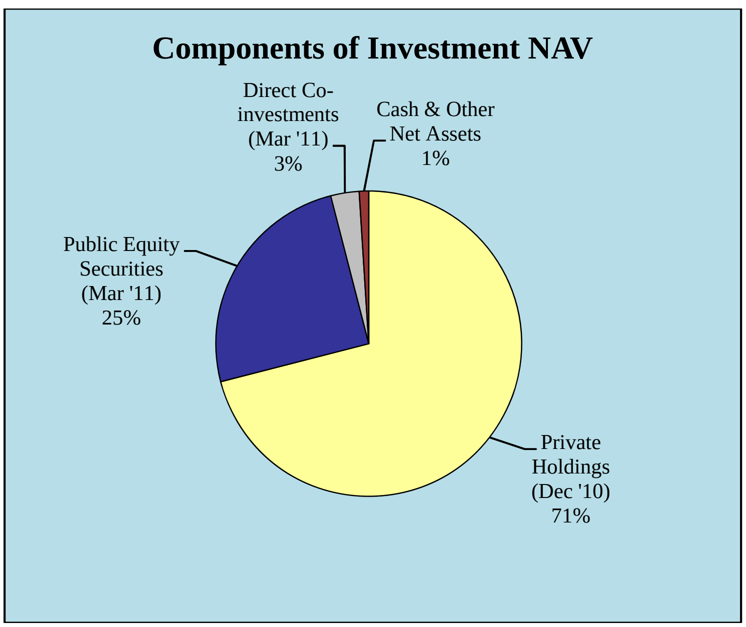
As of 31 March 2011, we had a NAV of $1,926.4 million, or $28.84 per unit. By comparison, our NAV as of 31 December 2010 was $1,949.1 million, or $27.71 per unit.

During the quarter ended 31 March 2011, our portfolio experienced net unrealized gains of $71.9 million on public equity securities, net foreign currency gains of $8.1 million and net unrealized gains of $6.7 million related to a derivative instrument. Private unrealized gains totaled $9.5 million before taking into account $62.0 million in reversals of previous unrealized gains which became realized during the period or that related to positions converted from private to public due to IPOs.

For the quarter ended 31 March 2011, net realized gains and other income were $33.8 million. Gross realized gains on investments were $61.5 million, gross realized losses on investments were $21.4 million, a realized loss on a derivative was $10.6 million and general partner write-offs totaled $2.9 million, while other income totaled $7.2 million.

As of 31 March 2011, 71% of investment NAV was comprised of private holdings valued based on general partner estimates as of 31 December 2010 and 3% was comprised of direct co-investments valued based on Conversus' estimates as of 31 March 2011. A further 25% of investment NAV was comprised of public equity securities marked to market as of 31 March 2011. The remaining 1% of investment NAV represented cash and other net assets held by the funds in which Conversus is invested.

The chart below summarizes the composition of our investment NAV as of 31 March 2011.



INVESTMENT STRATEGY

We intend to deploy capital with the goal of maximizing long-term NAV per unit under the prevailing circumstances. We will allocate capital among new private equity investments, including secondary purchases, direct co-investments and primary commitments, and various methods of returning capital to unit holders in the manner we believe best serves that goal.

We expect to maintain a mature, diverse and high quality portfolio of private equity investments. We believe that our current portfolio is consistent with those parameters. To date, we have returned significant capital to unit holders through unit repurchases and unit holder distributions and will continue to do so when appropriate. We actively manage the portfolio and our balance sheet in accordance with our goal of maximizing long-term value and will consider proactive steps, if necessary, to retain a balance in our portfolio consistent with our portfolio construction targets or to provide liquidity supporting the return of capital to unit holders.

On a long-term basis, we expect at least 80% of our total investments will be invested in funds, through either the purchase of existing funds on the secondary market or through commitments to newly formed private equity funds. We expect no more than 20% of our total investments will be invested in direct co-investments. However, we may deviate from these percentages if CAM deems it advisable.

In addition to their return characteristics, direct co-investments and secondaries help us maintain our attractive position on the private equity J-curve. Direct co-investments may concentrate the reward, and risk, of a fund's individual portfolio company investments, frequently with partial or complete avoidance of fees and carried interest. Secondary transactions generally represent more seasoned portfolios, and they may offer more appealing risk-reward and liquidity profiles than primary commitments. Secondaries may also be a useful tool for adding exposure to select vintage years, investment stages, industries, geographic regions and other characteristics.

In terms of concentrations, we expect that no more than 15% of our total investments will be invested in funds managed by any single general partner, no more than 7.5% will be invested in any single fund and no more than 5% will be invested in any single direct co-investment. Our investment policies do not contain fixed requirements, and these limits may be exceeded under certain circumstances. This flexible investment mandate allows us to be responsive to market conditions and opportunistic in seeking the best risk adjusted returns. Moreover, the cash flow from our mature portfolio and our credit facility provide us with the ability to continue investing through various market conditions and phases of economic cycles.

The recent credit crisis has impacted the ability of general partners to create returns through leverage. The best general partners have always emphasized operational improvements that grow cash flow and build franchises in their portfolio companies, and we believe this capability is particularly critical in the current environment. We believe this expertise is well-represented in our current portfolio, and we will continue to focus on the general partners who we believe are best positioned to execute operational improvements successfully.

INVESTMENT PORTFOLIO

The following table displays a summary of our portfolio investments as of 31 March 2011. See pages 30 to 32 of this financial report for a complete listing of our investments.

Portfolio Investments

	# of Holdings	Investment NAV	% of Investment NAV	Unfunded Commitments	Total Exposure	% of Total Exposure
Buyout Funds						
> $7.5 billion	9	$ 230,277	12.4%	$ 130,996	$ 361,273	15.2%
$5 to $7.5 billion	8	187,300	10.1	31,227	218,527	9.2
$3 to $5 billion	21	332,263	17.9	97,093	429,356	18.0
$1 to $3 billion	36	325,297	17.6	93,198	418,495	17.6
$500 million to $1 billion	23	137,496	7.4	32,693	170,189	7.1
< $500 million	38	169,271	9.1	60,704	229,975	9.6
Total Buyout Funds	135	1,381,904	74.5	445,911	1,827,815	76.7
Venture Capital Funds	57	279,297	15.0	72,238	351,535	14.8
Special Situation Funds	14	108,966	5.9	8,889	117,855	4.9
Total Fund Investments	206	1,770,167	95.4	527,038	2,297,205	96.4
Direct Co-investments	3	59,541	3.2	-	59,541	2.5
Public Equity Securities *	10	26,166	1.4	-	26,166	1.1
Total Investments	219	$ 1,855,874	100.0%	$ 527,038	$ 2,382,912	100.0%

* Represents publicly traded equity securities distributions from our fund investments and direct public equity purchases

The following table displays, in alphabetical order, our seventy-five largest private equity fund investments based on investment NAV as of 31 March 2011. The Top 75 funds represented 73% of our investment NAV and 61% of our unfunded commitments as of 31 March 2011.

Top 75 Fund Investments by Investment NAV
($ in millions)

Fund	Asset Class	Vintage Year	Investment NAV**	Unfunded Commitments	Total Exposure
Alta Communications IX, L.P.	Buyout	2003	*	*	*
Altaris Health Partners, L.P.	Buyout	2003	*	*	*
Apollo Investment Fund IV, L.P.	Buyout	1998	$ 20.9	$ 0.2	$ 21.1
Apollo Investment Fund V, L.P.	Buyout	2001	20.1	3.6	23.8
Apollo Investment Fund VI, L.P.	Buyout	2006	34.5	4.7	39.1
Apollo Overseas Partners VII, L.P.	Buyout	2008	31.1	28.1	59.2
Atlantic Equity Partners III, L.P.	Buyout	1999	14.5	-	14.5
Aurora Equity Partners II, LP	Buyout	1998	12.6	-	12.6
Bain Capital Fund X, L.P.	Buyout	2008	*	*	*
Bay City Capital IV, L.P.	Venture Capital	2005	11.5	3.6	15.1
BC European Capital VII	Buyout	2000	*	*	*
Blackstone Capital Partners III L.P.	Buyout	1997	11.8	2.2	14.0
Blackstone Capital Partners IV, L.P.	Buyout	2003	22.8	2.0	24.8
Blackstone Communications Partners I, L.P.	Buyout	2000	8.2	2.5	10.7
Boston Ventures Limited Partnership VI	Buyout	2000	10.0	1.5	11.5
Brentwood Associates Private Equity III, L.P.	Buyout	1999	11.4	-	11.4
Bruckmann, Rosser, Sherrill & Co. II, LP	Buyout	1999	9.8	0.2	10.1
Calera Capital Partners III, L.P.	Buyout	2002	*	*	*
Capital Z Financial Services Fund II, L.P.	Buyout	1998	*	*	*
Carlyle Partners III, L.P.	Buyout	2000	8.0	5.1	13.1
Carlyle Partners V, L.P.	Buyout	2007	33.4	19.9	53.4
Clayton, Dubilier & Rice Fund VI, L.P.	Buyout	1999	16.5	6.2	22.7
Clayton, Dubilier & Rice Fund VII Coinvest, L.P.	Buyout	2007	12.7	3.2	16.0
Clayton, Dubilier & Rice Fund VII, L.P.	Buyout	2005	58.1	4.3	62.4
Crestview Capital Partners	Buyout	2005	19.4	0.9	20.3
Crestview Partners II (Cayman), L.P.	Buyout	2009	9.0	11.6	20.6
CVC European Equity Partners III LP	Buyout	2001	*	*	*
CVC European Equity Partners V, L.P.	Buyout	2008	*	*	*
Diamond Castle Partners IV, L.P.	Buyout	2005	27.4	4.4	31.8
Essex Woodlands Health Ventures Fund V, LP	Venture Capital	2000	10.3	-	10.3
Fenway Partners Capital Fund II, LP	Buyout	1998	14.2	0.6	14.8
FFC Partners II, L.P. (fka FFT Partners II)	Buyout	2000	11.7	0.7	12.4
Financial Technology Ventures II (Q), L.P.	Venture Capital	2001	22.8	-	22.8
Foundation Capital IV, L.P.	Venture Capital	2002	*	*	*
Friedman, Fleischer & Lowe Capital Partners, L.P.	Buyout	1999	31.8	2.0	33.9
FTVentures III, L.P.	Venture Capital	2007	8.3	3.5	11.8
Green Equity Investors IV, L.P.	Buyout	2003	25.9	0.6	26.5
Green Equity Investors V, LP	Buyout	2006	28.8	11.9	40.7
Highland Restoration Capital Partners Offshore, L.P.	Special Situation	2008	*	*	*
JPMorgan Global Investors, L.P.	Buyout	2001	*	*	*

Top 75 Fund Investments by Investment NAV (continued)
($ in millions)

Fund	Asset Class	Vintage Year	Investment NAV**	Unfunded Commitments	Total Exposure
KKR 1996 Fund, L.P.	Buyout	1997	11.3	-	11.3
KKR 2006 Fund, L.P.	Buyout	2006	76.4	19.8	96.2
KKR Millennium Fund, L.P.	Buyout	2002	69.8	-	69.8
Lone Star Fund VI (U.S.), L.P.	Special Situation	2008	10.8	3.0	13.8
M/C Venture Partners V, L.P.	Venture Capital	2000	15.5	0.2	15.7
Madison Dearborn Capital Partners IV, L.P.	Buyout	2000	10.1	0.4	10.4
Metalmark Capital Partners, L.P.	Buyout	2006	*	11.8	*
MPM BioVentures III, L.P.	Venture Capital	2002	7.9	0.3	8.2
Nautic Partners V, L.P. (fka Navis Partners V)	Buyout	2000	20.2	1.8	21.9
Nautic VI-A, LP	Buyout	2007	8.9	5.4	14.3
New Mountain Partners III, L.P.	Buyout	2007	10.0	13.8	23.8
OCM Opportunities Fund VI, L.P.	Special Situation	2005	14.5	-	14.5
OCM Opportunities Fund VII, L.P.	Special Situation	2007	8.5	-	8.5
OCM Opportunities Fund VIIb, L.P.	Special Situation	2008	21.7	2.0	23.7
OCM Principal Opportunities Fund III, L.P.	Special Situation	2004	13.2	-	13.2
PAI Europe IV-B, L.P.	Buyout	2005	8.1	-	8.1
Polaris Venture Partners III, L.P.	Venture Capital	2000	12.7	0.4	13.1
Providence Equity Partners IV, L.P.	Buyout	2000	*	1.8	*
Quad-C Partners VI, LP	Buyout	2001	8.1	2.1	10.2
Spectrum Equity Investors IV, L.P.	Buyout	2000	12.1	1.5	13.7
TCV IV, L.P.	Venture Capital	2000	9.5	0.8	10.3
TCV VII(A), L.P.	Venture Capital	2008	10.4	14.4	24.8
Thomas H. Lee Equity Fund V, L.P.	Buyout	2001	25.3	0.7	26.0
Thomas H. Lee Equity Fund VI, L.P.	Buyout	2006	68.2	35.1	103.3
TL Ventures V, L.P.	Venture Capital	2000	*	*	*
TPG Asia V, L.P.	Buyout	2007	*	*	*
TPG Credit Strategies Fund, L.P.	Special Situation	2006	*	*	*
TPG Partners VI, L.P.	Buyout	2008	*	*	*
Trident III, L.P.	Buyout	2004	31.3	0.3	31.6
Trident IV, LP.	Buyout	2007	22.5	5.2	27.7
Vestar Capital Partners IV, L.P.	Buyout	2000	12.0	0.3	12.3
Warburg Pincus Private Equity VIII, L.P.	Buyout	2001	25.2	-	25.2
Warburg, Pincus International Partners, L.P.	Buyout	2000	22.1	-	22.1
Welsh, Carson, Anderson & Stowe IX, L.P.	Buyout	2000	10.5	1.5	12.0
Welsh, Carson, Anderson & Stowe VIII, L.P.	Buyout	1998	8.7	-	8.7
Total for Top 75 Fund Investments			$ 1,359.6	$ 320.8	$ 1,680.4
Total Investment Portfolio			$ 1,855.9	$ 527.0	$ 2,382.9
% of Total Reflected in Top 75 Funds			73%	61%	71%

* The general partner of the fund has requested that fund level NAV and/or unfunded commitments not be disclosed
** Investment NAV is calculated based on Conversus' valuation methodology (see Note 3 of the combined financial statements) and has not been prepared or approved by the relevant fund or its general partner

The following table displays our ten largest fund families based on investment NAV as of 31 March 2011. The Top 10 fund families represented 42% of our investment NAV and 44% of our unfunded commitments as of 31 March 2011.

