NEUBERGER BERMAN

NB Private Equity Partners Limited

30 June 2015 Interim Financial Report

For the six month period ended 30 June 2015
INTERIM FINANCIAL REPORT

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COMPANY OVERVIEW

The Company's objective is to produce attractive returns by investing in the private equity asset class through income investments, equity co-investments and fund investments, while managing investment risk through diversification across asset class, vintage year, geography, industry and sponsor.

Company

NB Private Equity Partners Limited ("NBPE" or the "Company")

- Guernsey closed-ended investment company
- 48,790,564 Class A ordinary shares ("Class A Shares" or "Shares") outstanding
- 10,000 Class B ordinary shares ("Class B Shares") outstanding
- 32,999,999 Zero Dividend Preference shares ("ZDP Shares") outstanding

Investment Manager

NB Alternatives Advisers LLC ("Investment Manager" or the "Manager")

- 28 years of private equity investing experience
- Investment Committee with over 220 years of professional experience
- Approximately 90 investment professionals
- Approximately 150 administrative and finance professionals
- Offices in New York, London, Dallas, Hong Kong, Milan and Bogotá

Key Statistics	At 30 June 2015	At 31 December 2014
Net Asset Value of the Class A Shares	$713.0m	$694.8m
Equity Co-investments	$352.6m	$311.4m
Income investments	$283.3m	$301.3m
Fund Investments	$210.4m	$227.8m
Total Private Equity Fair Value	$846.3m	$840.6m
Private Equity Investment Level	119%	121%
Cash and Cash Equivalents	$49.4m	$25.6m
Credit Facility Borrowings	$100.0m	$90.0m
Net Asset Value per Ordinary Share	$14.61	$14.24
Net Asset Value per Ordinary Share including Cumulative Dividends	$15.70	$15.10
ZDP Shares	£48.9m	£47.2m
Net Asset Value per ZDP Share	148.24p	143.14p
Dividends per Share:		
Dividends paid this period	$0.23	$0.45
Cumulative dividends since inception	$1.09	$0.86

Note: Numbers may not sum due to rounding.

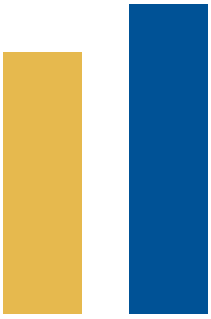
KEY PERFORMANCE HIGHLIGHTS FOR THE PERIOD

Performance

4.5% NAV per Share total return[1]
5.3% Share price increase
6.8% Share price total return[1]

Portfolio at 30 June 2015

75% of Fair Value in Equity Co-investments/Income Investments
25% of Fair Value in Funds



Cash Flows during the first six months of 2015

$106.8 million funded to Investments
$146.3 million of distributions from Investments

$100.0[2]
Million Invested

New Direct Investment Activity during the first six months of 2015

10 Equity Co-investments
8 Income Investments

1. *Assumes re-investment of dividends.*
2. *Includes follow-on investments. Net of returns of capital.*

COMPANY DIVIDEND POLICY

Semi-annual dividends

On 27 February 2015, the Company paid the first 2015 semi-annual dividend of $0.23 per Share.

Since inception, NBPE has paid cumulative dividends of $1.09 per Share.

Income Investments

As of 30 June 2015, on a run rate basis the income portfolio generates annual cash income of $27.0 million or approximately $0.55 per Share. This corresponds to approximately 120% dividend coverage from the cash yield on the Company's income portfolio, based on the annualized February 2015 dividend. Subsequent to this reporting period, NBPE declared a $0.25 dividend. On an annualized basis, this dividend is 110% covered by the run rate cash income from the income investment portfolio.

Share Buy Back Programme[1]

NBPE launched a Share Buy Back Programme in 2010 whereby NBPE retains the ability to repurchase Class A Shares. Class A Shares bought back under this Share Buy Back Programme will be cancelled. There were no share repurchases during the first six months of 2015.

The Board of Directors has approved an extension of the Share Buy Back Programme until 30 November 2015.

$0.23
Dividends paid during the first six months of 2015

$1.09
Cumulative dividends since inception

3.8%
Annualized Dividend Yield on Share Price[2]

3.1%
Annualized Dividend Yield on NAV at 30 June 2015

1. *Prior to the launch of the Share Buy Back Programme, the Company maintained a Liquidity Enhancement Agreement, which expired in 2011. Class A Shares bought back under this agreement are held as Treasury Shares.*
2. *Based on the Euronext closing share price of $12.00 on 30 June 2015.*

1H 2015 OVERVIEW

$52.0 million invested in income investments[1]

Made directly by NBPE and through the NB Alternatives Healthcare Credit Investment Program

Digital River®

- Provider of end-to-end outsourced commerce, payments, and marketing solutions to companies in the U.S., Europe and Asia Pacific regions
- First lien term loan with a 6.75% annual cash interest coupon (L +5.75%, 1% L Floor and 1.0% OID) and
- Second lien term loan with a 12.0% annual cash interest coupon (L+11.0%, 1% L Floor and 1.0% OID)
- NB Thesis:
  - Highly recurring revenue base
  - Strong cash flow characteristics
  - Industry leading product with a clear value proposition

Funding Circle

- Portfolio of short term loans to small businesses in the U.S. originated through a direct lending platform
- NB Thesis:
  - Opportunity to participate in the rapidly growing area of disintermediated bank lending
  - Geographic diversification with exposure to small businesses across the U.S.

Healthcare Credit: Royalty Notes (Biotechnology)

- Royalty-backed notes secured by the royalty rights and milestone payments of two type-two diabetes treatments
- Cash interest rate of 9.375%
- NB Thesis:
  - Strong collateral and milestone payments
  - Attractive yield

Healthcare Credit: Second Lien Term Loan (Medical Implants)

- Precision machinery company that focuses on the manufacturing and joining of critical components and complex assemblies for medical implants, as well as other industries including aerospace / defense and specialty commercial / industrial markets
- Second lien term loan with a 9.5% annual cash interest coupon (L+8.5%, 1% L Floor and 6.0% OID)
- NB Thesis:
  - Attractive cash yield
  - High margins and recurring revenue

Note: Numbers may not sum due to rounding.