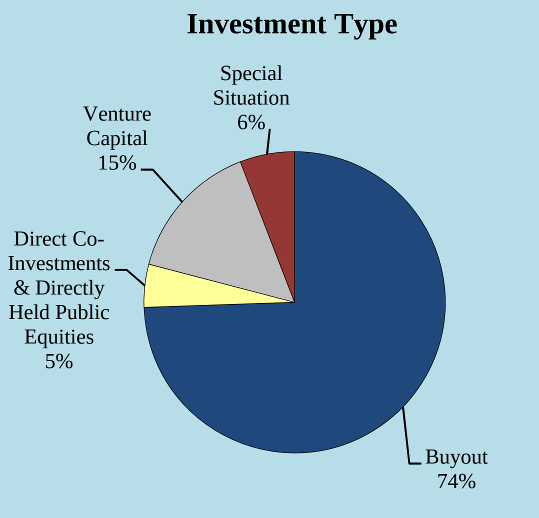
Top 10 Fund Families by Investment NAV
($ in millions)

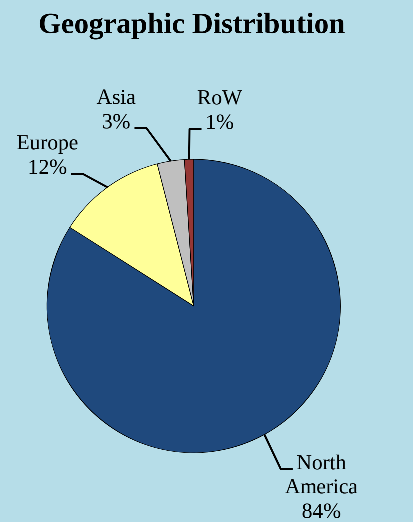
Fund Family	Investment NAV*	Unfunded Commitments	Total Exposure
KKR	$ 157.5	$ 19.8	$ 177.3
Apollo	112.5	44.9	157.4
Thomas H. Lee	93.5	35.8	129.3
Clayton, Dubilier and Rice	92.8	19.1	111.9
OakTree (OCM Funds)	61.3	2.0	63.3
Stone Point Capital (Trident Funds)	61.1	9.7	70.8
Leonard Green	58.0	15.7	73.7
TPG	54.3	58.9	113.2
Warburg Pincus	51.2	-	51.2
Carlyle	43.5	25.2	68.7
Total for Top 10 Fund Families	$ 785.7	$ 231.1	$ 1,016.8
Total Investment Portfolio	$ 1,855.9	$ 527.0	$ 2,382.9
% of Total Reflected in Top 10 Fund Families	42%	44%	43%

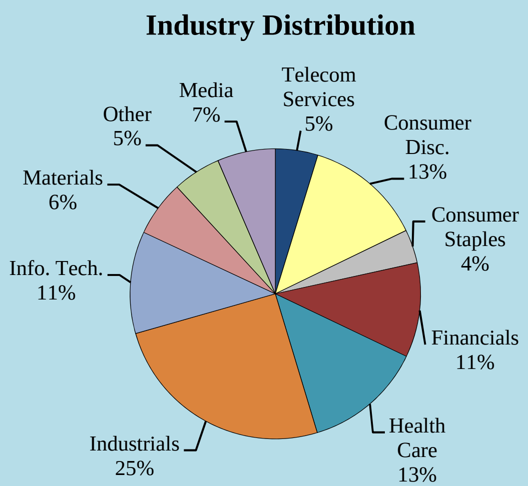
* Investment NAV is calculated based on Conversus' valuation methodology (see Note 3 of the combined financial statements) and has not been prepared or approved by the relevant fund or its general partner

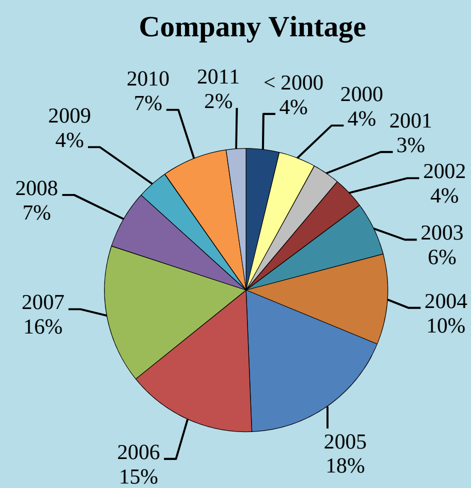
PORTFOLIO DIVERSIFICATION – INVESTMENT NAV

The following charts display our investment NAV at the fund level by investment type and at the underlying portfolio company level by geographic distribution, industry distribution and vintage as of 31 March 2011.



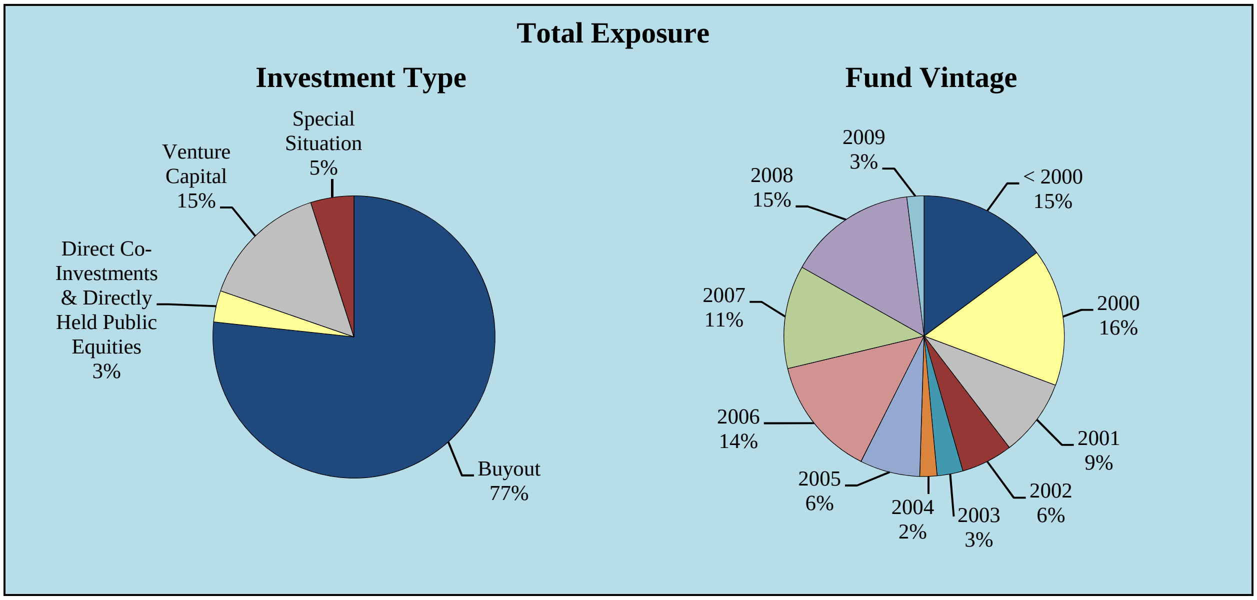






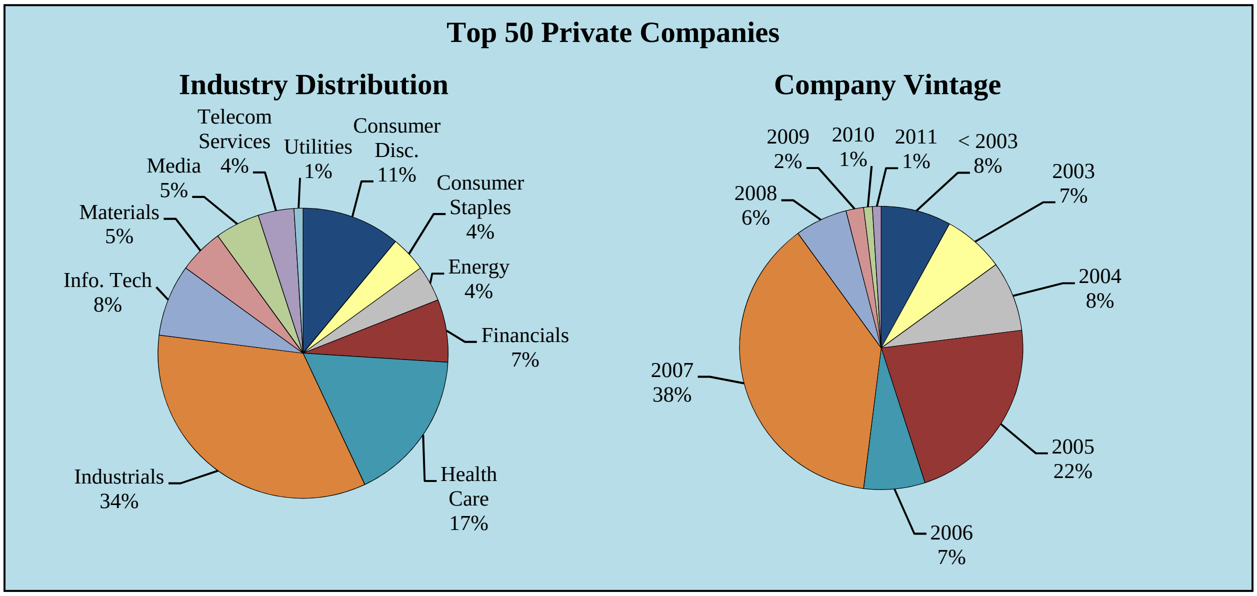
PORTFOLIO DIVERSIFICATION – TOTAL EXPOSURE

The following charts display our fund investments based on total exposure (investment NAV plus unfunded commitments) at the fund level by investment type and fund vintage as of 31 March 2011.



PORTFOLIO DIVERSIFICATION – TOP FIFTY PRIVATE COMPANIES

The following charts display our top 50 private company investments based on investment NAV by industry distribution and company vintage as of 31 March 2011. The Top 50 private company investments represented 24% of our investment NAV as of 31 March 2011.



PORTFOLIO DIVERSIFICATION – INVESTMENTS

The following table summarizes portfolio statistics calculated based on Conversus' 118 fund families as of 31 March 2011.

Investment NAV per Fund Family ($ in millions)	< $20	$20 - $50	> $50
# of Fund Families	98	11	9

Top 10 Fund Families → **42% of Investment NAV**

Top 20 Fund Families → **59% of Investment NAV**

The following table summarizes portfolio statistics calculated based on Conversus' 206 fund investments as of 31 March 2011.

Investment NAV per Fund ($ in millions)	< $10	$10 - $50	> $50
# of Funds	149	53	4

Top 10 Funds → **25% of Investment NAV**

Top 50 Funds → **61% of Investment NAV**

The following table summarizes portfolio statistics calculated at the portfolio company level for Conversus' 1,765 portfolio companies as of 31 March 2011.

Investment NAV per Portfolio Company ($ in millions)	< $5	$5 - $20	> $20
# of Portfolio Companies	1,690	69	6

Top 10 Companies → **12% of Investment NAV**

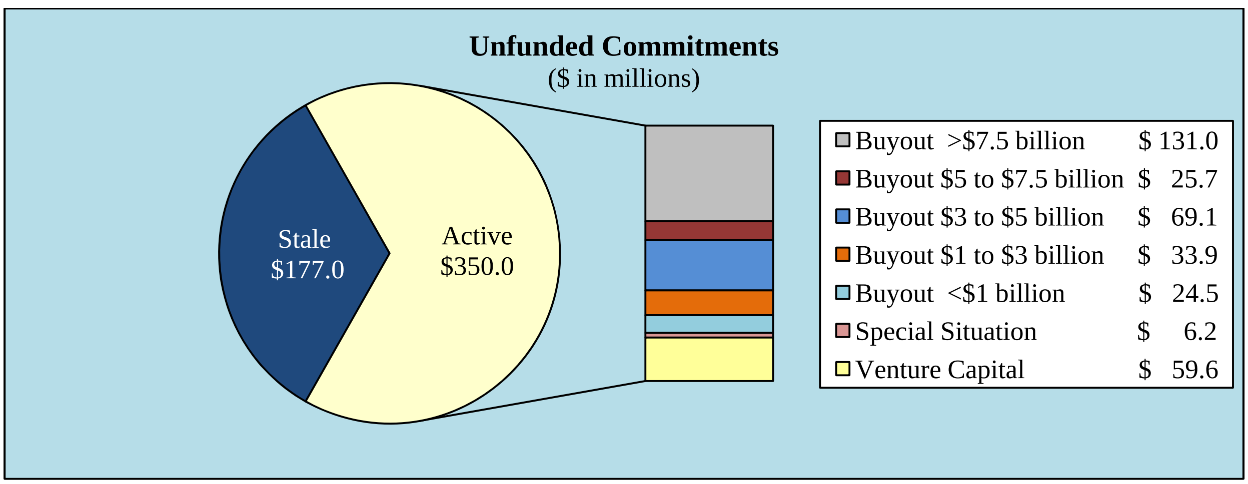
Top 50 Companies → **32% of Investment NAV**

UNFUNDED COMMITMENTS

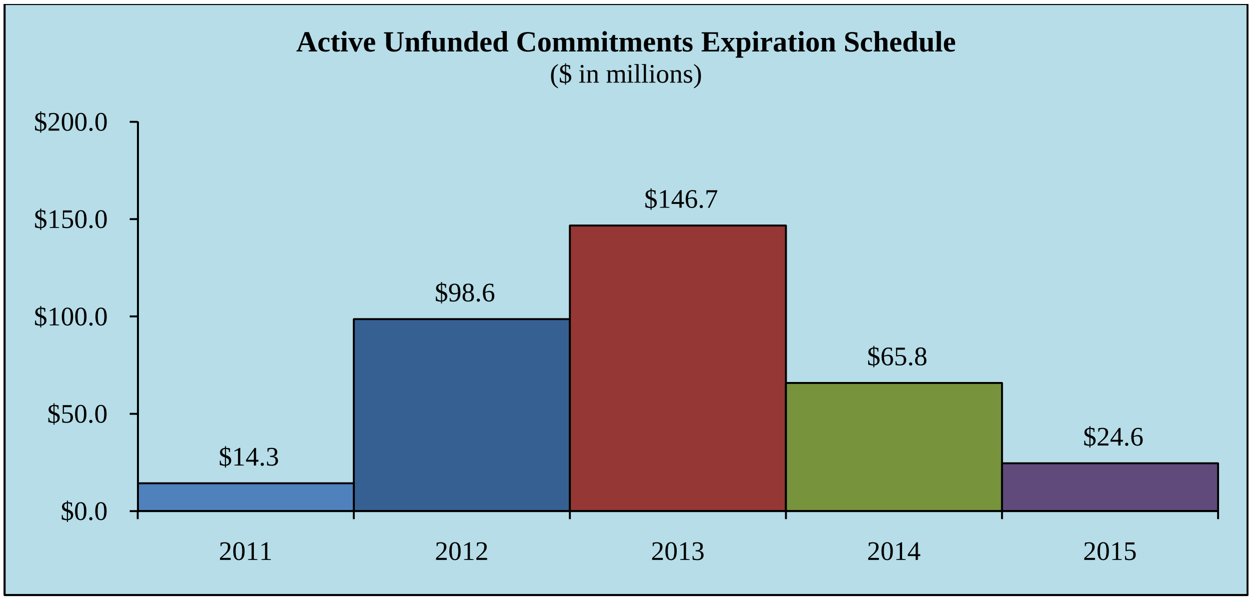
Total unfunded commitments were $527.0 million as of 31 March 2011. The following table displays a summary of our unfunded commitment activity for the quarter ended 31 March 2011.

Unfunded Commitment Activity		
Unfunded Commitments as of 1 Jan 2011	$	572,363
Capital Called for Investments		(54,565)
Refunded Capital		3,941
Foreign Currency and Other Adjustments		5,299
Unfunded Commitments as of 31 Mar 2011	$	527,038

Of the $527.0 million of total unfunded commitments as of 31 March 2011, $350.0 million represented active unfunded commitments, or commitments to funds that are still operating within the active investment periods defined by their limited partnership agreements, and $177.0 million represented stale unfunded commitments, or commitments to funds operating beyond the defined investment period. In general, after an investment period ends, unless otherwise extended, unfunded commitments can only be called for investments in process, follow-on investments in existing portfolio companies or for management fees and expenses. The following chart displays a summary of active and stale unfunded commitments as of 31 March 2011.



Active unfunded commitments of $350.0 million currently have investment periods lasting into 2015. Funds have the ability to request amendments to their limited partnership agreements to extend the investment period or to allow new investments beyond the previously agreed investment period. The following chart displays the year in which the investment period for active unfunded commitments ends, prior to any amendments, as of 31 March 2011.



PUBLIC EQUITY SECURITIES

The table below lists our twenty largest public equity securities held either directly by Conversus or indirectly through one or more of our private equity fund investments, as of 31 March 2011, based on investment NAV. These twenty public equity securities totaled $239.8 million or 52.1% of our total public equity securities portfolio of $459.8 million as of 31 March 2011.

In total, public equity securities held either directly or indirectly represented 24.8% of investment NAV as of 31 March 2011, while the top twenty positions listed below comprised 12.9% of investment NAV as of 31 March 2011.

Top 20 Public Equity Securities

		Investment NAV	% of Total Publics
1	Nielsen	$ 24,309	5.3%
2	HCA	21,419	4.7
3	Rexel	17,306	3.8
4	Hughes Communications	16,097	3.5
5	Dollar General	15,782	3.4
6	Sally Beauty	15,043	3.3
7	Charter Communications	13,742	3.0
8	LyondellBasell	11,977	2.6
9	Hertz	11,419	2.5
10	PartnerRe	10,388	2.3
11	Warner Chilcott	9,483	2.1
12	TDC	8,897	1.9
13	Graham Packaging	8,722	1.9
14	Legrand	8,250	1.8
15	MetroPCS	8,072	1.8
16	Alterra Capital	7,917	1.7
17	Republic Services	7,797	1.7
18	Whole Foods Market	7,764	1.7
19	Amadeus	7,715	1.7
20	KKR Private Equity Investors	7,656	1.7
	Total Top 20 Public Equity Securities	$ 239,755	52.1%
	Total Public Equity Securities	$ 459,817	
	Total Public Equity Securities as a % of Investment NAV	24.8%	

The table below lists our portfolio companies that completed IPOs during the quarter ended 31 March 2011. The companies had a combined investment NAV of $47.9 million as of 31 March 2011 and generated $3.2 million in distributions during the quarter.