1. *Includes follow on investments. Net of returns of capital.*

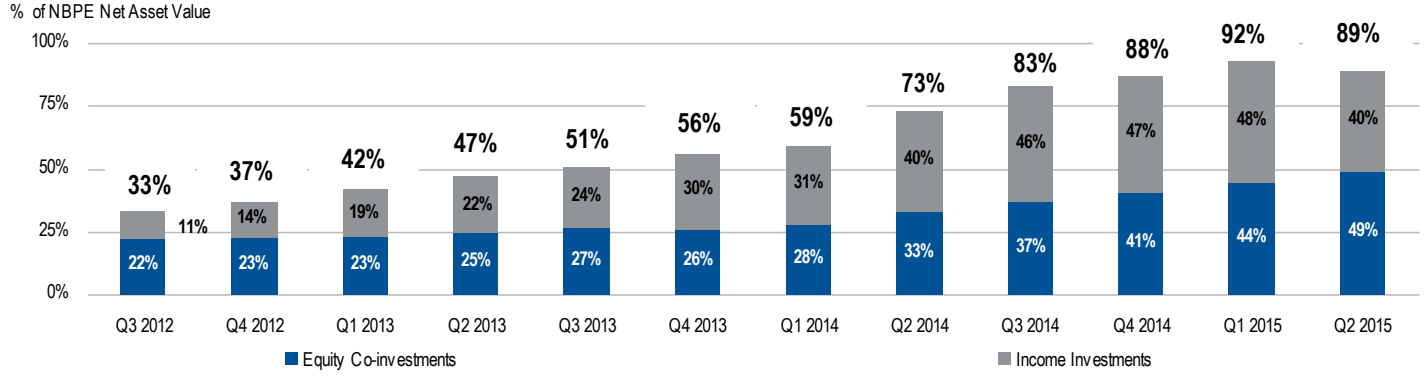
Focus on equity co-investments and income investments

The Manager seeks high quality private equity investments for NBPE that have the potential to deliver strong investment returns on a risk-adjusted basis, while maintaining appropriate levels of diversification across geographies, industries, vintage years and sponsors.

New investments are predominantly equity co-investments and income investments. Within this direct portfolio, across cycles, the Manager targets average allocations of 60% of private equity fair value to equity co-investments and 40% of private equity fair value to income investments. At any point in time allocations in the portfolio may vary from this target due to the relative attractiveness of the available opportunity sets. The Manager may also make other types of investments, as appropriate.

The chart below shows the percentage of NBPE's NAV over time that is invested in direct investments. Since 2012, NBPE has steadily grown the percentage of the portfolio that is invested in direct investments. During Q2 2015, this percentage marginally decreased as a result of strong realisation activity; the Manager expects this to increase again over time.

Direct Investments by Quarter



Equity co-investments are made alongside premier private equity sponsors in their core areas of expertise, focused primarily on buyout and growth equity transactions in the small and middle market globally. Transaction types typically include traditional buyouts, take-private transactions, corporate carve-outs as well as sponsor-to-sponsor transactions. The Manager seeks investments with differentiating characteristics and clear exit paths which offer the potential for shorter holding periods rather than large, syndicated transactions.

Income investments typically consist of private debt instruments which generate strong cash yields and may offer additional upside through PIK and / or equity. The Manager targets debt investments such as junior financings including mezzanine investments, which consist of notes and equity, second-lien debt and secured term loans in traditional corporate sectors. The Manager also targets healthcare credit investments, which consist of loans to companies in the healthcare sector, royalty backed notes, preferred stock and warrants.

NBPE leverages the full resources of the Manager's integrated private equity platform for superior deal flow, due diligence and execution capabilities

Continued focus on direct investments has meaningfully refocused the portfolio in line with our strategy

- Direct investment exposure of 89% of NAV at 30 June 2015
- During the first six months of 2015:
  - 18 direct investments completed
  - $52.0 million of new and follow-on income investments
  - $48.0 million of new and follow-on equity co-investments
  - Only $6.8 million of capital calls from fund investments

40% of net asset value in direct income investments with a total estimated yield to maturity of 10.3% and a cash yield of 9.9%

- Income investments producing run-rate cash income of $27.0 million, covering 120% of the February 2015 annualized dividend

Significant liquidity from direct investments during the first six months of 2015

- Distributions of $35.4 million from equity co-investments and $83.7 million from income investments, including:
  - $63.1 million of realisation proceeds from the income portfolio including principal and pre-payment premiums
  - $20.6 million of interest received from income investments
  - $35.4 million from equity co-investments as a result of sales, re-capitalisations and secondary sales of public shares

Fund investment portfolio continues to mature and return cash to NBPE

- Total distributions of $27.1 million from fund investments during the first six months of 2015

Note: Numbers may not sum due to rounding.

1H 2015 OVERVIEW

$52.0 million invested in income investments[1]

Made directly by NBPE and through the NB Alternatives Healthcare Credit Investment Program

CATALINA®

- Provider of digital media solutions for consumer packaged goods companies
- Second lien term loan with a 7.75% annual cash interest coupon (L +6.75%, 1.0% L Floor)
- Secondary purchase at 78.1% of face value
- NB Thesis:
  - Strong barriers to entry
  - Attractive free cash flow
  - Market leading company

MMUSA Acquisition Corp. (MediMedia)

- Integrated content and marketing services provider focused on the healthcare and pharmaceutical industries
- Second lien term loan with a 12.25% annual cash interest coupon (L +11.0%, 1.25% L Floor)
- Secondary purchase at 93.3% of face value
- NB Thesis:
  - High EBITDA margins and an asset-lite business model
  - Opportunity to reduce operating costs
  - Diversified customer base
  - Non-cyclical demand

Physiotherapy Associates

- Leading provider of outpatient rehabilitation services
- Second lien term loan with a 9.5% annual cash interest coupon (L +8.5%, 1.0% L Floor, 1.0% OID)
- NB Thesis:
  - Strong free cash flow generation
  - Highly-diversified revenue streams across geographies, payors and service type
  - Non-cyclical demand
  - Stable and resilient base business

Note: Numbers may not sum due to rounding.

1. *Includes follow on investments. Net of returns of capital.*

1H 2015 OVERVIEW

$48.0 million invested in equity co-investments[1]

Made directly by NBPE and through the NB Alternatives Co-investment Program

Digital River®

- Provider of end-to-end outsourced commerce, payments, and marketing solutions to companies in the U.S., Europe and Asia Pacific regions
- NB Thesis:
  - Highly recurring revenue base
  - Strong cash flow characteristics
  - Industry leading product with a strong value proposition

riverbed®

- Provider of wide area network ("WAN") optimization and performance management products
- NB Thesis:
  - Clear market leader with stable revenue base
  - Attractive and growing end markets
  - Executable value creation opportunities

CSC ServiceWorks

- Leading provider of outsourced services to the laundry and air vending markets
- NB Thesis:
  - Leader in a large addressable market
  - Attractive "mid-life" characteristics
  - Well diversified and loyal customer base
  - Multiple growth opportunities available

LOOKINGGLASS

- Developer of a global cyber situational awareness platform that helps enterprise and government organizations protect against targeted cyber attacks
- NB Thesis:
  - Opportunity to invest in a platform company with significant growth opportunities
  - Strong existing customer base

Note: Numbers may not sum due to rounding.

1. *Includes follow on investments. Net of returns of capital.*

1H 2015 OVERVIEW

$48.0 million invested in equity co-investments[1]

Made directly by NBPE and through the NB Alternatives Co-investment Program

StandardAero

- Leading provider of aftermarket maintenance, repair, and overhaul services for engines for narrow body, regional, business, military and rotary aircraft
- NB Thesis:
  - Attractive industry dynamics
  - High barriers to entry
  - Multiple value creation opportunities

PETSMART

- Largest specialty pet retailer of services and solutions for the lifetime needs of pets
- The company provides a broad range of pet products and in-store services including pet adoption, boarding, grooming and training
- NB Thesis:
  - Market leader
  - Operational improvement opportunities
  - Attractive industry dynamics
  - Vendor relationship / channel exclusivity

PROSPER

- Peer-to-peer online lending marketplace for unsecured consumer credit loans
- NB Thesis:
  - Rapidly growing company in an attractive industry
  - Large market opportunity
  - Strong management team

ALEX AND ANI

- A leading affordable jewelry and lifestyle brand
- Products are sold through retail, wholesale and e-commerce channels
- NB Thesis:
  - Compelling store-level economics
  - Significant whitespace opportunity
  - Opportunity to improve wholesale channel execution
  - Gross margin improvement represents additional upside

centro

- Provider of digital advertising management solutions
- Develops and sells cloud-based media management software to help advertisers and ad agencies streamline and scale digital campaigns
- NB Thesis:
  - Rapidly growing business with recurring revenue
  - Highly fragmented industry
  - Unlevered balance sheet with low capital intensity

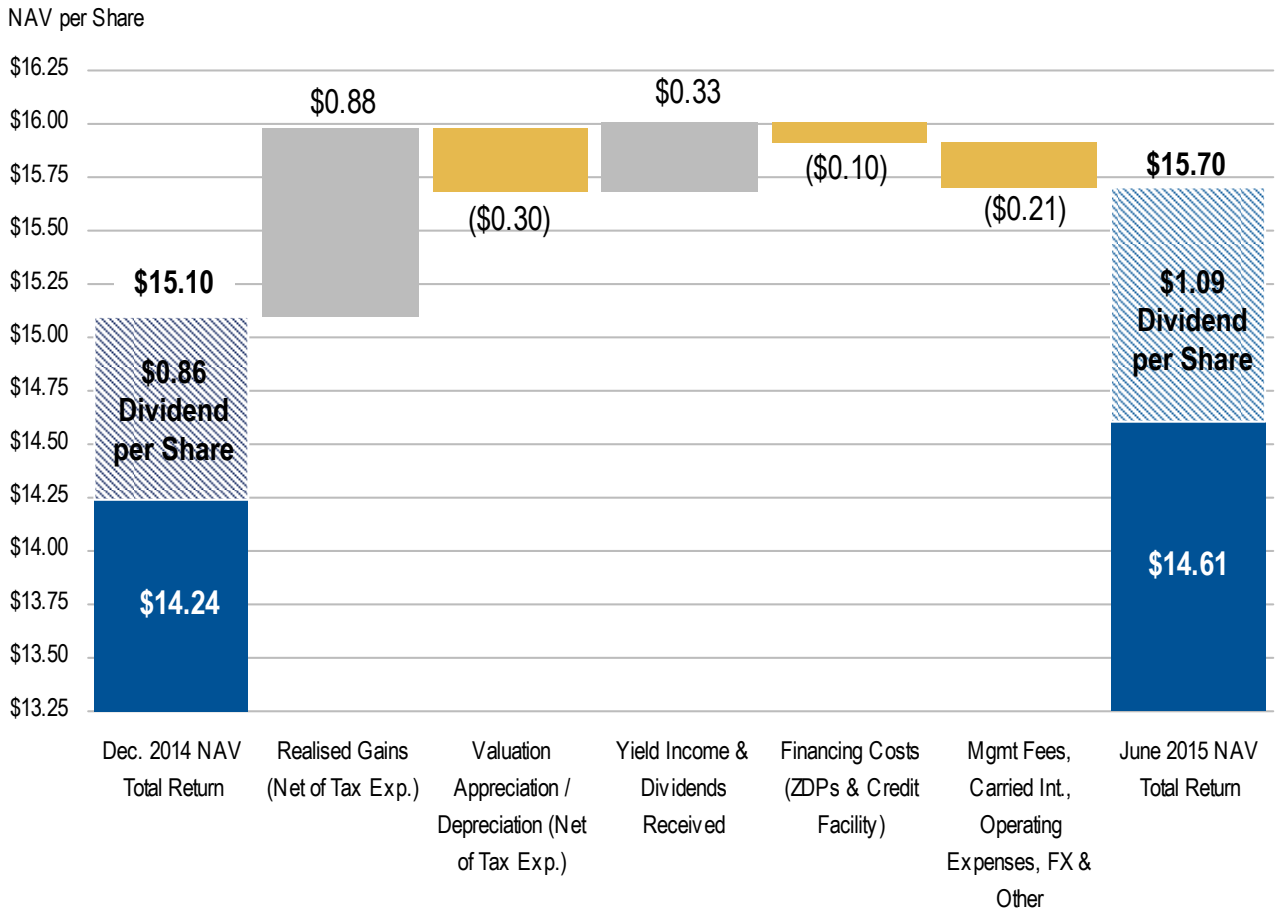
Note: Numbers may not sum due to rounding.
1. Includes follow on investments. Net of returns of capital.