2011 Portfolio Company IPOs

		IPO Date	Investment NAV	2011 Distributions
1	Nielsen	Jan 11	$ 24,309	$ -
2	HCA	Mar 11	21,420	2,945
3	Epocrates	Feb 11	719	-
4	BankUnited	Jan 11	639	295
5	Interxion	Jan 11	624	-
6	Fluidigm	Feb 11	151	-
7	BCD Semiconductor	Jan 11	13	-
	Total 2011 Portfolio Company IPOs		$ 47,875	$ 3,240

CASH FLOW ACTIVITY

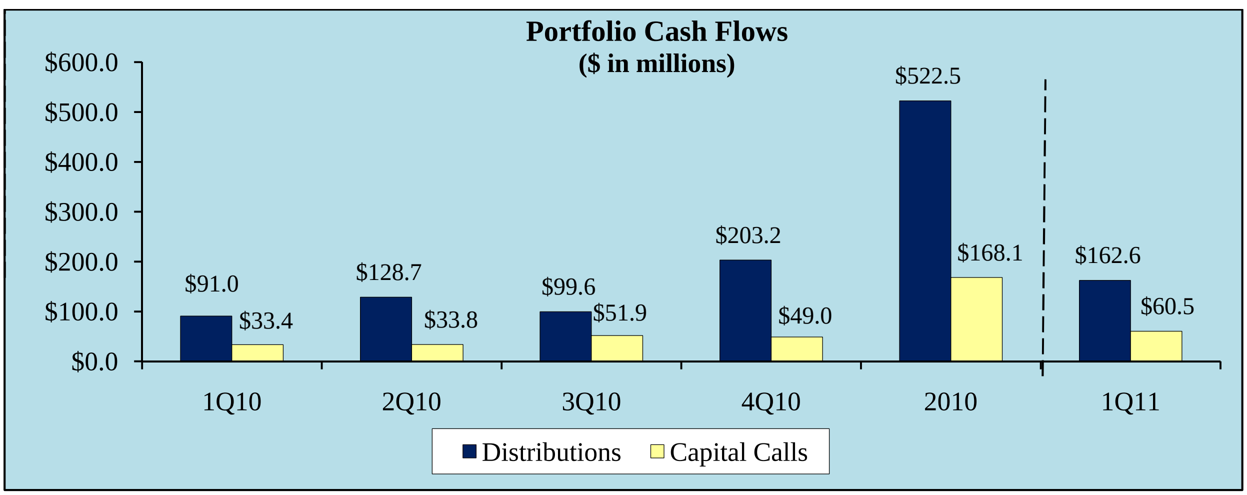
The maturity and quality of Conversus' diversified portfolio were demonstrated by our cash flows during the quarter ended 31 March 2011. Our portfolio generated $102.1 million of net positive portfolio cash flow with distributions of $162.6 million and capital calls of $60.5 million.

For the quarter ended 31 March 2011, capital calls of $60.5 million, which represented 10.6% of the beginning of the year unfunded commitments, consisted of $54.6 million of calls for portfolio company investments and $5.9 million for fund fees and expenses.

Capital calls during the quarter ended 31 March 2011 included $51.3 million for buyout funds, $7.9 million for venture funds and $1.3 million for special situation funds. Capital called by our fund investments came largely from more recent vintage year funds, with 85.8% of the calls coming from fund vintage years 2008 (31.9%), 2006 (28.4%) and 2007 (25.5%).

For the quarter ended 31 March 2011, Conversus received distributions of $162.6 million representing 8.6% of beginning of the year investment NAV. During the quarter, buyout funds comprised 57.2% of distributions, special situation funds comprised 24.6% and venture funds comprised 10.9%, with the remaining 7.3% coming from sales of directly held public equities.

The industry sectors with the highest levels of distributions during the quarter accounted for 43.0% of total distributions and included Healthcare (13.7%), Consumer Discretionary (12.9%), Industrials (8.3%) and Materials (8.1%). A significant portion of distributions (48.6%) were from underlying portfolio company investments made in years 2008 (15.2%), 2010 (14.1%), 2000 (10.2%) and 2002 (9.1%).

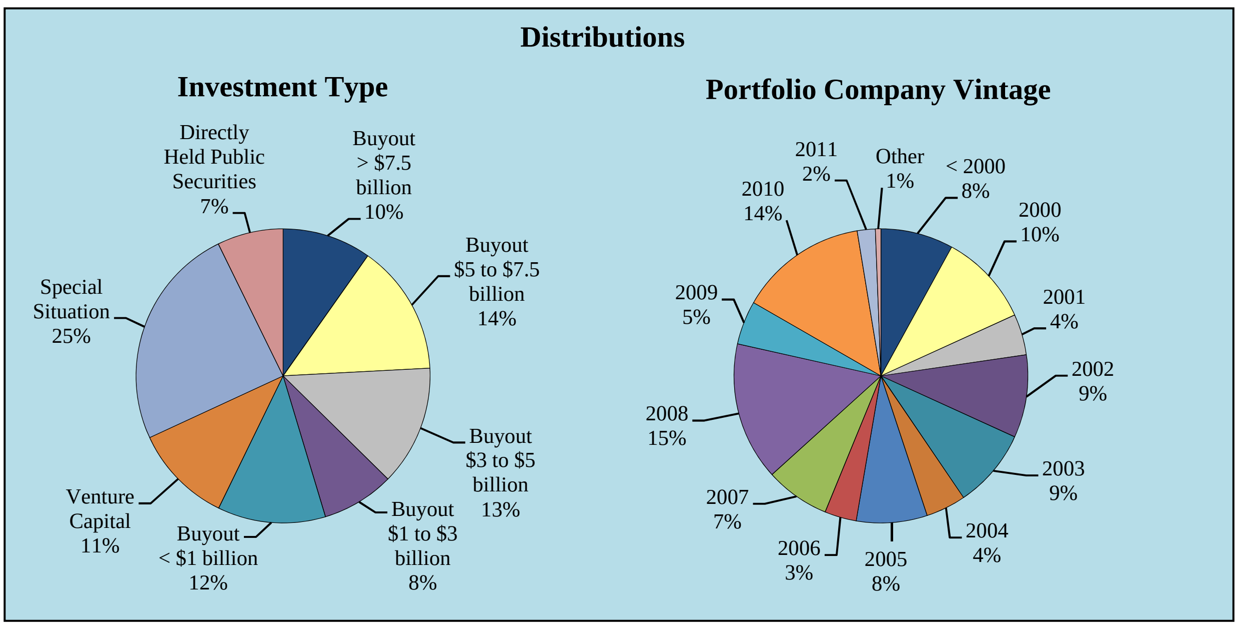


The following table displays investment activity for the quarter ended 31 March 2011.

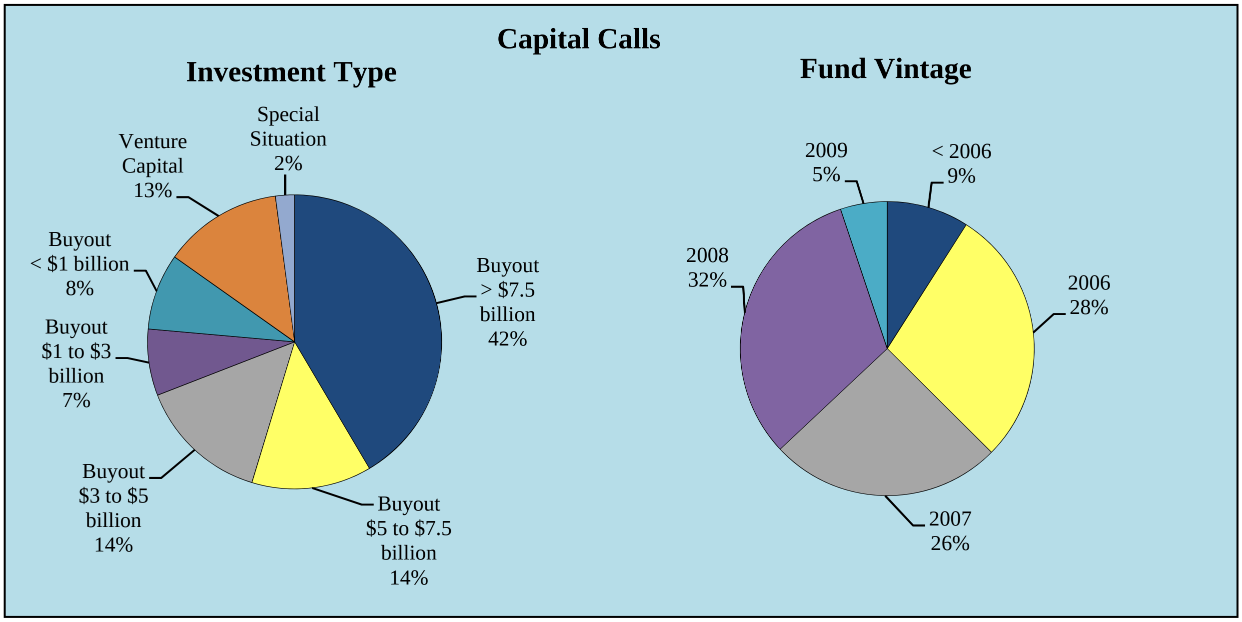
Investment Activity		
Capital Calls		
Capital Called for Investments	$	54,565
Capital Called for Fund Fees and Expenses		5,899
Total Capital Calls	$	60,464
Distributions		
Return of Capital	$	115,166
Net Realized Gains *		36,277
Investment Income		7,161
Refunded Capital		3,941
Total Distributions	$	162,545
Realized Losses due to Non-cash Write-offs by General Partners	$	2,908

* Excludes realized gains on stock distributions of $966 and realized loss on derivative of $10,620

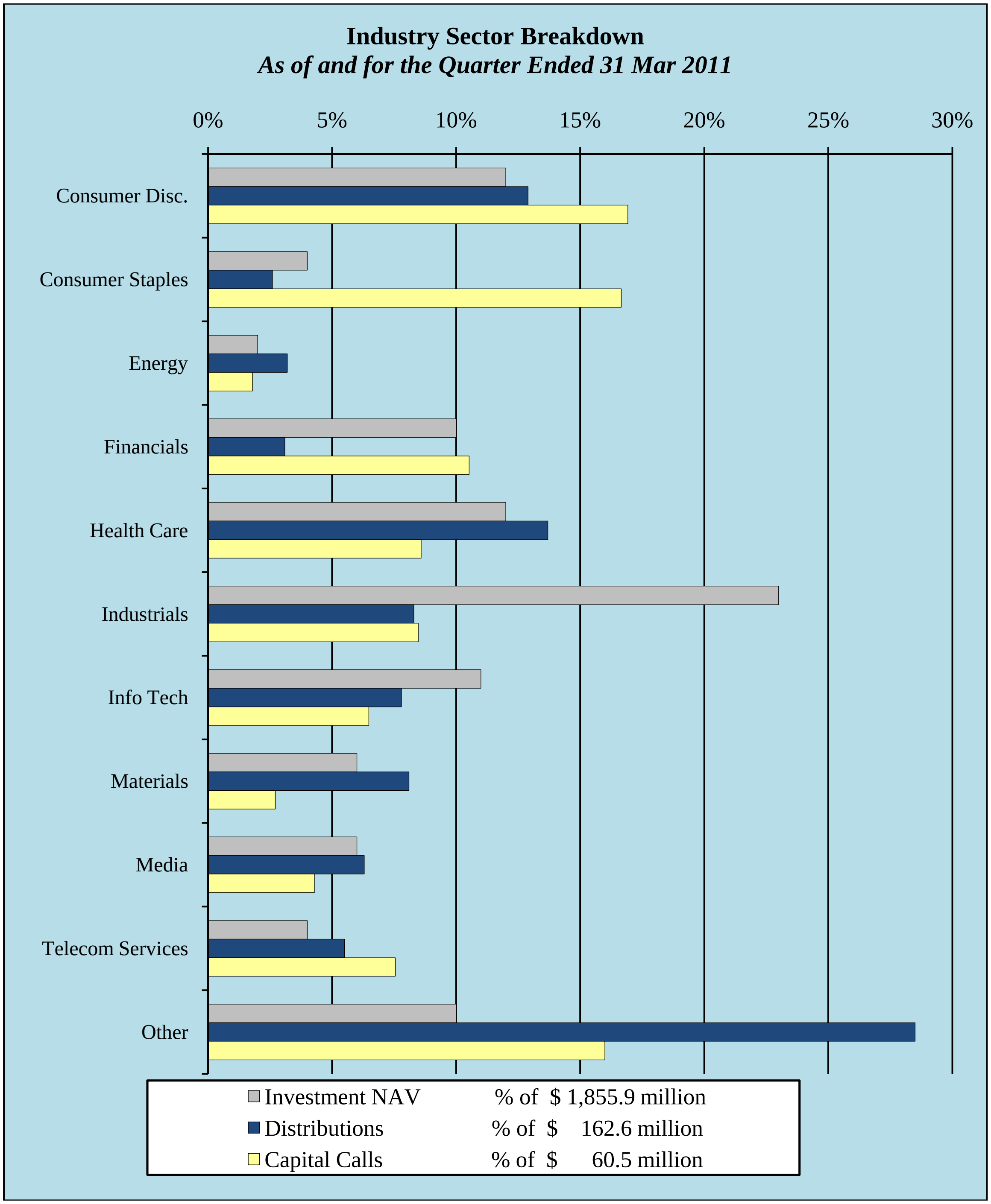
The following charts display distributions of $162.6 million received during the quarter ended 31 March 2011 by investment type and portfolio company vintage.



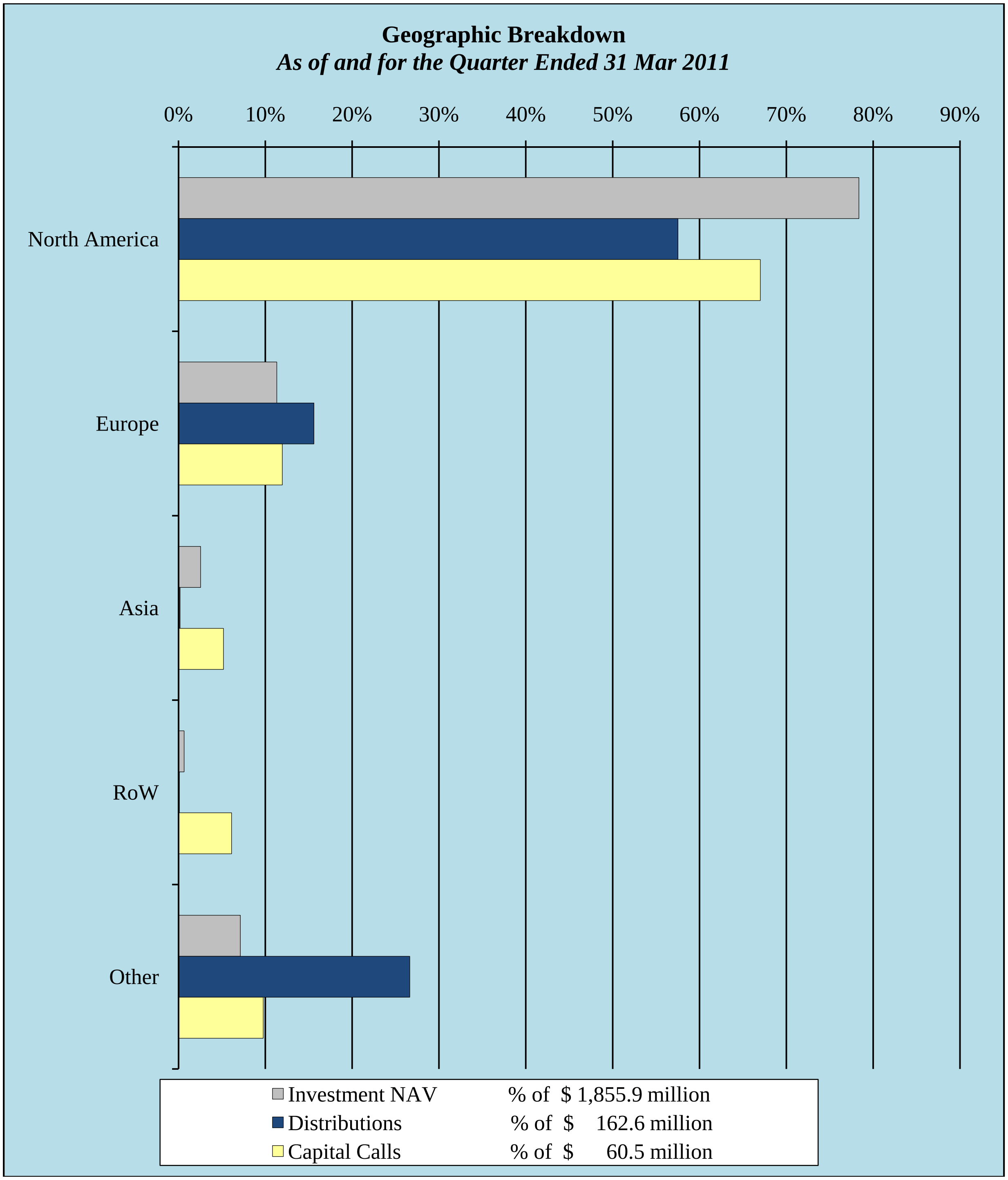
The following charts display capital calls of $60.5 funded during the quarter ended 31 March 2011 by investment type and fund vintage.