NAV RESULTS

During the first six months of 2015, including the Company's semi-annual dividends, the NAV per Share total return was 4.5%[1]. Including the impact of the dividend payment, NBPE's NAV per Share increased 2.6%, driven by realised gains in the underlying investment portfolio and offset by financing costs, including ZDP and credit facility expenses, as well as management fees, carried interest, operating and other expenses and FX. Excluding investment cash flows, NBPE's private equity fair value appreciated by $45.1 million, net of underlying fees and expenses.

Key changes to NBPE's NAV per Share:

- $42.9 million of realised gains, or $0.88 per Share, net of tax expense
- $14.6 million of unrealised losses, or ($0.30) per Share, net of tax expense
- $16.2 million of yield income and dividends, or $0.33 per Share
- $15.0 million of operating expenses and other expenses, or ($0.31) per Share
- $11.2 million of dividends paid, or $0.23 per Share



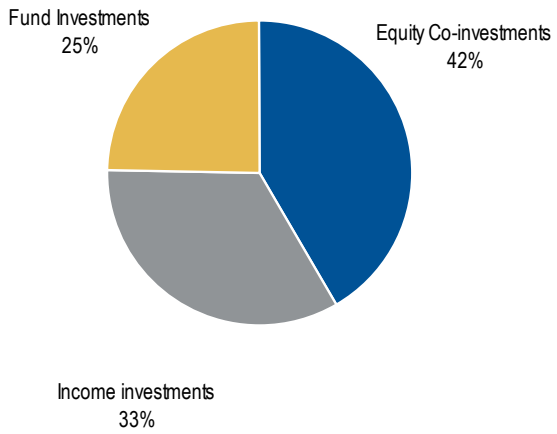
Note: Numbers may not sum due to rounding.
1. Total return assumes re-investment of dividends.

PORTFOLIO OVERVIEW

NBPE's portfolio is comprised of three investment types: income investments, which consist of corporate private debt and healthcare credit investments, equity co-investments and fund investments. Equity co-investments and income investments represent approximately 75% of private equity fair value. NBPE's fund portfolio consists of 35 fund investments, many of which are past their investment periods, giving the portfolio exposure to mature underlying companies and securities. As cash distribution activity from funds continues, the Manager intends to fund new direct investments.

	Investments	Private Equity Fair Value	Adjusted Unfunded Commitments[1]	Adjusted Total Exposure[1]
Equity Co-investments	77	$352.6m	$67.0m	$419.6m
Income Investments	41	$283.3m	$32.2m	$315.6m
Fund Investments	35	$210.4m	$6.3m	$216.7m
Total Private Equity Investments	**153**	**$846.3m**	**$105.6m**	**$951.9m**

Portfolio Diversification by Fair Value

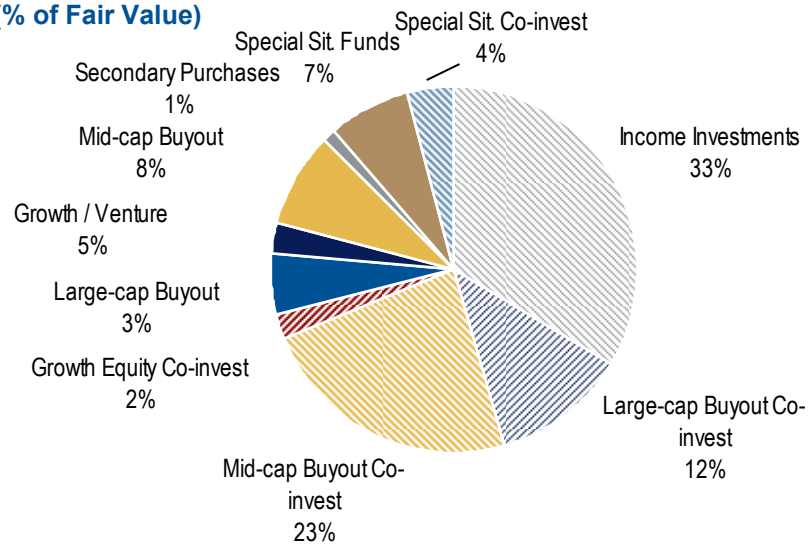


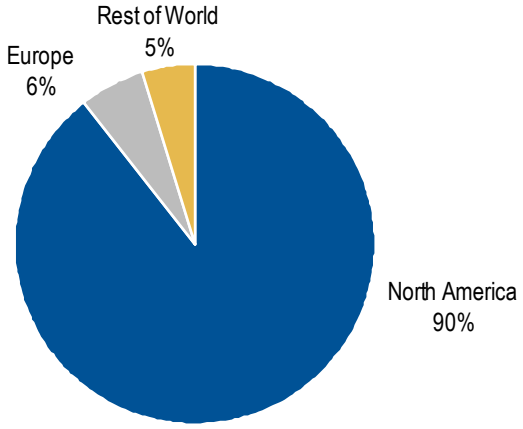
Note: Numbers may not sum due to rounding.
1. Please refer to page 31 for more information on unfunded commitments to funds past their investment period. Actual unfunded commitments and total exposure is $151.6 million and $997.9 million. Actual unfunded commitments is comprised of $67.0 million, $40.7 million and $44.0 million to equity co-investments, income investments and fund investments, respectively. Actual total exposure is $419.6 million, $324.0 million and $254.3 million to equity co-investments, income investments and fund investments, respectively.

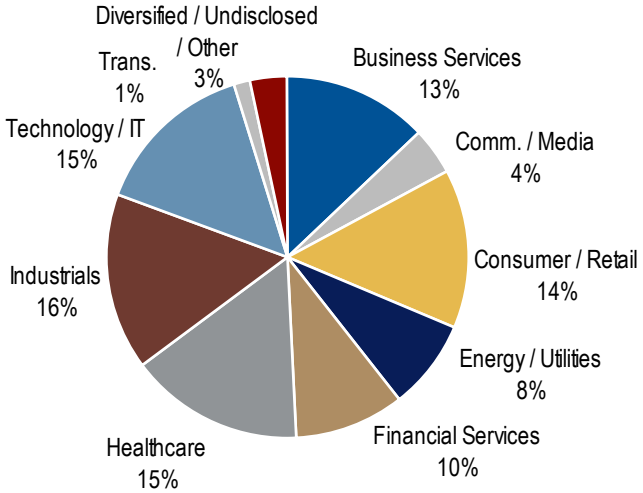
PORTFOLIO DIVERSIFICATION

PORTFOLIO ANALYSIS

Diversified private equity assets and industry exposure with a tactical over allocation to North America (% of Fair Value)







Note: Numbers may not sum due to rounding.