The following charts display, by industry sector, the relative percentage of investment NAV as of 31 March 2011 and the relative percentages of distributions and capital calls for the quarter ended 31 March 2011. Portions of the investment NAV, capital calls and distributions are categorized as "Other." This category includes: (i) other industries such as utilities and real estate, (ii) unallocated cash flow activity for which we have not received adequate information from the general partners to allow for industry sector categorization, (iii) activity in special situation and buyout funds related to debt investments and (iv) cash flow related to fund fees and expenses.



The following charts display, by geographic region, the relative percentage of investment NAV as of 31 March 2011 and the relative percentages of distributions and capital calls for the quarter ended 31 March 2011. Portions of the investment NAV, capital calls and distributions are categorized as "Other." This category includes: (i) unallocated cash flow activity for which we have not received adequate information from the general partners to allow for geographic categorization, (ii) activity in special situation and buyout funds related to debt investments and (iii) cash flow related to fund fees and expenses.



MARKET COMMENTARY

Global markets sustained their rally in the first quarter of 2011, overcoming the political turmoil in the Middle East and disaster in Japan to register upward movement. The S&P 500 delivered its strongest first quarter since 1998, increasing almost 6%, while the MSCI EAFE added over 3%. Global stock underwritings grew 16% on a quarter over quarter basis while high yield volume approached the all-time high set in the prior quarter. Leveraged loan volumes rose 69% on a global basis in the first quarter of 2011 over the same period in 2010. Supported by these conditions, private equity managers have continued to generate significant liquidity for their investors in early 2011.

Global M&A activity in the first quarter totaled $716 billion, down 4% from the fourth quarter of 2010, but up 16% from the year ago quarter. Consistent with that pattern, Preqin reports that private equity buyout exits reached over $77 billion in the first quarter, close to the fourth quarter 2010 record and an 80% increase over the year ago quarter. The Conversus portfolio produced a healthy level of distributions in the first quarter totaling 9% of beginning of the year investment NAV as our general partners continued liquidating debt investments and public equities, along with the execution of a significant level of trade sales.

IPO activity remains robust for both the LBO and venture capital segments, according to Thomson Reuters. In the last three months, seven LBO-backed companies became public, including the three largest such IPOs in history. Fourteen venture-backed IPOs headlined activity in the first quarter, making the quarter the strongest opening period for venture IPOs since 2007. Just as importantly, LBO and venture-backed IPOs have exhibited strong post-IPO price performance through 31 March. In the first quarter of 2011, Conversus' portfolio produced seven IPOs representing $48 million of investment NAV, plus $3 million in distributions. Looking forward, our IPO pipeline remains strong with twenty-two companies representing $62 million of investment NAV having filed for IPOs, which may or may not be completed, and numerous other companies for which an IPO is a credible exit option in our view.

On the new investment front, global buyout volume totaled $52 billion in the first quarter, easing 26% from an active fourth quarter, but surpassing the same period in the prior year by 46%. We believe change in volume reflects a seasonal pattern rather than a shift in the trends supporting new deal activity. In our portfolio, we continue to see steady growth in larger transactions that were facilitated by deepening credit markets, particularly in the U.S. Our new investments are widely diversified across industries, with some concentration in the consumer and health care sectors.

We believe that many private equity portfolio companies have begun the year with momentum in their core financial metrics. For our top 50 private companies that report these fundamentals, EBITDA increased by a weighted average of 18% in 2010 versus 2009, while revenue grew 9% over the same period. We believe that well-managed private equity backed companies are benefiting from significant operating leverage created during the downturn. Meanwhile, the accommodating debt markets have provided substantial flexibility for a broad range of portfolio companies.

In summary, the first quarter provided a continuation of 2010's momentum, as reflected in our 4% growth in NAV per unit and $102 million of net portfolio cash flow. Based on the pipeline of anticipated exits and supportive market conditions, we foresee sustained strength in distribution trends that are expected to drive portfolio cash flow and NAV growth, thus reinforcing our positive outlook for 2011.

LIQUIDITY AND CAPITAL RESOURCES

We utilize leverage under our credit facility and employ an over-commitment strategy, and thus are subject to the associated risks as explained in this report and in the combined financial statements.

The investments in our portfolio generate cash from time to time. This cash is in the form of distributions and dividends on equity investments, payments of interest and principal on fixed income investments and cash consideration received in connection with the realization of investments. We use our cash primarily to make investments, such as meeting capital calls, through the Investment Partnership and its subsidiaries, to return capital to unit holders through unit repurchases or other means, to pay our operating expenses and to repay any outstanding debt.

Current and future liquidity depend primarily on cash distributions generated by the private equity fund investments, direct private equity co-investments and temporary investments that we make, capital contributions that we receive in connection with the issuance of additional units or other securities (if any) and borrowings under the credit facility.

Conversus LP depends on the Investment Partnership to distribute cash in a manner that allows it to meet its expenses as they become due. If Conversus LP does not receive cash distributions from the Investment Partnership or other entities in which Conversus LP has an interest, it may not be able to meet its expenses when they become due.

As of 31 March 2011, we had unfunded commitments of $527.0 million, representing an over-commitment level of 28.4% (unfunded commitments as a percentage of investment NAV) compared with an over-commitment level of 30.4% as of 31 December 2010. Because we employ an over-commitment strategy when making investments in private equity funds, the amount of capital we have committed for future private equity investments may exceed our available cash at a given time. Any available cash that we hold is temporarily invested in accordance with our cash management policy, which provides liquidity for funding capital calls that may be made by the private equity funds to which we have made commitments.

We believe that our liquidity position is strong. As of 31 March 2011, we had a cash balance of $83.9 million and total principal and interest outstanding of $1.0 million under our $375 million credit facility with Citigroup (see Notes 6 and 13 to the combined financial statements). Directly held public equity securities as of 31 March 2011 represented an additional $26.2 million in potential liquidity. The $433.6 million of public equity securities held by our general partners may, over time, be another source of liquidity. Consistent with the maturity profile of our portfolio, our $527.0 million of unfunded commitments included $177.0 million to funds that were beyond their investment period as of 31 March 2011.

Our distributions exceeded capital calls by $102.1 million in the first quarter of 2011, and our portfolio cash flows were positive during every month of 2010 and so far in 2011. Driven by the maturity and quality of our portfolio, we believe that the distributions from our current portfolio will continue to outpace calls over the next several quarters, assuming stable economic conditions. While estimating the timing and amount of portfolio cash flows for private equity funds includes an inherent level of uncertainty and we can make no assurances regarding our projections, we estimate 2011 net cash flow from our current portfolio will be significantly positive and could exceed the level seen in 2010.

FORWARD-LOOKING STATEMENTS AND CERTAIN RISKS

This report contains certain forward-looking statements and an investment in Conversus involves certain risks. In some cases, forward-looking statements can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will" and "would," or the negative of those terms or other comparable terminology. Forward-looking statements speak only as of the date of the document in which they are made and include statements relating to expectations, beliefs, forecasts, projections (which may include statements regarding future economic performance, and the financial condition, results of operations, liquidity, cash flows, investments, business, net asset value and prospects of Conversus), future plans and strategies and anticipated results thereof, anticipated events or trends and similar matters that are not historical facts.

By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future, and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. Factors that could cause actual results to vary from our forward-looking statements and other risks and uncertainties to which Conversus is subject include, but are not limited to, the following:

- our investment strategy may not be successful in generating attractive rates of return or in otherwise meeting its objectives;
- changes in our financial condition, liquidity (including availability and cost of capital), cash flows and ability to meet our funding needs and satisfy our contractual obligations;
- the historical performance of our portfolio may not be indicative of its future performance;
- we may be unable to successfully identify and consummate value-enhancing transactions;
- we may be unable to obtain reliable access to new funds managed by top-performing managers;
- the ability of the funds and portfolio companies in which we invest to achieve their business, operating, financial, investment and other objectives, including realizations;
- changes in the relationship with the Investment Manager as our service provider;
- changes in the relationship between the Investment Manager and BAC, OHIM and each of their respective key investment professionals;
- our organizational, ownership and investment structure may create certain conflicts of interest and our units are non-voting securities;
- securities market conditions (including changes to applicable regulations, investor sentiment, and the trading price, discount to NAV, liquidity and volatility of our units);
- private equity market conditions (including our performance and the performance of the funds and companies in which we have invested, timing and size of cash distributions and capital calls and changes in our NAV);
- competitive conditions;
- international, national and regional political conditions (including potential regulatory and tax reform); and
- the risks, uncertainties and other factors discussed elsewhere in this report (including, but not limited to, the combined financial statements) and in the filings made with the AFM available on the Conversus website (www.conversus.com).

The foregoing is not a comprehensive list of the risks and uncertainties to which we are subject. Except as required by applicable law, we undertake no obligation to update or revise any forward-looking statements to reflect any change in our expectations, or any changes in events, conditions or circumstances on which any forward-looking statement is based. In light of these risks, uncertainties and assumptions, the events described by our forward-looking statements might not occur. We qualify any and all of our forward-looking statements by these cautionary factors.

STATEMENT OF RESPONSIBILITY

Substantially all Conversus' investments are made through the Investment Partnership and its subsidiaries. Therefore, in order to present meaningful financial statements, the accounts of Conversus LP and the Investment Partnership have been combined as permitted under U.S. GAAP. All material balances between Conversus LP and the Investment Partnership have been eliminated.

We prepare combined financial statements on an annual, semi-annual and quarterly basis in accordance with U.S. GAAP. Our fiscal year ends on 31 December. We prepare our statements in accordance with U.S. GAAP rather than Dutch GAAP or International Financial Reporting Standards as permitted under Dutch and European law. In the instance where contradictory legislation is passed, Conversus could be required to prepare its combined financial statements on a basis other than U.S. GAAP.

The combined financial statements are the responsibility of the respective managing general partner, acting through its Board of Directors, of each of Conversus LP and the Investment Partnership (collectively, the "Managing General Partner"). The Managing General Partner is responsible for preparing combined financial statements which give a true and fair view of the state of affairs of Conversus and of the profit or loss of Conversus for the applicable period, in accordance with applicable Guernsey law, Dutch law and in accordance with U.S. GAAP. In preparing the combined financial statements, the Directors are required to:

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

The Directors confirm that they have complied with the above requirements in preparing these combined financial statements. The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Conversus. They are also responsible for safeguarding the assets of Conversus and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL RISKS

This financial report (including without limitation the combined financial statements) summarizes the principal risks affecting Conversus. Additional risks and uncertainties that are currently unknown or that are not believed to be principal risks may also adversely affect the results of operations or financial condition of Conversus. If any of the principal risks actually occur, the results of operations and financial condition of Conversus would likely be negatively impacted.

COMPOSITION OF PORTFOLIO INVESTMENTS

($ in millions)

Total Portfolio	# of Holdings	Estimated NAV	Total Exposure
(Includes Direct Co-investments and Public Equity Securities)	219	$1,855.9	$2,382.9

Total Funds	# of Funds	Estimated NAV	Total Exposure
	206	$1,770.2	$2,297.2

Total Buyout Funds	# of Funds	Estimated NAV	Total Exposure
	135	$1,381.9	$1,827.8

Buyout Funds >$7.5 billion	# of Funds	Estimated NAV	Total Exposure
	9	$230.3	$361.3

	Fund Name	Vintage Year		Fund Name	Vintage Year
1	Apollo Investment Fund VI, L.P.	2006	6	KKR 2006 Fund, L.P.	2006
2	Apollo Overseas Partners VII, L.P.	2008	7	PAI Europe V, L.P.	2007
3	Bain Capital Fund X, L.P.	2008	8	Permira IV, L.P.	2006
4	Carlyle Partners V, L.P.	2007	9	TPG Partners VI, L.P.	2008
5	CVC European Equity Fund V, L.P.	2008			

Buyout Funds $5 - $7.5 billion	# of Funds	Estimated NAV	Total Exposure
	8	$187.3	$218.5

	Fund Name	Vintage Year		Fund Name	Vintage Year
1	Apax Europe V-A, LP	2001	5	KKR 1996 Fund, L.P.	1997
2	Blackstone Capital Partners IV, L.P.	2003	6	KKR Millennium Fund, L.P.	2002
3	Green Equity Investors V, LP	2006	7	New Mountain Partners III, L.P.	2007
4	J.P. Morgan Global Investors, L.P.	2001	8	Warburg Pincus Private Equity VIII, L.P.	2001

Buyout Funds $3 - $5 billion	# of Funds	Estimated NAV	Total Exposure
	21	$332.2	$429.3

	Fund Name	Vintage Year		Fund Name	Vintage Year
1	Apollo Investment Fund IV, L.P.	1998	12	PAI Europe IV-B, L.P.	2005
2	Apollo Investment Fund V, L.P.	2001	13	Silver Lake Partners II, L.P.	2004
3	BC European Capital VII	2000	14	Third Cinven Fund US No. 3 Limited Partnership	2002
4	Blackstone Capital Partners III L.P.	1997	15	Thomas H. Lee Equity Fund V, L.P.	2001
5	Carlyle Partners III, L.P.	2000	16	Thomas H. Lee Equity Fund VI, L.P.	2006
6	Clayton, Dubilier & Rice Fund VI, L.P.	1999	17	TPG Asia V, L.P.	2007
7	Clayton, Dubilier & Rice Fund VII, LP	2005	18	TPG Partners III, L.P.	2000
8	Clayton, Dubilier & Rice Fund VIII, L.P.	2009	19	Warburg Pincus Equity Partners, L.P.	1998
9	CVC European Equity Partners III LP	2001	20	Welsh, Carson, Anderson & Stowe IX, L.P.	2000
10	Lindsay Goldberg III-A, L.P.	2008	21	Welsh, Carson, Anderson & Stowe VIII, L.P.	1998
11	Madison Dearborn Capital Partners IV, L.P.	2000			

Buyout Funds $1 - $3 billion	# of Funds	Estimated NAV	Total Exposure
	36	$325.3	$418.5

	Fund Name	Vintage Year		Fund Name	Vintage Year
1	Alchemy Plan (BOA), L.P.	1997	20	Madison Dearborn Capital Partners III, LP	1999
2	Apollo Investment Fund III, L.P.	1995	21	Metalmark Capital Partners, L.P.	2006
3	Bain Capital Fund VII, L.P.	2000	22	Morgan Stanley Capital Partners III	1994
4	Blackstone Communications Partners I, L.P.	2000	23	Morgan Stanley Dean Witter Capital Partners IV, LP	1999
5	Capital Z Financial Services Fund II, L.P.	1998	24	Nautic Partners V, L.P. (fka Navis Partners V)	2000
6	Carlyle Europe Partners, L.P.	1998	25	Providence Equity Partners IV, L.P.	2000
7	Carlyle Partners II, L.P.	1995	26	Ripplewood Partners II/Side-by-Side Fund, L.P.	2001
8	Crestview Capital Partners	2005	27	Riverside Capital Appreciation Fund V, L.P.	2008
9	Crestview Partners II (Cayman), L.P.	2009	28	Second Cinven Fund US No. 2 Limited Partnership	1998
10	CVC European Equity Partners II LP	1998	29	Spectrum Equity Investors IV, L.P.	2000
11	Diamond Castle Partners IV, L.P.	2005	30	TowerBrook Investors III, L.P.	2008
12	EQT III (fka EQT Northern Europe)	2001	31	TPG Partners II, L.P.	1997
13	Green Equity Investors III, L.P.	1999	32	Trident II, L.P.	1999
14	Green Equity Investors IV, L.P.	2003	33	Trident III, L.P.	2004
15	Hicks, Muse, Tate & Furst Equity Fund V, L.P.	2000	34	Trident IV, LP.	2007
16	Hicks, Muse, Tate & Furst Europe Fund, L.P.	1999	35	Vestar Capital Partners IV, L.P.	2000
17	Industri Kapital 2000 Limited Partnership III	1999	36	Warburg, Pincus International Partners, L.P.	2000
18	J.W. Childs Equity Partners III, L.P.	2002	37	Weston Presidio Capital IV, LP	2000