Portfolio Diversification

NBPE adapts its asset allocation over time to tactically allocate the portfolio to what the Manager believes are the most attractive opportunities. NBPE's current allocation is weighted to income investments and equity co-investments. Fund investments represent 25% of private equity fair value and the Manager expects the fund portfolio to become a smaller portion of NBPE's private equity fair value as capital is re-deployed into direct investments.

NBPE's portfolio is tactically over allocated to North America. The Manager believes the overall health in this market relative to other geographies offers attractive investment opportunities. Within NBPE's European exposure, many companies have significant scale and share within their markets or revenue bases from multiple countries. Approximately 5% of NBPE's portfolio is invested in other parts of the world, primarily Asia and Latin America.

NBPE's portfolio is broadly diversified across industries. The Manager does not set specific industry targets, because the Manager believes this could lead to selecting sub-optimal investments to meet a target. Instead the Manager looks for companies backed by high quality general partners with strong business characteristics in favoured sectors that the Manager believes can grow faster than GDP.

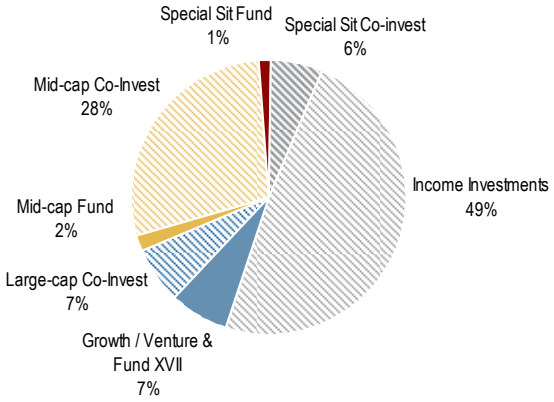
CURRENT FAIR VALUE BY YEAR OF DEPLOYMENT

PORTFOLIO ANALYSIS

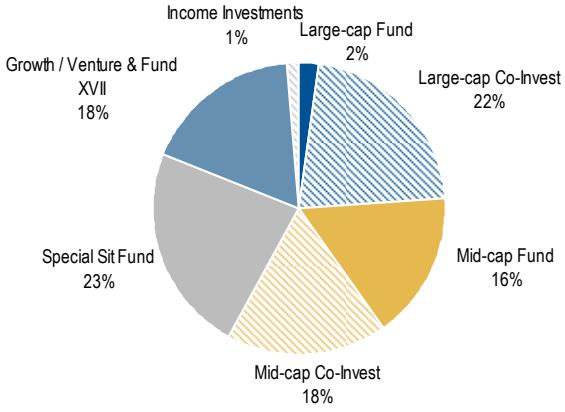
Recent capital deployment is primarily concentrated in direct investments (% of Fair Value)

The pie charts below represent the percentage of the current private equity fair value by year of investment. Year of investment is defined as the date of capital deployment into a particular underlying company. This differs from the vintage year as vintage year shows when a fund was formed rather than when the capital was deployed.

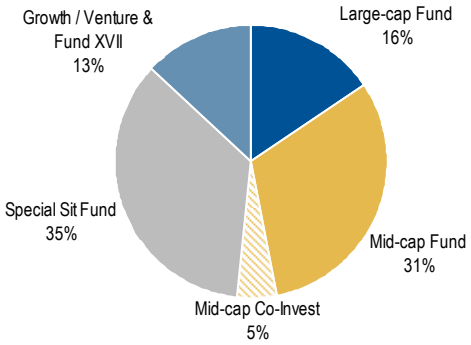
2012 - 2015 (68% of Fair Value)



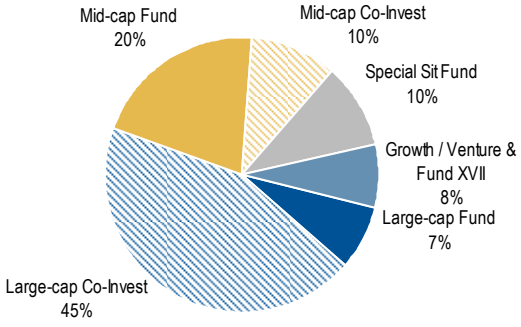
2010 - 2011 (12% of Fair Value)



2008 & 2009 (9% of Fair Value)



2007 & Earlier (11% of Fair Value)



Note: Numbers may not sum due to rounding. Based on private equity fair value as of 30 June 2015.

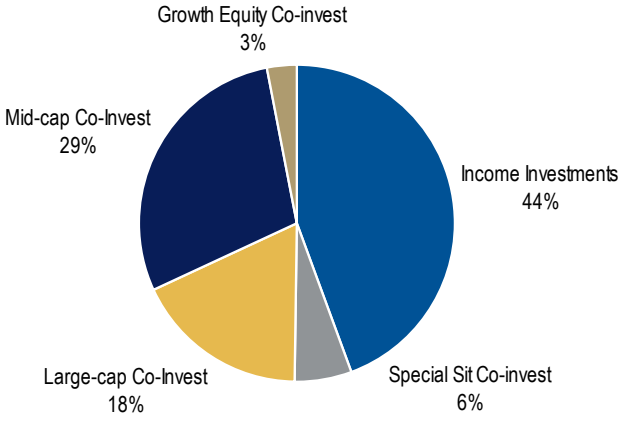
Equity co-investments and income investments portfolio diversification

As of 30 June 2015, the private equity fair value of the direct investment portfolio, was $635.9 million. Approximately $352.6 and $283.3 million was held in equity co-investments and income investments, respectively. Within the direct investment portfolio, 44% of fair value is invested in income investments and 31% is invested in mid-cap buyout equity co-investments. The industry diversification is broad, allocated to what the Manager believes are attractive investment opportunities in business services, industrials, technology / IT, healthcare and others.

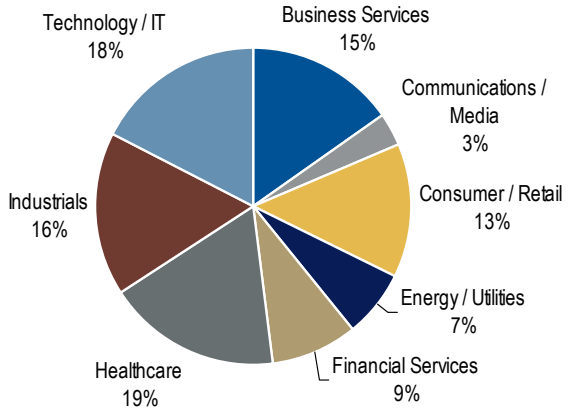
Approximately 88% of the direct investment fair value is in investments made since the beginning of 2011, which demonstrates the young age of the portfolio. The Manager continues to be selective in making new investments and believes NBPE has built an attractive portfolio of direct private equity investments.

The direct investment portfolio is allocated primarily to North America. The Manager's current expectation is that this allocation will continue, with investments made in other geographies on an opportunistic basis.

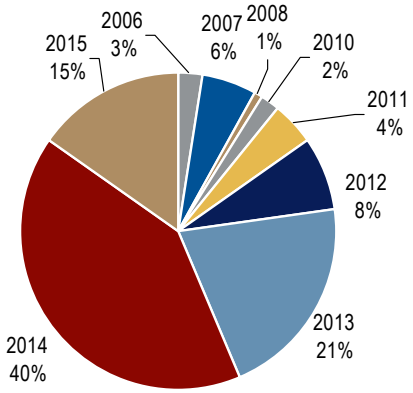
Fair Value by Asset Class



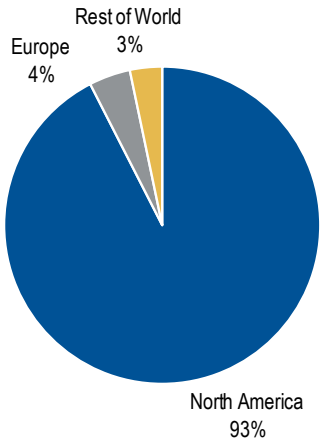
Fair Value by Industry



Fair Value by Year of Investment (Incl. Follow-ons)



Fair Value by Geography



TWENTY LARGEST INVESTMENTS

PORTFOLIO ANALYSIS

The top 20 companies below represent 47% of NAV and $338.4 million of private equity fair value

Investment / Description	Status	Year of Investment	Investment Type / Asset Class	Equity Sponsor	% of NBPE NAV
Archroma Specialty chemicals provider	Private	2013	**Income Investment** Senior Secured Debt	SK Capital Partners	2 – 3% of NAV
Authentic Brands Group Brand development and trademark licensing	Private	2014	**Income Investment** 2nd Lien Debt	Leonard Green Partners	1 – 2% of NAV
Black Knight Financial Services Mortgage servicing technology	Public[1]	2013	**Equity Co-investment** Large-cap Buyout	Thomas H. Lee	1 – 2% of NAV
Catalina Marketing Digital media solutions	Private	2015	**Income Investment** 2nd Lien Debt	Hellman & Friedman / Berkshire Partners	2 – 3% of NAV
Compuware Application performance software	Private	2014	**Income Investment** 2nd Lien Debt	Thoma Bravo	2 – 3% of NAV
ConvergeOne Provider of communication solutions	Private	2014	**Income Investment** 2nd Lien Debt	Clearlake Capital	2 – 3% of NAV
Digital River Digital eCommerce and Payments	Private	2015	**Equity Co-investment & Income Investment**	Siris Capital	2 – 3% of NAV
Evans Network of Companies Intermodal freight business services	Private	2012	**Income Investment** Mezzanine	AEA	3 – 4% of NAV
Evoqua Water treatment technology services	Private	2014	**Equity Co-investment & Income Investment**	AEA	1 – 2% of NAV
Freescale Semiconductor Embedded Processing Solutions	Public	2006	**Equity Co-investment & Fund Investment**	Blackstone/TPG/Carlyle/ Permira	1 – 2% of NAV
Heartland Dental Dental administrative services	Private	2012	**Income Investment** 2nd Lien Debt	N/A	3 – 4% of NAV
K&N Engineering Manufacturer of air intake systems	Private	2014	**Income Investment** 2nd Lien Debt	Gryphon Partners	2 – 3% of NAV
KIK Custom Products Manufacturer of consumer products	Private	2013	**Equity Co-investment & Income Investment**	CI Capital Partners	4 – 5% of NAV
MediMedia Healthcare information solutions	Private	2015	**Income Investment** 2nd Lien Debt	Vestar Capital Partners	1 – 2% of NAV
Ortholite Insoles and related shoe components	Private	2014	**Equity Co-investment & Income Investment**	Blue Point Capital Partners	3 – 4% of NAV
Oil & Gas Company* E&P company focused on the United States	Private	2014	**Equity Co-investment** Mid-cap Buyout	N/A	2 – 3% of NAV
Patheon Manufacturing services for prescription drugs	Private	2014	**Equity Co-investment** Mid-cap Buyout	JLL Partners	2 – 3% of NAV
Riverbed Technology Application performance infrastructure	Private	2015	**Equity Co-investment** Mid-cap Buyout	Thoma Bravo	1 – 2% of NAV
Sabre Holdings Technology solutions for global travel	Public	2007	**Equity Co-investment** Large-cap Buyout	TPG / Silver Lake	4 – 5% of NAV
The Warranty Group Underwriter of extended warranties	Private	2014	**Equity Co-investment** Large-cap Buyout	TPG	1 – 2% of NAV

- *Due to confidentiality agreements, company name cannot be disclosed.*

1. *Valuation is based on the underlying share price of BKFS, which completed its initial public offering, and an investment held through a private entity.*