Composition of Portfolio Investments (Continued)

Buyout Funds $500 million - $1 billion					# of Funds	Estimated NAV	Total Exposure
					23	$137.5	$170.2
	Fund Name	*Vintage Year*		*Fund Name*			*Vintage Year*
1	Asia Alternatives Capital Partners II, L.P.	2008	13	Code Hennessy & Simmons IV, L.P.			1999
2	Aurora Equity Partners II, LP	1998	14	Fenway Partners Capital Fund II, LP			1998
3	Bain Capital VII Coinvestment Fund, L.P.	2000	15	Industri Kapital 1997 Limited Partnership III			1997
4	Blum Strategic Partners, L.P.	1998	16	Irving Place Capital Partners II, L.P.			2000
5	Boston Ventures Limited Partnership V	1996	17	Littlejohn Fund II, L.P.			1999
6	Boston Ventures Limited Partnership VI	2000	18	Nautic VI-A, LP			2007
7	Brentwood Associates Private Equity III, L.P.	1999	19	Newbridge Asia III, L.P.			2000
8	Bruckmann, Rosser, Sherrill & Co. II, LP	1999	20	Parthenon Investors II, LP			2001
9	Calera Capital Partners III, L.P.	2002	21	Quad-C Partners VI, LP			2001
10	CCG Investment Fund, L.P.	2000	22	Vestar Capital Partners III, L.P.			1997
11	Charlesbank Equity Fund V, LP	2000	23	Warburg Pincus Ventures International			1997
12	Clayton, Dubilier & Rice Fund VII Coinvest, L.P.	2007					

Buyout Funds <$500 million					# of Funds	Estimated NAV	Total Exposure
					38	$169.3	$230.0
	Fund Name	*Vintage Year*		*Fund Name*			*Vintage Year*
1	Altaris Health Partners, L.P.	2003	20	German Equity Partners II, LP			1999
2	Alta Communications IX, L.P.	2003	21	GMT Communications Partners II, LP			2000
3	American Industrial Partners Capital Fund III, L.P.	2000	22	Graham Partners Investments, LP			1999
4	Atlantic Equity Partners III, L.P.	1999	23	Great Hill Equity Partners II, LP			2001
5	Brazos Equity Fund, LP	2000	24	Great Hill Equity Partners, LP			1999
6	Bruckmann, Rosser, Sherrill & Co. III, L.P.	2009	25	Greenbriar Equity Fund, LP			2001
7	Calera Capital Partners II (Fremont Partners), L.P.	1997	26	Harvest Partners IV, LP			2002
8	CapStreet II, L.P. (fka Summit Capital II)	2000	27	ING Furman Selz Investors III LP			2000
9	Carousel Capital Partners II, LP	2003	28	Marathon Fund Limited Partnership IV			1999
10	Catterton Partners IV	1999	29	Parthenon Investors, L.P.			1999
11	CEA Capital Partners USA, LP	1997	30	Pouschine Cook Capital Partners, L.P.			1999
12	Centre Capital Investors III, L.P.	1999	31	Quad-C Partners V, LP			1998
13	Chisholm Partners IV, LP	1999	32	Riverside Capital Appreciation 1998 Fund, LP			1998
14	Euroknights IV US NO. 2, LP	2000	33	Seaport Capital Partners II, LP			2000
15	Europe Capital Partners IV, LP	1999	34	T3 Partners II, L.P.			2001
16	Evercore Capital Partners, L.P.	1997	35	T3 Partners, L.P.			2000
17	FFC Partners I, LP (fka FFT Partners I)	1996	36	Trivest Fund III, LP			2000
18	FFC Partners II, L.P. (fka FFT Partners II)	2000	37	U.S. Equity Partners II (Offshore), L.P.			2002
19	Friedman, Fleischer & Lowe Capital Partners, L.P.	1999	38	William Blair Capital Partners VII QP, L.P.			2001

Composition of Portfolio Investments (Continued)

Venture Capital Funds					**# of Funds**	**Estimated NAV**	**Total Exposure**
					57	**$279.3**	**$351.5**
	Fund Name	*Vintage Year*		*Fund Name*			*Vintage Year*
1	ABS Capital Partners IV, LP	2000	30	Morgenthaler Partners VI, LP			2000
2	APAX Excelsior VI, LP	2000	31	Morgenthaler Partners VII, LP			2001
3	Austin Ventures VII, L.P.	1999	32	MPM BioVentures III, L.P.			2002
4	Austin Ventures VIII, L.P.	2001	33	New Enterprise Associates 10, LP			2000
5	Azure Venture Partners I, LP	2000	34	New Enterprise Associates 13, L.P.			2009
6	Battery Ventures VI, L.P.	2000	35	New Enterprise Associates 9, LP			1999
7	Bay City Capital Fund V, L.P.	2007	36	Pinnacle Ventures Equity Fund II-O, L.P.			2008
8	Bay City Capital IV, L.P.	2005	37	Polaris Venture Partners III, L.P.			2000
9	Bay Partners X, L.P.	2001	38	Polaris Venture Partners IV, L.P.			2002
10	Essex Woodlands Health Ventures Fund IV, LP	1998	39	Redpoint Ventures II, LP			2000
11	Essex Woodlands Health Ventures Fund V, LP	2000	40	RRE Ventures III-A, LP			2001
12	Essex Woodlands Health Ventures VIII-A, L.P.	2008	41	Sigma Partners 6, L.P.			2001
13	Financial Technology Ventures (Q), LP	1998	42	Sigma Partners IV, L.P.			1998
14	Financial Technology Ventures II (Q), L.P.	2001	43	Sigma Partners V, L.P.			1999
15	Foundation Capital Fund III, L.P.	2000	44	Spectrum Equity Investors III, L.P.			1999
16	Foundation Capital IV, L.P.	2002	45	TA Associates Advent VIII			1997
17	Foundation Capital Leadership Fund, L.P.	2000	46	TA IX, L.P.			2000
18	FTVentures III, L.P.	2007	47	TCV III (Q), L.P.			1999
19	Index Ventures Growth I, LP	2008	48	TCV IV, LP			2000
20	Institutional Venture Partners XI, L.P.	2005	49	TCV VII(A), L.P.			2008
21	InterWest Partners VII, L.P.	1999	50	TL Ventures III, L.P.			1997
22	InterWest Partners VIII, L.P.	2000	51	TL Ventures IV, L.P.			1999
23	InterWest Partners X, L.P.	2008	52	TL Ventures V, L.P.			2000
24	Lighthouse Capital Partners V, L.P.	2002	53	TL Ventures VII, L.P.			2008
25	Lightspeed Venture Partners VIII, L.P.	2008	54	U.S. Venture Partners VI, L.P.			1999
26	M/C Venture Partners V, L.P.	2000	55	U.S. Venture Partners VIII, L.P.			2001
27	Meritech Capital Partners II L.P.	2000	56	U.S. Venture Partners X, L.P.			2008
28	Morgan Stanley Dean Witter Venture Partners IV, L.P.	1999	57	WPG Venture Associates IV			1997
29	Morgan Stanley Venture Partners 2002 Fund, L.P.	2002					
Special Situation Funds					**# of Funds**	**Estimated NAV**	**Total Exposure**
					14	**$109.0**	**$117.9**
	Fund Name	*Vintage Year*		*Fund Name*			*Vintage Year*
1	Avenue Special Situations Fund IV, L.P.	2006	8	OCM Opportunities Fund VI, L.P.			2005
2	Avenue Special Situations Fund V, L.P.	2007	9	OCM Opportunities Fund VII, L.P.			2007
3	BIA Digital Partners, LP	2001	10	OCM Opportunities Fund VIIb, L.P.			2008
4	Gleacher Mezzanine Fund I, LP	2001	11	OCM Principal Opportunities Fund III, L.P.			2004
5	Highland Restoration Capital Partners Offshore, L.P.	2008	12	TA Subordinated Debt Fund L.P.			2000
6	Lone Star Fund VI (U.S.), L.P.	2008	13	TPG Credit Strategies Fund, L.P.			2006
7	OCM Opportunities Fund V, L.P.	2004	14	WCAS Capital Partners III, L.P.			1997
Direct Co-investments					**# of Holdings**	**Estimated NAV**	**Total Exposure**
					3	**$59.5**	**$59.5**
Public Equity Securities					**# of Holdings**	**Estimated NAV**	**Total Exposure**
					10	**$26.2**	**$26.2**

Notes:
Total Exposure equals estimated Investment NAV plus unfunded commitments
Vintage year is the earlier of the first capital call or the date the fund began operations

DIRECTORS, ADVISORS AND KEY INFORMATION

Independent Board of Directors Paul G. Guilbert (Chairman) Laurance (Laurie) R. Hoagland, Jr., Kathryn A. Matthews Dr. Per Johan Strömberg **Non-Voting Advisors** J. Taylor Crandall James D. Forbes The address of each person named above is: c/o Conversus GP, Limited., Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL Channel Islands	**Investor Information** Exchange: Euronext Amsterdam Trading symbol: CCAP Admission date: 29 June 2007 Currency: USD Bloomberg: CCAP NA Reuters: CCAP.AS Google Finance: AMS:CCAP
Registered Office Conversus Capital, L.P c/o Conversus GP, Limited Trafalgar Court, Les Banques St. Peter Port, Guernsey GY1 3QL Channel Islands ccap@conversus.com Tel: +44 1481 745 175 Fax: +44 1481 745 176	**Independent Auditors** PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St. Peter Port, Guernsey GY1 4ND Channel Islands Tel: +44 1481 752 000 Fax: +44 1481 752 001
Investment Manager Conversus Asset Management, LLC 190 South LaSalle Street, Suite 1500 Chicago, Illinois 60603 Tel: +1 312 261 9700 Fax: +1 312 261 9701 101 South Tryon Street, Suite 2440 Charlotte, North Carolina 28280 Tel: +1 704 307 4865 Fax: +1 704 375 2004	**Independent Valuation Firm** Duff and Phelps 55 East 52nd Street, 31st Floor New York, New York 10055 Attention: Paul J. Viscio, Managing Director Tel: +1 212 871 6267 Fax: +1 212 523 0854 e-mail: pj.viscio@duffandphelps.com

Directors, Advisors and Key Information (Continued)

Depository Bank The Bank of New York 101 Barclay Street, 22 West New York, New York 10286 Attention: Conversus Capital, L.P. Tel: +1 212 815 5898 or +1 212 815 3982 Fax: +1 212 571 3050	**Paying Agent** Royal Bank of Scotland N.V. Global Banking and Markets Richard van Etten Gustav Mahlerlaan 10 (HQ3130) 1082 PP Amsterdam The Netherlands Tel: +31 20 464 3771 Fax: +31 20 628 0004
Fund Administrator Northern Trust Trafalgar Court, Les Banques St. Peter Port, Guernsey GY1 3QL Channel Islands Tel: +44 1481 745 406	
Investor Relations Contact Tim Smith Chief Financial Officer Conversus Capital, L.P. Trafalgar Court, Les Banques St. Peter Port, Guernsey GY1 3QL Channel Islands Tel: +44 1481 745 175 Fax: +44 1481 745 176 e-mail: tim.smith@conversus.com	
Media Contact Brian Ruby ICR, Inc. Tel: +1 203 682 8268 Fax: +1 203 682 8202 e-mail: brian.ruby@icrinc.com	
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CONVERSUS CAPITAL, L.P.

COMBINED FINANCIAL STATEMENTS
(UNAUDITED)

For the quarter ended 31 March 2011

INDEX TO UNAUDITED COMBINED FINANCIAL STATEMENTS

Report of Independent Auditors

To the Board of Directors of the General Partner and partners of Conversus Capital, L.P.:

We have reviewed the accompanying combined statement of net assets of Conversus Capital, L.P. and Conversus Investment Partnership, L.P. (collectively "Conversus"), including the combined condensed schedule of investments as of 31 March 2011, and the related combined statements of operations for the quarter ended 31 March 2011, the combined statement of changes in net assets and combined statement of cash flows for the quarter ended 31 March 2011 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the responsibility of management and the General Partner of Conversus.

A review consists principally of inquiries of Conversus' personnel and analytical procedures applied to financial data. It is less substantially less in scope than an audit conducted in accordance with the auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

This report has been prepared for and only for the General Partner and partners of Conversus as a body, and for no other purpose. We do not accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Based on our review we are not aware of any material modifications that should be made to the accompanying combined interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers CI LLP

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands
27 April 2011

COMBINED STATEMENTS OF NET ASSETS

As of 31 March 2011 and 31 December 2010
(US$ in thousands except for per unit amounts)

	31 Mar 2011 (Unaudited)	31 Dec 2010 (Audited)
Assets		
Investments, at fair value *(Note 3)* (cost $1,713,193 as of 31 Mar 2011; $1,776,768 as of 31 Dec 2010)	$ 1,855,874	$ 1,891,996
Cash and cash equivalents	83,929	77,467
Receivables and prepaid expenses	2,207	1,483
Total Assets	1,942,010	1,970,946
Liabilities		
Management fees payable *(Note 2)*	4,339	4,346
Derivative instrument *(Note 5)*	-	6,718
Notes and interest payable *(Note 6)*	1,000	1,000
Other	10,297	9,809
Total Liabilities	15,636	21,873
NET ASSETS	**$ 1,926,374**	**$ 1,949,073**
Net Assets		
General Partners' capital	$ -	$ -
Limited Partners' capital (73,530 units issued and 66,799 units outstanding as of 31 Mar 2011; 73,530 units issued and 70,335 units outstanding as of 31 Dec 2010)	2,050,709	1,998,276
Treasury units *(Note 7)* (6,731 units as of 31 Mar 2011; 3,195 units as of 31 Dec 2010)	(124,335)	(49,203)
NET ASSETS	**$ 1,926,374**	**$ 1,949,073**
NET ASSET VALUE PER UNIT OUTSTANDING	**$ 28.84**	**$ 27.71**

The accompanying notes are an integral part of the combined financial statements.

COMBINED STATEMENT OF OPERATIONS

For the quarter ended 31 March 2011
(US$ in thousands except for per unit amount)
(Unaudited)

Investment Income		
Dividends	$	4,109
Interest and other income		3,058
Total Investment Income		7,167
Expenses		
Management fees		5,304
Fund fees and expenses		4,955
Professional service fees		1,794
Personnel		1,172
Public company costs		619
Interest		8
Other general and administrative		2,738
Total Expenses		16,590
Management fees waived		(1,061)
Total Expenses, Net of Fees Waived		15,529
Net Investment Loss		(8,362)
Net Realized Gains and Net Change in Unrealized Appreciation on Investments		
Net realized gains on investments		26,623
Net change in unrealized appreciation on investments		34,172
Total Net Realized Gains and Net Change in Unrealized Appreciation on Investments		60,795
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$**	**52,433**
GAIN PER UNIT OUTSTANDING	**$**	**0.76**

The accompanying notes are an integral part of the combined financial statements.

COMBINED STATEMENT OF CHANGES IN NET ASSETS

For the quarter ended 31 March 2011
(US$ in thousands and Unaudited)

Increase in Net Assets Resulting from Operations		
Net investment loss	$	(8,362)
Net realized gains on investments		26,623
Net change in unrealized appreciation on investments		34,172
Net Increase in Net Assets Resulting from Operations		52,433
Decrease in Net Assets Resulting from Capital Transactions		
Treasury unit purchases		(75,132)
Net Decrease in Net Assets Resulting from Capital Transactions		(75,132)
NET DECREASE IN NET ASSETS		**(22,699)**
NET ASSETS AT BEGINNING OF PERIOD		**1,949,073**
NET ASSETS AT END OF PERIOD	**$**	**1,926,374**

The accompanying notes are an integral part of the combined financial statements.

COMBINED STATEMENT OF CASH FLOWS

For the quarter ended 31 March 2011
(US$ in thousands and Unaudited)

Cash Flows from Operating Activities		
Net increase in net assets resulting from operations	$	52,433
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:		
Net realized gains on investments		(26,623)
Net change in unrealized appreciation on investments		(34,172)
Capital called for investments		(54,565)
Distributions		155,384
Settlement of derivative instrument		(10,620)
Changes in operating assets and liabilities:		
Net increase in receivables and prepaid expenses		(724)
Net decrease in management fees payable		(7)
Net increase in interest and other payables		488
Net Cash Provided by Operating Activities		81,594
Cash Flows from Financing Activities		
Treasury unit purchases		(75,132)
Net Cash Used in Financing Activities		(75,132)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**6,462**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**77,467**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$**	**83,929**
Supplemental Cash Flow Disclosure		
Cash paid for interest	$	8
Cash paid for taxes	$	187
Supplemental Non-Cash Flow Disclosure		
In-kind public equity security distributions received	$	14,726

The accompanying notes are an integral part of the combined financial statements.

COMBINED CONDENSED SCHEDULE OF INVESTMENTS

As of 31 March 2011
(US$ in thousands and Unaudited)

	Cost	Fair Value	% of Net Assets	Unfunded Commitments
FUND INVESTMENTS				
North America				
Buyout	$ 1,150,114	$ 1,247,745	64.8%	$ 397,159
Venture Capital	270,409	277,177	14.4	71,046
Special Situation	80,551	108,966	5.6	8,889
Total North America	1,501,074	1,633,888	84.8	477,094
Europe, Asia and RoW				
Buyout	129,269	134,159	7.0	48,752
Venture Capital	1,816	2,120	0.1	1,192
Total Europe, Asia and RoW	131,085	136,279	7.1	49,944
Total Fund Investments	1,632,159	1,770,167	91.9	527,038
DIRECT INVESTMENTS [(1)]				
Direct Co-Investments				
Industrials	35,372	43,291	2.3	-
Telecommunication Services	25,000	16,250	0.8	-
Total Direct Co-Investments	60,372	59,541	3.1	-
Publicly Traded Equity Securities [(2)]				
Industrials	12,115	14,970	0.7	-
Financials	6,653	9,731	0.5	-
Materials	532	514	0.0	-
Energy	461	404	0.0	-
Utilities	484	277	0.0	-
Telecommunication Services	288	178	0.0	-
Information Technology	129	92	0.0	-
Total Publicly Traded Equity Securities	20,662	26,166	1.3	-
Total Direct Investments	81,034	85,707	4.4	-
TOTAL	**$ 1,713,193**	**$ 1,855,874**	**96.3%**	**$ 527,038**

[(1)] Industry classifications are determined at the individual portfolio company level and are based on the North American Industry Classification System ("NAICS").

[(2)] Publicly traded equity securities represent equity security distributions from fund investments and direct public equity investments.

The accompanying notes are an integral part of the combined financial statements.

COMBINED CONDENSED SCHEDULE OF INVESTMENTS (CONTINUED)

As of 31 December 2010
(US$ in thousands and Audited)

	Cost	Fair Value	% of Net Assets	Unfunded Commitments
FUND INVESTMENTS				
North America				
Buyout	$ 1,173,826	$ 1,245,886	63.9%	$ 428,562
Venture Capital	284,790	283,542	14.6	79,551
Special Situation	108,340	150,623	7.7	7,922
Total North America	1,566,956	1,680,051	86.2	516,035
Europe, Asia and RoW				
Buyout	130,788	134,405	6.9	55,165
Venture Capital	1,718	1,909	0.1	1,163
Total Europe, Asia and RoW	132,506	136,314	7.0	56,328
Total Fund Investments	1,699,462	1,816,365	93.2	572,363
DIRECT INVESTMENTS (1)				
Direct Co-Investments				
Industrials	35,372	40,785	2.1	-
Telecommunication Services	25,000	16,250	0.8	-
Total Direct Co-Investments	60,372	57,035	2.9	-
Publicly Traded Equity Securities (2)				
Industrials	8,247	8,149	0.4	-
Financials	4,860	7,005	0.4	-
Information Technology	1,983	1,915	0.1	-
Energy	540	501	0.0	-
Materials	532	459	0.0	-
Utilities	484	347	0.0	-
Telecommunication Services	288	220	0.0	-
Total Publicly Traded Equity Securities	16,934	18,596	0.9	-
Derivative Instrument	-	(6,718)	(0.3)	-
Total Direct Investments	77,306	68,913	3.5	-
TOTAL	**$ 1,776,768**	**$ 1,885,278**	**96.7%**	**$ 572,363**

(1) Industry classifications are determined at the individual portfolio company level and are based on the North American Industry Classification System ("NAICS").

(2) Publicly traded equity securities represent equity security distributions from fund investments and direct public equity investments.

The accompanying notes are an integral part of the combined financial statements.

COMBINED CONDENSED SCHEDULE OF INVESTMENTS (CONTINUED)

As of 31 March 2011 and 31 December 2010
(US$ in thousands)

	31 Mar 2011 (Unaudited)		31 Dec 2010 (Audited)	
	Fair Value	**% of Total Net Assets**	**Fair Value**	**% of Total Net Assets**
Industry [1]				
Industrials	$ 435,166	22.6%	$ 414,852	21.3%
Health Care	228,294	11.9	227,231	11.7
Consumer Discretionary	225,507	11.7	230,128	11.8
Information Technology	196,102	10.2	192,203	9.9
Financials	181,458	9.4	167,293	8.6
Media	111,451	5.7	108,226	5.5
Materials	106,918	5.6	112,504	5.8
Other Industries	92,602	4.8	100,161	5.1
Telecommunication Services	81,628	4.2	81,372	4.2
Consumer Staples	64,574	3.4	57,309	2.9
Other (net other assets)	132,174	6.8	193,999	9.9
TOTAL	**$ 1,855,874**	**96.3%**	**$ 1,885,278**	**96.7%**

[1] Industry classifications are determined on a look-through basis at the individual portfolio company level and are based on the NAICS.

The accompanying notes are an integral part of the combined financial statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. Business Overview

Conversus Capital, L.P. ("Conversus LP") is a Guernsey limited partnership established on 29 May 2007. Conversus LP is composed of a general partner, Conversus GP, Limited ("Conversus GP"), a Guernsey limited company which holds 100% of the voting interests of Conversus LP, and the limited partners of Conversus LP, represented by common units that are non-voting. The limited partnership interests in Conversus LP trade on the regulated market of Euronext Amsterdam by NYSE Euronext ("Euronext") under the symbol "CCAP."

Conversus LP owns all of the Class A limited partner interests in Conversus Investment Partnership, L.P. ("Investment Partnership"), a Guernsey limited partnership through which substantially all of Conversus LP's investments are made directly or indirectly through its subsidiaries. The Investment Partnership is composed of a general partner, Conversus Investment GP, Limited ("Investment GP"), a Guernsey limited company, which holds 100% of the voting interests of the Investment Partnership, as well as the Class A, B and C limited partners, all of which are non-voting. Conversus LP and the Investment Partnership are referred to collectively as "Conversus." The independent members of the Board of Directors of Conversus GP and the independent members of the Board of Directors of Investment GP are collectively referred to as the "Board of Directors."

Conversus Participation Company, LLC ("CPC") owns all Class B limited partner interests in the Investment Partnership. CPC has no operations and is a vehicle through which its owners receive performance fees from the Investment Partnership (see Note 2). Class C limited partner interests in the Investment Partnership have been issued to Conversus Asset Management, LLC ("CAM"). These interests entitle CAM to receive the profits interest portion of the management fee (see Note 2).

CAM and CPC are both owned by Bank of America Corporation ("BAC"), Oak Hill Investment Management, L.P. ("OHIM"), the California Public Employees Retirement System ("CalPERS"), affiliates of Harvard Management Company, Inc. (an investment vehicle for the Harvard University Endowment) ("Harvard") and certain members of CAM's management. CAM is Conversus' investment manager and carries out the day-to-day management and operations of Conversus' business, pursuant to a services agreement (see Note 9).

Conversus LP makes substantially all of its investments through the Investment Partnership and its subsidiaries and expects that Conversus LP's only investment assets will be Class A limited partner interests in the Investment Partnership and a 1% economic interest in certain of the Investment Partnership's subsidiaries. Conversus GP or the Investment Partnership controls each of these subsidiaries.

The Investment Partnership holds investments through a series of Delaware limited partnerships and non-U.S. corporations, none of which individually hold more than 20% of the Investment Partnership's gross assets. The Investment Partnership does not have and does not expect to have more than 20% of the gross assets of the Investment Partnership invested in any single underlying subsidiary. Conversus LP owns 1% of the economic interests in certain of these subsidiaries and the Investment Partnership owns the remaining 99%.

2. Summary of Significant Accounting Policies

Basis of Presentation

The combined financial statements for Conversus are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Conversus has received approval from the Netherlands Authority for the Financial Markets ("AFM") to prepare its combined financial statements in accordance with U.S. GAAP rather than Dutch GAAP or International Financial Reporting Standards. In the instance where such approval is withdrawn by the AFM or contradictory legislation is passed, Conversus could be required to prepare its combined financial statements on a basis other than U.S. GAAP.

As disclosed in Note 1, Conversus LP owns all of the Class A limited partner interests in the Investment Partnership. Conversus LP does not own the general partner interests of the Investment Partnership, and therefore does not control the Investment Partnership. However, Conversus GP and Investment GP are controlled by the same Guernsey charitable trust. Therefore, Conversus LP and the Investment Partnership are under common control. Substantially all of Conversus' investments are made through the Investment Partnership and its subsidiaries. In order to present meaningful financial statements, the accounts of Conversus LP and the Investment Partnership have been combined as permitted under U.S. GAAP.

Principles of Combination

These combined financial statements include the accounts of Conversus LP combined with the Investment Partnership. The accounts of the Investment Partnership represent the consolidated accounts of the Investment Partnership and its subsidiaries. All material balances between Conversus LP, the Investment Partnership and subsidiaries of the Investment Partnership have been eliminated.

Currency

Conversus' functional currency is the U.S. dollar as a majority of its investments are denominated in U.S. dollars. The value of investments that are denominated in currencies other than the U.S. dollar are stated by converting the value of such investments into U.S. dollars based on the rate in effect on the last business day of each applicable accounting period. Foreign currency transactions are translated at the rate of exchange prevailing on the date of the transaction.

Conversus does not separately report the changes relating to currency exchange rates from those relating to changes in the fair value of investments in the combined financial statements. These fluctuations are combined and included in the net change in unrealized appreciation on investments in the Combined Statement of Operations.

Use of Estimates

The preparation of combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities as of the date of the combined financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Valuation of Investments
Conversus accounts for its investments at fair value in accordance with U.S. GAAP. Investments include private equity investments, publicly traded equity securities and derivative instruments. The Board of Directors and the Chief Financial Officer are ultimately and solely responsible for estimating the fair value of investments in good faith. Due to their inherent uncertainty, the estimated fair values may differ significantly from the values that would have been used had a ready market for these investments existed, and such differences could be material to the combined financial statements.

Derivative Instruments
Derivative instruments are recorded at estimated fair value and are shown on the Combined Statements of Net Assets with changes in fair value reflected in the net change in unrealized appreciation on investments in the Combined Statement of Operations.

Cash and Cash Equivalents
Cash and cash equivalents consist of cash held in the bank and liquid investments with maturities, at the date of acquisition, not exceeding 90 days.

Treasury Units
Conversus LP’s purchases of its own common units are recorded as treasury units under the cost method and are shown as a reduction of partners’ capital on the Combined Statements of Net Assets.

Income
Interest Income - Conversus may earn interest income from its private equity investments and from its cash and cash equivalents. Interest is recorded when earned, or when it is reported to Conversus by the private equity funds in which it is invested.

Dividend Income - Conversus may earn dividend income from its publicly traded equity securities or from its private equity investments. To the extent that a dividend represents a distribution of operating income, it is recorded when declared, or when it is reported to Conversus by the general partners. When a dividend represents a distribution resulting from a recapitalization, it is recorded as a return of capital and any related realized gain or loss is recognized.

Realized Gains and Losses on Investments
Realized gains and losses are recognized when Conversus is made aware of a realization event, which, in the case of underlying portfolio companies, normally occurs when a distribution is received or when Conversus is notified by a general partner that a transaction has occurred. For publicly traded equity securities, realizations are recorded on the trade date. Any realized gains or losses associated with direct co-investments and derivative instruments are recorded on the date of a transaction closing.

Public Equity Security Distributions
In-kind public equity security distributions from fund investments are recorded as of the declaration date and any associated gains or losses are included in net realized gains or losses on investments in the Combined Statement of Operations. The public equity security distributions are initially recorded at the value of the distribution received and subsequently marked to market at the end of each month.

Fund Fees and Expenses
Management fees and partnership expenses are charged by the general partners of the funds in which Conversus is invested and are expensed in the period to which they relate. These fees and expenses do not include performance fees or carried interest earned by the general partners.

Management Fees
CAM is entitled to management fees from the Investment Partnership in an aggregate amount of (i) 1.0% per annum of the value of Conversus' non-cash assets and (ii) 0.5% per annum of Conversus' aggregate unfunded commitments. Of such amount, one-third is payable quarterly in cash ("cash management fee"), in arrears, and two-thirds is earned in the form of a profits interest in the Investment Partnership. This profits interest is payable quarterly, in arrears, to the extent that there has been appreciation in Conversus' net asset value ("NAV"). CAM has voluntarily agreed to irrevocably waive its right to 30% of the profits interest through 30 June 2011.

For the quarter ended 31 March 2011, management fee expense, net of the waiver, totaled $4.2 million. As of 31 March 2011 and 31 December 2010, cash management fees of $1.8 million were payable. As of 31 March 2011 and 31 December 2010, profits interest of $2.5 million were payable.

Performance Fees
Performance fees are calculated at the end of each applicable quarter, based on the results through the end of that quarter. CPC is entitled to a 10% performance fee from the Investment Partnership based on increases in NAV, subject to an annual 7% preferred return to Conversus LP and a high water mark for the rolling three year period ending as of the calculation date. No performance fees were incurred during the quarter ended 31 March 2011, and there were no performance fees payable as of 31 March 2011 or 31 December 2010.

Other Expenses
Interest expense represents interest incurred on notes payable (see Note 6).

Professional service fees represent accounting, audit, tax, legal and related costs.

Personnel expense includes compensation and benefits for Conversus' employees.

Public company costs include insurance, third party valuation fees, Board of Director compensation, investor relations and regulatory expenses.

Other general and administrative expenses include taxes, commitment fees on the credit facility, travel, miscellaneous employee expenses and an administrative fee payable to CAM under a services agreement (see Note 9).

Phantom Equity Incentive Plan
Based on the terms of the Phantom Equity Incentive Plan, Conversus accounts for phantom equity as liability awards under ASC 718-10, *Stock Compensation*. Grants are referenced to Conversus LP's unit price.

Income Taxes
Conversus LP, the Investment Partnership and the Investment Partnership's subsidiaries are not subject to taxation in Guernsey. Under current Guernsey law, Conversus' income that is wholly derived from international operations and any distributions paid to Conversus LP's unit holders are not regarded as arising or accruing from a source in Guernsey in the hands of that unit holder if, being an individual, the unit holder is not solely or principally resident in Guernsey, or, being a company, is

not resident in Guernsey. It is the intention of Conversus GP and Investment GP to ensure that Conversus' business is conducted in such a way as to constitute international operations for the purposes of the relevant legislation.

Conversus LP has made a protective election to be treated as a partnership for U.S. federal income tax purposes and manages its affairs so that it should not be treated as a publicly traded partnership that is taxable as a corporation. An entity that is treated as a partnership for U.S. federal income tax purposes is not a taxable entity and incurs no U.S. federal income tax liability. Instead, each partner is required to take into account its allocable share of items of income, gain, loss and deductions of the partnership in computing its U.S. federal income tax liability, regardless of whether cash distributions are made.

Investments made in entities that generate U.S. source income may indirectly subject Conversus LP and/or the Investment Partnership to certain U.S. federal and state income tax consequences. A U.S. withholding tax at the rate of 30% may be applied on the distributive shares of any U.S. source dividends and interest (subject to certain exemptions) and certain other income received directly or through one or more entities treated as either partnerships or disregarded entities for U.S. federal income tax purposes. Conversus LP's intention is to minimize income which could be deemed to be effectively connected with a U.S. trade or business.

Income from an investment that is effectively connected with a U.S. trade or business is subject to U.S. federal and state income taxation. The U.S. requires withholding on effectively connected income at the highest U.S. regular income tax rate. Such income effectively connected with a U.S. trade or business (net of the U.S. regular income tax rate) may also be subject to a branch profits tax at a rate of up to 30%.

Under ASC 740-10, *Accounting for Uncertainty in Income Taxes* ("ASC 740-10"), management is required to determine whether a tax position of Conversus is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax liability to be recognized is measured as the largest amount of liability that is greater than fifty percent likely of being realized upon ultimate settlement which could result in Conversus recording a tax liability that would reduce partners' capital.