PORTFOLIO ANALYSIS

77 Equity co-investments with $352.6 million of fair value, broadly diversified across industries

Equity Co-investments ($ in millions)	Principal Geography	Investment Date	Description	Fair Value
Mid-cap Buyout, Special Situations and Growth Equity				
Alex & Ani	U.S.	May-15	Designer jewelry company	-
American Dental Partners, Inc.	U.S.	Feb-12	Dental practice management services	-
Aster / DM Healthcare	Middle East / India	Jun-14	Operator of hospitals, clinics and pharmacies	-
Berlin Packaging	U.S.	Oct-14	Supplier of rigid packaging materials and value-added services	-
Biotherapeutics Company B - Equity*	U.S.	Jun-14	Biotherapeutics company	-
Blue Coat Systems	U.S.	Feb-12	Business application optimization & security	-
Boa Vista	Brazil	Nov-12	Second largest credit bureau in Brazil	-
Cardiac Device Company - Equity*	U.S.	Feb-13	Cardiac device company	-
Centro	U.S.	Jun-15	Online local and display advertising company	-
CoAdvantage	U.S.	Feb-13	Leading professional employer organization	-
Compass Auto Group	U.S.	Mar-14	Aluminium automotive components supplier	-
Corona Industrials	South America	Jun-14	Building materials company	-
Counsyl	U.S.	Jul-14	Genetic testing and services using innovative software	-
CSC Service Works	U.S.	Mar-15	Provider of outsourced services to laundry & air vending markets	-
Deltek (Equity)	U.S.	Dec-12	Enterprise software and information solutions	-
Digital River (Equity)	U.S.	Feb-15	Digital eCommerce and payments	-
Evans Delivery Company (Equity)	U.S.	Jun-12	Intermodal freight services company	-
Evoqua Equity	U.S.	Jan-14	Water treatment technology, equipment and services	-
Fairmount Minerals	U.S.	Aug-10	Producer of high purity sand / sand based proppants	-
Firth Rixson Equity	Global	Dec-07	Supplier of rings, forgings and specialist metal	-
Formation Energy	U.S.	Jul-13	Oil & gas E&P focused on shale formations including the Bakken and Eagle Ford	-
Gabriel Brothers	U.S.	Mar-12	Discount retailer	-
Galco Industrials Equity	U.S.	May-14	Wholesale distributor of electrical components	-
Genetic Testing Company - Equity*	U.S.	Jun-13	Genetic testing company	-
Group Ark Insurance	Global	Mar-07	Global specialty insurance and re-insurance	-
Hilsinger	U.S. / U.K. / Australia	May-14	Supplier of eye wear and eye care accessories	-
Inflection Energy	U.S.	Oct-14	Dry gas exploration company in the Marcellus Shale	-
Into University Partnerships	U.K./U.S.	Apr-13	Collegiate recruitment, placement and education	-
KIK Custom Products (Equity)	U.S.	Jan-14	Manufacturer of consumer products	-
Kyobo Life Insurance Co.	Asia	Dec-07	Life insurance in Korea	-
Looking Glass	U.S.	Feb-15	Cyber security technology company	-
Marquee Brands	Global	Dec-14	Portfolio of consumer branded IP assets, licensed to third parties	-
MBI Energy	U.S.	Jun-14	Oil field services company in Bakken region of North Dakota	-
Medical Diagnosticss Company - Equity*	Global	Jan-14	Medical diagnostics company	-
Oil & Gas Company	U.S.	May-14	E&P company in the U.S.	-
Ortholite Equity	U.S.	Apr-14	Provider of high-performance insoles and related shoe components	-
Oticas Carol	Brazil	Apr-13	2nd largest eyewear retailer in Brazil	-
Patheon	U.S.	Mar-14	Manufacturing services for prescription drugs	-
PCR Company - Escrow Value*	U.S.	Aug-12	Polymerase chain reaction (PCR) technology company	-
Pepcom	Germany	Mar-11	Germany's 5th largest cable operator	-
Press Ganey Associates	U.S.	Mar-08	Measurement & performance solutions for healthcare	-
ProMach	U.S.	Nov-14	Packaging machinery for consumer goods	-
Prosper	U.S.	Apr-15	Peer-to-peer online lending marketplace for unsecured consumer credit loans	-
RevSpring	U.S.	Oct-12	Outsourced provider of accounts receivable	-
RiverBed	U.S.	Feb-15	Provider of application performance infrastructure	-
Saguaro	Canada	Jul-13	E&P company pursuing unconventional light oil/liquids-rich gas properties	-
Salient Federal Solutions	U.S.	Jun-10	Technology and engineering services for government	-
SBI Mortgage Co.	Japan	Oct-14	Mortgage company in Japan offering primarily fixed rate mortgages	-
Seventh Generation	U.S.	Apr-08	Maker of environmentally responsible household products	-

**Due to confidentiality agreements, company names cannot be disclosed.*
Note: Numbers may not sum due to rounding. Based on private equity fair value as of 30 June 2015.

PORTFOLIO ANALYSIS

77 Equity co-investments with $352.6 million of fair value, broadly diversified across industries

Equity Co-investments ($ in millions)	Principal Geography	Investment Date	Description	Fair Value
Shelf Drilling	Global	Feb-13	Shallow water offshore drilling contractor	-
Skin Products Company - Equity*	U.S.	Jul-13	Skin products company	-
Specialty Drug Pharma. Company - Equity*	U.S.	Nov-13	Specialty drug pharmaceuticals company	-
Specialty PCP Company - Equity*	U.S.	Feb-14	Specialty PCP and pediatric pharmaceuticals company	-
Standard Aero	U.S.	Jun-15	Provider of aircraft maintenance, repair and overhaul services	-
Stratus Technologies	U.S.	Apr-14	Technology solutions that prevent downtime of critical applications	-
Swissport	Europe	Feb-11	Ground handling services for airlines	-
Taylor Precision Products	U.S.	Jul-12	Consumer & foodservice measurement products	-
Technology Company (Encryption App)*	U.S.	Aug-14	Encryption app for text, audio, picture and video messaging	-
TPF Genco	U.S.	Jul-07	Five natural gas-fired power plants	-
Vencore (f/k/a The SI Organization)	U.S.	Nov-10	High-end systems engineering to US Intelligence Industry	-
Total Mid-cap, Special Situations and Growth Equity				**$242.1**
Large-cap Buyout				
Acteon	Europe	Dec-12	Products & services to offshore energy sector	-
Avaya	Global	Oct-07	Communications systems provider	-
Black Knight Financial Services	U.S.	Dec-13	Mortgage servicing technology and appraisal / origination services	-
Brickman Group	U.S.	Dec-13	Commercial landscape and turf maintenance	-
Capsugel	Global	Jul-11	Hard capsules and drug delivery systems	-
CommScope	Global	Feb-11	Communications infrastructure solutions	-
First Data	Global	Sep-07	Electronic commerce and payments	-
Freescale Semiconductor	Global	Jul-07	Semiconductors manufacturer	-
Gardner Denver, Inc.	U.S.	Jul-13	Maker of industrial equipment	-
J.Crew Group	U.S.	Mar-11	Specialty retailer	-
Petsmart	U.S.	Jun-15	Pet supplies retailer	-
RAC	U.K.	Sep-11	UK motor related and breakdown assistance services	-
Sabre	Global	Mar-07	Technology solutions for global travel industry	-
Syniverse Technologies	Global	Feb-11	Global telecommunications technology solutions	-
The Warranty Group	Global	Jul-14	Underwriter & administrator of extended warranties	-
Univar	Global	Nov-10	Commodity and specialty chemicals distributor	-
Total Large-cap Buyout				**$110.5**
Total Equity Co-investments				**$352.6**

NBPE's equity co-investments are primarily mid-cap and large-cap buyout investments, diversified across vintage years, geographies and industries. The Manager believes these companies are poised for value creation and are an attractive component of NBPE's private equity portfolio. Many companies benefit from highly experienced and capable management teams and sponsor groups, which the Manager thinks is critical to the investment thesis and outcome.