As of 31 March 2011 and 31 December 2010, management concluded that there was no material impact on Conversus' tax liabilities, financial position or results of operations under ASC 740-10. Conversus' management has determined that there is no material tax liability resulting from unrecognized tax liabilities related to uncertain tax positions taken or expected to be taken in future tax returns, which has not been recorded in the combined financial statements. Conversus is also not aware of any tax positions for which it is reasonably possible that the total tax due or unrecognized tax liabilities will significantly change in the next twelve months.

Conversus files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, Conversus is subject to examination by federal, state, local and foreign jurisdictions, where applicable. As of 31 March 2011, the tax years that remained subject to examination by the relevant taxing authorities were 2007 through 2011. Conversus has no knowledge of any tax returns under examination. Conversus has evaluated its federal and state filings for all open tax years, and did not note any potential material penalties or interest.

Unit holders in certain jurisdictions could have tax consequences from ownership of Conversus LP's units, including making required tax payments in excess of any distributions received in any specific year. Conversus LP has not taken such tax consequences into account in the preparation of these combined financial statements.

3. Fair Value of Financial Assets and Liabilities

A fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value is established under ASC 820-10, *Fair Value Measurements and Disclosures* ("ASC 820-10"). The three levels of the hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly, as of the measurement date. These include quoted prices in markets that are not active, quoted prices in active markets but with restrictions impacting fair value and quoted prices in active markets for similar assets or liabilities. This level also includes inputs other than quoted prices that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3: Inputs are unobservable for the assets and liabilities. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or similar asset) at the measurement date.

The tables below summarize Conversus' financial assets and liabilities that were accounted for at fair value as of 31 March 2011 and 31 December 2010, by fair value hierarchy. As required by ASC 820-10, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Financial Assets and Liabilities at Fair Value as of 31 Mar 2011
(US$ in thousands)

	Level 1	Level 2	Level 3	Total
Fund Investments				
Buyout	$ -	$ -	$ 1,381,904	$ 1,381,904
Venture Capital	-	-	279,297	279,297
Special Situation	-	-	108,966	108,966
Direct Co-Investments	-	-	59,541	59,541
Publicly Traded Equity Securities	26,166	-	-	26,166
Total Investments	26,166	-	1,829,708	1,855,874
Cash and Cash Equivalents	83,929	-	-	83,929
	$ 110,095	$ -	$ 1,829,708	$ 1,939,803

Financial Assets and Liabilities at Fair Value as of 31 Dec 2010
(US$ in thousands)

	Level 1	Level 2	Level 3	Total
Fund Investments				
Buyout	$ -	$ -	$ 1,380,291	$ 1,380,291
Venture Capital	-	-	285,451	285,451
Special Situation	-	-	150,623	150,623
Direct Co-Investments	-	-	57,035	57,035
Publicly Traded Equity Securities	18,596	-	-	18,596
Derivative Instrument	-	(6,718)	-	(6,718)
Total Investments	18,596	(6,718)	1,873,400	1,885,278
Cash and Cash Equivalents	77,467	-	-	77,467
	$ 96,063	$ (6,718)	$ 1,873,400	$ 1,962,745

Conversus has assessed its financial assets and liabilities and concluded that all are classified as Level 3 with the exception of directly held publicly traded equity securities (Level 1), cash and cash equivalents (Level 1) and the derivative instrument (Level 2). Transfers between levels are recognized based on the actual date of the event that caused the transfer. During the quarter ended 31 March 2011, Conversus had transfers from Level 3 to Level 1 of $14.7 million in the form of in-kind distributions. No other transfers occurred during the quarter ended 31 March 2011.

The table below summarizes the change in fair value of Level 3 financial assets for the quarter ended 31 March 2011.

Summary of Changes in Level 3 Financial Assets (US$ in thousands)	
	Level 3
Balance as of 1 Jan 2011	$ 1,873,400
Distributions	(143,703)
Net Realized Gains	36,560
Net Change in Unrealized Appreciation	23,612
Capital Called for Investments	54,565
In-Kind Distributions Transferred to Level 1	(14,726)
Balance as of 31 Mar 2011	$ 1,829,708

For the quarter ended 31 March 2011, Conversus recognized net unrealized appreciation of $67.5 million in the Combined Statement of Operations related to Level 3 financial assets still held as of 31 March 2011.

Valuation Methodology

Investments in private equity funds do not have a readily available market and are generally valued based on the fair value of each private equity fund as reported by the respective general partner, which necessarily incorporates estimates made by those general partners. Conversus believes that this value, in most cases, represents fair value as of the relevant statement date, although, if other factors lead Conversus to conclude that fair value provided by the general partner does not represent actual fair value, Conversus will adjust the value of the investment from the general partner's estimate. Conversus estimates fair value based on publicly available information and the most recent financial information provided by the general partners, as adjusted for cash flows since the date of the most recent financial information. Additionally, the value of public equity securities known to be owned by the private equity funds, based on the most recent information reported to Conversus by the general partners, have been marked to market as of the last quoted price on the reporting date. Where applicable, a discount is applied to such securities based on an estimate of the discount applied by the general partners (to account for restrictions or other constraints) in calculating NAV.

The transfer of Conversus' investments in private equity funds generally requires the consent of the corresponding private equity fund manager, and the transfer of certain fund investments is subject to rights of first refusal or other preemptive rights, potentially further limiting Conversus from transferring an investment in a private equity fund. The weighted average life of Conversus' fund investments was 8.2 years as of 31 March 2011. The weighted average remaining contractual life for Conversus' fund investments prior to any extensions was 3.5 years based upon the funds' stated termination date. It is common practice for general partners to extend the life of a fund for a period of several years beyond the original termination date. Thus, it is likely that the average remaining life for Conversus' fund investments is materially greater than 3.5 years. Historical analysis for private equity investments indicates that the average life for a fund is approximately fifteen years.

Direct co-investments are carried at fair value, as estimated by Conversus. In estimating fair value, Conversus considers the value assigned to such investment by the fund with which Conversus has co-invested, to the extent known. Conversus also considers the estimated fair value based on the projected enterprise value at which the underlying company could be sold in an orderly disposition over a reasonable period of time and in a transaction between willing parties other than in a forced sale or liquidation. In these instances, market multiples considering specified financial measures (such as EBITDA, adjusted EBITDA, cash flow, net income, revenues or NAV) and/or a discounted cash flow or liquidation analysis can be used. Consideration may also be given to such factors as the company's historical and projected financial data, valuations given to comparable companies, the size and scope of the company's operations, the company's strengths, weaknesses, applicable restrictions on transfer, industry information and assumptions, general economic and market conditions and other factors deemed relevant. Conversus may also engage the services of a third party valuation firm to assist with valuing the asset.

Valuations for private equity funds acquired in secondary purchases are determined on a fund by fund basis taking into consideration a number of factors including: the purchase price paid for the fund, the valuation applied by the general partner in the most recently available statements (adjusted for cash flows through the purchase date), the conditions under which the assets were purchased, market and economic conditions at the time of purchase and other factors considered relevant at the time of the transaction. The public equity securities known to be owned within the purchased private equity fund, based on the most recent information reported to Conversus by the general partners, are marked to market and a discount applied to such securities based on an estimate of the discount applied by the general partners (to account for restrictions or other constraints) in calculating NAV in the month in which the assets are purchased. Subsequent valuations follow aforementioned valuation guidelines for investments in private equity funds.

Conversus generally reports its estimated NAV prior to receiving fair value information from all general partners. As a result, Conversus' estimate of fair value for investments in private equity funds could differ materially from the fair values ultimately reported by the general partners.

Duff & Phelps, LLC ("Duff & Phelps"), an independent valuation firm, provides third party valuation consulting services to Conversus LP which consist of certain limited procedures that Conversus LP identifies and requests them to perform. On a quarterly basis, Duff & Phelps reviews valuations covering a minimum of 20% of investment NAV with an annual target of reviewing approximately 80% of the investment NAV, exclusive of any direct co-investments, directly held publicly traded equity securities and publicly traded equity securities owned by the private equity funds in which Conversus is invested. Upon completion of the limited procedures outlined in Conversus LP's engagement letter with Duff & Phelps, Duff & Phelps concluded that the fair value as estimated by Conversus LP, on an aggregate basis, of those investments subjected to the limited procedures as of 31 March 2011 was reasonable.

4. Disclosures about Fair Value of Financial Instruments

Disclosures of estimated fair values for all financial instruments and the methods and assumptions used by management to estimate the fair value for each type of financial instrument are required under ASC 825-10, *Financial Instruments*.

Short-term Assets and Liabilities

For items that are short-term in nature, such as cash and cash equivalents, receivables, prepaid expenses, management fees payable and other liabilities, Conversus estimates that the carrying value approximated fair value as of 31 March 2011 and 31 December 2010.

Notes and Interest Payable

Conversus' notes payable are valued according to the terms of the collateralized fund obligation program discussed in Note 6. The notes utilize a variable interest rate based on the one or three month LIBOR rate plus a fixed premium. Conversus believes the fair value of its notes payable did not differ materially from its carrying amount as of 31 March 2011 and 31 December 2010.

5. Derivative Instrument

From time to time, Conversus has entered into total return swaps with Citigroup ("Citi") as the counterparty to manage market risk associated with publicly traded equity securities (see Note 12). Under a total return swap agreement ("swap"), Citi makes a payment at the maturity or termination date to Conversus based on a set rate over the life of the swap while Conversus makes or receives a payment to/from Citi at the maturity or termination date based on the performance of the S&P 500 Total Return index over the life of the swap.

Conversus entered into a $100 million notional swap with Citi in October 2010 with an original maturity date of November 2011. Conversus terminated the swap in March 2011. The termination resulted in a cash payment to Citi of $10.6 million and a realized loss of the same amount which is included in net realized gains on investments in the Combined Statement of Operations. The total net unrealized gain on the swap was $6.7 million during the quarter. This gain resulted from the reversal of the unrealized loss as of 31 December 2010, and is included in the net change in unrealized appreciation on investments in the Combined Statement of Operations.

Conversus had no derivative instruments outstanding as of 31 March 2011. The table below summarizes the terms of the swap outstanding as of 31 December 2010.

Summary of Total Return Swaps
(US$ in thousands)

Counterparty	Notional Amount	Underlying Index	Floating Amount	Payment Frequency	Original Maturity Date	Estimated Fair Value as of 31 Dec 2010
Citigroup	$100,000	S&P 500 Total Return	1-month USD LIBOR minus 15 bps	At Maturity or Termination Date	November 2011	($6,718)

6. Credit Facility

Conversus LP has entered into a collateralized fund obligation program with Citi that was amended during 2010 (as amended, the "Program"). Conversus LP has the ability to issue up to $375.0 million of notes to Citi on a continuous basis, subject to certain conditions and covenants. The Program provides for the ability to issue up to $375.0 million of notes through December 2013 and $200.0 million of notes from January 2014 through December 2014, the maturity date of the Program. Conversus LP has the right to repurchase some or all of the outstanding notes at any time with exception of $1.0 million of Class A Notes which must remain outstanding until the maturity or termination of the Program. Conversus LP has the option to terminate the Program on six months notice upon payment of an amount equal to the outstanding principal amount of the notes plus accrued and unpaid interest thereon at such date (see Subsequent Events Note 13).

The notes bear interest at a rate equal to the one or three month LIBOR rate plus 2.95% on drawn amounts. Interest expense is accrued over one or three month interest periods and paid on the last day of the interest period.

The table below summarizes activity under the Program for the quarter ended 31 March 2011.

Summary of Program Activity
(US$ in thousands)

	Class A Notes	Accrued Interest	Total
Balance as of 1 Jan 2011	$ 1,000	$ -	$ 1,000
Interest Expense	-	8	8
Repayments of Interest	-	(8)	(8)
Balance as of 31 Mar 2011	$ 1,000	$ -	$ 1,000
Interest Expense	$ 8		$ 8

The Class A Notes outstanding as of 31 March 2011 and 31 December 2010 had interest rates of 3.25% and 3.24%, respectively.

Conversus pays a commitment fee of 0.75% on undrawn amounts and the fee is included in other general and administrative expense in the Combined Statement of Operations.

The Program is secured by a first priority security interest in the cash accounts maintained by Conversus. All distributions from Conversus' investments must be deposited into these accounts.

Ratio covenants included in the Program that, if breached, can require prepayment of the notes and limit the borrowing base are as follows:

1. Loan-to-value Ratio – Maximum of 25% - Ratio of (a) the drawn amount of the Program, including accrued interest and swap exposure, to (b) the total NAV of investments plus cash and cash equivalents. As of 31 March 2011 and 31 December 2010, the loan-to-value ratio was 0.1% and 1.0%, respectively.
2. NAV Ratio – Minimum of 57.5% - Ratio of (a) total NAV to (b) total NAV of investments plus unfunded commitments. As of 31 March 2011 and 31 December 2010, the NAV ratio was 81% and 79%, respectively.

The Program also contains certain investment guidelines that include concentration limits with respect to the diversification of Conversus' private equity fund portfolio, as well as other conditions and covenants that Conversus must adhere to during the life of the Program. Failure to adhere to these conditions and covenants could result in an event of default or trigger termination event. If Conversus fails to comply with the terms of the Program, Citi is not obligated to provide additional advances under the Program.

After the occurrence of an event of default or trigger termination event as defined in the Program, the notes may become immediately due and payable. In such case, or if a payment would result in such an event, no payments out of the cash accounts would be permitted without the prior written consent of Citi, except to meet capital calls and similar obligations required by Conversus' private equity investments and to make distributions to pay management fees or performance fees, as defined in Note 2. Conversus determined it was in compliance with all covenants and conditions as of 31 March 2011 and 31 December 2010.

When permitted by the terms of the Program, Conversus may incur additional long-term indebtedness in connection with future investment activity.

7. Partners' Capital

Conversus LP's common units represent limited partner interests in Conversus LP and are issued in registered form. Unit holders are not entitled to the withdrawal or return of capital contributions in respect of Conversus LP's common units, except to the extent, if any, that distributions are made to such holders pursuant to Conversus LP's limited partnership agreement. Except to the extent expressly provided in Conversus LP's limited partnership agreement, a unit holder does not have priority over any other holder of Conversus LP's common units, either as to the return of capital contributions or as to profits, losses or distributions. The unit holders are not granted any preemptive or other similar right to acquire additional interests in Conversus LP. In addition, unit holders do not have any right to have their common units redeemed by Conversus LP.

Conversus LP currently owns all of the Class A limited partner interests in the Investment Partnership. Class A interests are not entitled to the withdrawal or return of any capital contributions in respect of Class A limited partner interests, except to the extent, if any, which distributions are made to such holders in terms of the Investment Partnership's limited partnership agreement, upon the liquidation of the Investment Partnership or otherwise required by applicable law. The Class B limited partner interests in the Investment Partnership are held by CPC. Class B interests have no preemptive or other similar rights to acquire any additional interests in the Investment Partnership. The Class C limited partner interests in the Investment Partnership are held by CAM. Class C interests have no preemptive or other similar rights to acquire any additional interests in the Investment Partnership.

Conversus LP has entered into Liquidity Provider agreements with The Royal Bank of Scotland ("RBS") and Amsterdams Effectenkantoor BV ("AEK") with respect to Conversus' common units listed on Euronext. Pursuant to the agreements, RBS and AEK issue continuous quotes in the Euronext order book, in compliance with applicable laws.

Conversus LP has entered into a Liquidity Enhancement agreement (the "Agreement") with RBS. The Agreement provides the parameters and requirements for Conversus LP's liquidity enhancement policy. Under the Agreement, RBS has sole discretion, in the name and for the account of Conversus LP and subject to all applicable legal and regulatory requirements, to effect buy-backs of units and sales of units held in treasury on Euronext within the parameters set out in the Agreement. Units will not be sold out of treasury under the Agreement at a price which is lower than the last reported NAV per unit. The aggregate number of units which may be purchased in accordance with the Agreement is subject to a maximum of 3.7 million units. Conversus LP can elect to increase such maximum. Pursuant to applicable laws, the maximum price which may be paid for a unit is an amount equal to the higher of (a) the price of the last independent trade and (b) the highest current independent bid price for units on Euronext.

Pursuant to the terms of the Agreement, in November 2010, Conversus notified RBS that it had elected to extend the terms of the Agreement for an additional twelve months. The Agreement may be terminated at any time by either Conversus LP or RBS.

During the quarter ended 31 March 2011, Conversus LP repurchased 6,640 units at an average price of $19.93 per unit under the Agreement. On 22 February 2011, Conversus completed a Tender Offer and repurchased 3,529,409 of its outstanding units at a price of $21.25 per unit resulting in a total purchase price of $75.0 million. In total, 6,730,599 and 3,194,550 Conversus LP units were held in treasury as of 31 March 2011 and 31 December 2010, respectively. Conversus LP may, from time to time, cancel some or all Treasury Units held (see Subsequent Events Note 13).

OHIM is obligated to invest at least 25% of its share of performance fees received by CPC in Conversus units until it reaches a $25.0 million commitment level. OHIM has made an election to reinvest 37.5% of its performance fee. Conversus issued no units to OHIM during the quarter ended 31 March 2011. Since the global offering, Conversus LP has issued 171,669 common units to OHIM, representing a total reinvestment of $4.0 million. The issuances are based on the Conversus LP average closing price for the ten days leading up to and including the last day of the period to which they relate.

8. Phantom Equity Plan and Directors Compensation

Conversus has established a long term incentive plan under which it may make discretionary grants of phantom equity to certain officers and members of the Board of Directors. Vesting of the phantom equity awards will be determined on a grant by grant basis. Pursuant to the phantom equity plan, these awards are referenced to Conversus LP’s unit price and will be settled in cash, typically at the earlier of the fifth anniversary of the grant or the termination of the recipient's employment or association with Conversus.

Conversus will ultimately record compensation expense equal to the amount of cash for which the awards are settled. During the vesting period, compensation expense is recorded on a straight-line basis, adjusted for changes in the market value of Conversus LP’s units. Subsequent to vesting but prior to payment, compensation expense or benefit will be recorded based on the changes in Conversus LP’s unit price, resulting in an increase or decrease in the associated phantom equity liability.

During the quarter ended 31 March 2011, Conversus granted 23,876 units under the phantom equity plan that vest during 2011 and 2012.

For the quarter ended 31 March 2011, total phantom equity award expense was $0.6 million. As of 31 March 2011 and 31 December 2010, $3.4 million and $2.8 million, respectively, was payable with respect to total phantom equity awards.

The table below summarizes the unit activity of the phantom equity plan for the quarter ended 31 March 2011.

Summary of Phantom Equity Plan Unit Activity		
	Unvested	**Vested**
Units Outstanding as of 1 Jan 2011	63,696	127,414
Issued	23,876	-
Vested	-	-
Units Outstanding as of 31 Mar 2011	87,572	127,414

Each member of Conversus GP's Independent Board of Directors receives annual compensation of $62,500 in cash and $62,500 in phantom equity awards. For the quarter ended 31 March 2011, Board of Director compensation expense was $0.2 million. As of 31 March 2011 and 31 December 2010, $0.9 million and $0.8 million, respectively, was payable with respect to Board of Director compensation.

9. Related Parties

The sole shareholders of Conversus GP and Investment GP are two Guernsey charitable trusts, Conversus Charitable Trust I and Conversus Charitable Trust II. Conversus Charitable Trust I is considered the ultimate controlling party. The trustee of each of the Charitable Trusts is Northern Trust Fiduciary Services (Guernsey) Limited, which is independent of CAM, BAC and OHIM and is formed under the laws of Guernsey. The trust administration fees for the Charitable Trusts are paid by the Investment Partnership. The applicable fees are currently a minimum annual fee of $25,000 per trust. The trustee for the Charitable Trusts is affiliated with Conversus' Guernsey administrator, Northern Trust International Fund Administration Services (Guernsey) Limited ("Northern Trust"). The Trustee's duties are to the Charitable Trusts and not to Conversus LP or the Investment Partnership, and no material fees are payable by Conversus under the trust administration arrangements.

Conversus LP, Conversus GP, Investment GP, the Investment Partnership and the Investment Partnership's subsidiaries (the "Service Recipients") have entered into a services agreement with CAM pursuant to which CAM has agreed to carry out the day-to-day management and operations of the respective businesses. The services agreement was amended effective 1 January 2011. Under the amended services agreement, CAM is entitled to quarterly management fees, as discussed in Note 2, as well as a monthly administrative fee based on an annual fixed amount of $2.4 million plus 0.10% on assets under management from $1.7 billion to $3.5 billion plus 0.05% on assets under management above $3.5 billion. In addition to the administrative fee, the Service Recipients reimburse CAM for investment professional travel related to the management of Conversus' portfolio and certain other direct expenses that CAM incurs on the Service Recipients' behalf. For the quarter ended 31 March 2011, administrative fee and reimbursable expenses under the services agreement totaled $0.8 million, and are included in other general and administrative expenses in the Combined Statement of Operations. The total amount payable to CAM under the services agreement as of 31 March 2011 and 31 December 2010 was $0.3 million and $1.3 million, respectively.

CAM has entered into a subadvisory and services agreement with OHIM. Under the subadvisory and services agreement, OHIM performs those functions and has such authority as may be delegated to it by CAM. Pursuant to the subadvisory and services agreement, CAM is required to reimburse OHIM for its portion of certain fees and expenses incurred by CAM, as well as other fees, costs and expenses incurred by OHIM. Pursuant to the services agreement, the Service Recipients reimburse CAM for amounts paid to OHIM for investment professional travel related to the management of Conversus' portfolio and certain other direct expenses that OHIM incurs on the Service Recipients' behalf. For the quarter ended 31 March 2011, total expenses under the subadvisory and services agreement were $6,000. The total amount payable to CAM under the subadvisory and services agreement was $9,000 and $30,000 as of 31 March 2011 and 31 December 2010, respectively.

Conversus GP has retained Northern Trust and its affiliates to act as its Guernsey administrator to provide certain accounting services, including the accounting and administration of the private equity funds in which Conversus has invested. Paul Guilbert, Chairman of the Board of Directors of Conversus GP, is employed by Northern Trust. For the quarter ended 31 March 2011, total accounting and administration expenses were $0.4 million. The total amount payable to Northern Trust for accounting and administration services as of 31 March 2011 and 31 December 2010 was $0.7 million.

BAC, OHIM and CalPERS, who are owners of CAM, are also unit holders of Conversus LP. From time to time, Conversus may invest alongside these unit holders in private equity fund investments or direct co-investments.

10. Commitments and Contingencies

As of 31 March 2011, Conversus held interests in 219 investments, including private equity funds, direct co-investments and publicly traded equity securities and had unfunded commitments to private equity funds of $527.0 million. In addition, Conversus may make capital commitments to private equity funds in the future and may complete purchases of existing private equity funds in the secondary market, many of which will be subject to additional funding requirements. Conversus generally employs an over-commitment strategy when making investments in private equity funds in order to maximize the amount of its capital that is invested at any given time. When an over-commitment strategy is employed, the aggregate amount of capital committed by Conversus to private equity funds at a given time may exceed the aggregate amount of cash that Conversus has available for immediate investment. Because the managers of private equity funds will typically be permitted to make calls for capital contributions following the expiration of a relatively short notice period, employing an over-commitment approach requires Conversus to time investments and manage available cash in a manner that allows the funding of its capital commitments when capital calls are made. CAM is primarily responsible for managing Conversus' cash and the timing of its investments. CAM takes into account expected cash flows to and from its investments and amounts available from the issuance of notes under the Program when planning investment and cash management activities with the objective of seeking to ensure that Conversus is able to honor its commitments to funds when they become due. Conversus believes it currently has sufficient liquidity to meet this over-commitment strategy.

In the normal course of business, Conversus enters into contracts which contain indemnification provisions, including, but not limited to, purchase contracts, service agreements and subadvisory agreements. Among other things, these indemnification provisions may be related to Conversus' conduct, performance or the occurrence of certain events. These indemnification provisions will vary based on the contract. Conversus may in turn obtain indemnifications from other parties in certain contracts. These indemnification provisions are not expected to have a material impact on Conversus' combined results of operations or financial condition.

11. Gain per Unit Outstanding

The gain per unit outstanding due to the change in net assets resulting from operations for the quarter ended 31 March 2011 is calculated by dividing the net change in net assets from operations by the weighted average number of units outstanding during the period, as outlined in the table below.

Gain per Unit Outstanding ($ and units outstanding in thousands except for per unit amounts)		
		Quarter Ended 31 Mar 2011
Net change in net assets resulting from operations	$	52,433
Weighted average number of units outstanding		68,947
Gain per unit outstanding	$	0.76

12. Risks

Conversus is exposed to a number of risks due to the types of investments it makes and its structure. Its exposure to risk relates to, among other things, changes in the values of publicly traded equity securities and private securities that are held for investment, movements in prevailing interest rates, changes in foreign currency exchange rates, changes in the laws and regulations under which it operates, general market and economic conditions and the management of liquidity resources.

Securities Market Risks
Conversus and the private equity funds in which it invests may make investments in portfolio companies whose securities are offered to the public in connection with the process of exiting an investment. The market prices and values of publicly traded equity securities of companies in which Conversus has investments may be volatile and can fluctuate due to a number of factors beyond its control. Conversus values investments in publicly traded equity securities based on current market prices at the end of each accounting period, which could lead to significant changes in the NAV and operating results of Conversus.

Interest Rate Risks
As described in Note 10, Conversus will, from time to time, incur indebtedness to support its over-commitment strategy and its liquidity needs. An increase in interest rates could increase the cost of making payments under the Program, as described in Note 6, or make it more difficult or expensive for Conversus to obtain debt financing in the future, and could decrease the returns that its investments generate.

Foreign Currency Risks
Conversus' functional currency is the U.S. dollar because a majority of its investments are denominated in U.S. dollars. As a result, the investments that are carried as assets in the combined financial statements are stated in U.S. dollars. When valuing investments that are denominated in currencies other than the U.S. dollar, the values of such investments are converted into U.S. dollars based on prevailing exchange rates as of the end of the applicable accounting period. Due to the

foregoing, changes in exchange rates between the U.S. dollar and other currencies could lead to significant changes in NAV.

Counterparty Credit Risk

Conversus has entered into agreements providing for services and transactions that expose Conversus to risk in the event that the counterparties do not meet the terms of such agreements. Conversus may be exposed to a concentration of credit risk in the Program where there is currently a single lender (see Note 6), a swap agreement under which there is a lone counterparty (see Note 5) and in depository and accounting administration services where Conversus utilizes a single service provider (see Note 9).

Conversus depends on the Program's sole lender to provide funds as requested pursuant to the Program. To the extent that the lender fails to perform under the terms of the Program, the non-performance may have a detrimental impact on Conversus' ability to meet its funding requirements.

Under current market conditions, the availability of new financing is not assured. To the extent that new financing is required and available, the terms for such financing may be significantly less favorable to Conversus than the terms in the current Program, with lenders seeking higher rates, additional equity requirements and more restrictive covenants.

Hedging Arrangements and Risk Management

When managing its exposure to market risks, Conversus is authorized to use forward contracts, options, swaps, caps, collars and floors or pursue other strategies or use other forms of derivative instruments (see Note 5) to limit its exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates. Conversus anticipates that the scope of risk management activities it undertakes will vary based on the level and volatility of interest rates and public equity indexes, prevailing foreign currency exchange rates, the type of investments that are made and other changing market conditions. The use of hedging transactions and other derivative instruments to reduce the effects of changes in the value of a position does not eliminate the possibility of fluctuations in the value of the position or prevent losses if the value of the position declines. However, such activities can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of the position. Such transactions may also limit the opportunity for gain if the value of a position increases. Moreover, it may not be possible to limit the exposure to a market development that is so generally anticipated that a hedging or other derivative transaction cannot be entered into at an acceptable price.

Although Conversus may enter into hedging transactions in order to reduce its exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, Conversus may not be successful in establishing a perfect correlation between the instruments used in a hedging or other derivative transaction and the position being hedged. An imperfect correlation could prevent Conversus from achieving the intended result and create new risks of loss. In addition, Conversus will not be able to fully limit exposure against all changes in the values of its investments, because the values of its investments are likely to fluctuate as a result of a number of factors, some of which will be beyond Conversus' control, and it may not be able to respond to such fluctuations in a timely manner or at all.

Conversus may also invest in private equity related derivative instruments to enhance its returns as part of its investment strategy. Such efforts may prove unsuccessful and result in losses in excess of amounts invested.

Regulatory Risk
Conversus, and the funds and companies in which it invests, are subject to a variety of laws and regulations by national, regional and local governments and supranational organizations. These laws and regulations, and their interpretation and application, may change from time to time and those changes could have a material adverse effect on the results of operations or financial position of Conversus.

Tax Risk
Conversus, and many of the funds and companies in which it invests, have a complex and multi-jurisdictional structure and are subject to a variety of tax laws and tax regulations by national, regional and local governments and supranational organizations. These tax laws and regulations (including the applicable tax rates), and their interpretation and application, may change from time to time and those changes could have a material adverse effect on the results of operations or financial position of Conversus.

Market Risk
The private equity funds and direct private equity investments in Conversus' portfolio may be materially affected by conditions in the global financial markets and economic conditions. Uncertainty created by market and economic conditions and a tightening of credit could lead to declines in valuations of equity and debt securities without regard to the underlying financial condition of the issuer in certain cases.

The global financial markets and economic conditions may become dislocated or deteriorate, due to a variety of factors beyond the control of Conversus. The general partners of the funds held by Conversus may face reduced opportunities to sell and realize value from their existing portfolio companies, and many of these portfolio companies employ substantial indebtedness that may be difficult to extend or replace and which may magnify the impact of any valuation changes. Changes in market or economic conditions, including an increase in interest rates or lack of available credit, could have a material adverse effect on the results of operations and financial position of Conversus.

The rate of capital calls from the private equity funds in which Conversus invests may increase significantly. As a passive investor with very limited rights, Conversus has virtually no ability to influence the activities of the funds in which it invests or their portfolio companies. Moreover, it may not be possible for Conversus to raise new capital in the debt or equity markets or to sell assets on acceptable terms. If Conversus were not able to fund a capital call when due, it may lead to a default under the fund documents and give the fund in which Conversus invested a variety of remedies. Any such default could also be a default under the Program. A failure by Conversus to meet its capital call obligations may have a material adverse effect on the results of operations and financial position of Conversus.

Valuation Risk
Investment valuations for which there is no readily available market, such as the illiquid assets in Conversus' portfolio, require estimates and assumptions about matters that are inherently uncertain. Given this uncertainty, the fair values of such investments as reflected in the estimated NAV of Conversus may not reflect the prices that would actually be obtained when such investments are sold.

13. Subsequent Events

In accordance with ASC 855-10, *Subsequent Events*, Conversus has evaluated subsequent events for recognition or disclosure through 27 April 2011, which was the date after which these combined financial statements were available to be issued.

On 14 April 2011, Conversus commenced a Tender Offer to purchase a portion of its outstanding units for a maximum aggregate payment of up to $50 million. The Tender Offer is being conducted as a modified Dutch Auction with a price range of $21.00 to $23.00, inclusive. The Tender Offer is scheduled to close on 12 May 2011.

On 14 April 2011, Conversus announced an amendment to its credit facility with Citi. The amendment provides additional clarity with regard to any future unit repurchases and/or distributions to unit holders. The amendment also reduced the commitment size of the facility by $50 million to $325 million through December 2013.

On 27 April 2011, Conversus amended the Limited Partnership Agreement for CIP to clarify and refine the allocation provisions related to the preferred return earned by Conversus, the management fees earned by CAM and the performance fees earned by CPC.

Financial Highlights

For the quarter ended 31March 2011
(US$ in thousands except for per unit amounts)
(Unaudited)

Per Unit Operating Performance		
Net Asset Value per Unit at Beginning of Period	**$**	**27.71**
Increase / (Decrease) from Operating Activities		
Net investment loss		(0.12)
Net realized gains on investments		0.38
Net change in unrealized appreciation on investments		0.50
Total Increase from Operating Activities		0.76
Increase from Treasury Unit Purchases		0.37
Net Asset Value per Unit at End of Period	**$**	**28.84**
Total Return		4.08 %

Supplemental Information		
Weighted Average Net Assets During the Period	**$**	**1,937,724**
Ratios to Weighted Average Net Assets:		
Net investment loss		(1.73) %
Expenses		
Net management fees		0.88
Fund fees and expenses		1.02
Professional service fees		0.37
Personnel		0.24
Public company costs		0.13
Interest		0.00
Other general and administrative		0.57
Total Expenses		3.21 %

Beginning 1 July 2009, CAM voluntarily agreed to waive its right to 30% of the profits interest portion of its management fees. Absent this waiver, the percentage for management fees would have been approximately 1.09% for the quarter ended 31 March 2011.