In addition, the Manager believes many of these companies benefit from strong industry growth or secular trends and have the opportunity to appreciate in value from operational enhancements, growth of product offerings or expanding into new markets. The Manager thinks these characteristics distinguish NBPE's investment portfolio.

No individual company within NBPE's equity co-investment portfolio accounts for more than 5.0% of NBPE's net asset value.

**Due to confidentiality agreements, company names cannot be disclosed.*
Note: Numbers may not sum due to rounding. Based on private equity fair value as of 30 June 2015.

41 income investments in corporate private debt and healthcare credits with a total fair value of $283.3 million

On a run rate basis, the investments in the income portfolio generate cash and PIK income of $27.5 million. The corporate private debt portfolio is broadly diversified across sectors including business services, industrials and technology. The Manager believes securities within this portfolio benefit from strong customer bases, diversified revenue sources and favourable industry dynamics. Many of the debt securities are cash-pay at strong yields from a risk-return perspective. The weighted average cash yield on NBPE's corporate private debt investments is 10.0%.[1] The weighted average total leverage and senior leverage is 4.7x and 3.5x, respectively.[2] Approximately 72% of value within corporate private debt investments is invested in floating rate debt. The healthcare credit investments consist of royalty backed notes and senior secured loans with a weighted average cash yield of 9.9%.[1] No individual company within the income portfolio represents more than 3.0% of NBPE's net asset value.

During the first six months of 2015, NBPE received $59.7 million as a result of full exits from income investments, with an average uplift of 5%.

Income Investment Portfolio[1,3]

INVESTMENT NAME	SECURITY DETAILS	INVESTMENT DATE	MATURITY DATE	FAIR VALUE[1]	CASH + PIK COUPON	CASH YIELD	TOTAL EST. YTM
Corporate Private Debt Investments							
MediMedia	Second Lien (L+11% Cash, 1.25% L Floor)	Jun-15	Nov-19	$10.1	12.3%	13.1%	15.3%
PhysioTherapy	Second Lien (L+8.5%, 1% Floor)	Jun-15	Apr-22	2.5	9.5%	9.5%	10.4%
Catalina	Second Lien (L+6.75%, 1% L Floor)	May-15	Apr-22	14.9	7.8%	9.9%	13.4%
Funding Circle	Portfolio of Small Business Loans	Jan-15	N/A	8.6	N/A	N/A	N/A
Digital River Debt	First Lien (L+5.75% Cash, 1.0% L Floor, 1% OID)	Jan-15	Dec-20	4.1	6.8%	6.8%	7.0%
Digital River Debt	Second Lien (L+11.0% Cash, 1.0% L Floor, 1% OID)	Jan-15	Dec-20	4.1	12.0%	12.0%	12.7%
Compuware	Second Lien (L+8.00% Cash, 1.0% L Floor, 8% OID)	Dec-14	Dec-22	13.9	9.0%	9.7%	9.4%
Central Security Group	Second Lien (L+9.0% Cash, 1% L Floor, 5% OID)	Nov-14	Oct-21	5.8	10.0%	10.5%	10.5%
Vestcom	Second Lien (L+8.0% Cash, 1.0% L Floor, 1.5% OID)	Oct-14	Sep-22	8.2	9.0%	8.9%	9.4%
Trinity Consultants	PIK Toggle Notes (10% Cash, 3% PIK)	Aug-14	Aug-19	6.2	13.0%	9.9%	13.2%
Authentic Brands - Secondary	Second Lien (L+8.0%, 1% L Floor)	Jul-14	May-22	2.9	9.0%	9.0%	9.4%
K&N Engineering	Second Lien (L+8.625%, 1% L Floor, 2.25% OID)	Jul-14	Jul-20	18.0	9.6%	9.8%	10.1%
Heartland Dental - 2014 Secondary	Second Lien (L+8.5% Cash, 1.25% L Floor, 2.75% Premium)	Jul-14	Jun-19	2.0	9.8%	9.8%	10.2%
Converge One	Second Lien (L+8.0%, 1% L Floor, 1.0% OID)	Jun-14	Jun-21	19.8	9.0%	9.1%	9.4%
Authentic Brands	Second Lien (L+8.0%, 1% L Floor, 1.0% OID)	Jun-14	May-22	10.0	9.0%	9.0%	9.4%
Galco Industrial Electronics	Sr. Sub Notes (10.75% Cash, 1.25% PIK, 1.5% OID)	May-14	May-21	4.9	12.0%	10.7%	12.3%
Ortholite	Sr. Sub Notes (11.75% Cash, 1.5% OID)	Apr-14	Apr-20	14.8	11.8%	11.9%	12.4%
On Deck	Portfolio of Small Business Loans	Apr-14	N/A	3.7	N/A	N/A	N/A
Flexera	Second Lien (L+7.0%, 1% L Floor, 0.5% OID)	Apr-14	Apr-21	6.0	8.0%	8.0%	8.3%
Archroma (Add-on)	Sr. Secured Term Loan (L+8.25%, 1.25% L Floor, 1% OID)	Apr-14	Sep-18	3.2	9.5%	9.6%	10.0%
LANDesk	Second Lien (L+7.25%, 1% L Floor, 1% OID)	Mar-14	Mar-21	8.0	8.3%	8.2%	8.6%
Evoqua	Second Lien (L+7.5%, 1% L Floor, 0.5% OID)	Jan-14	Jan-22	7.5	8.5%	8.5%	8.9%
Archroma	Sr. Secured Term Loan (L+8.25%, 1.25% L Floor, 2% OID)	Oct-13	Sep-18	14.8	9.5%	9.6%	10.0%
Taylor Precision Products	Sr. Sub Notes (13% Cash, 1.5% OID)	Nov-13	May-19	5.7	13.0%	11.4%	13.8%
P2 Energy Solutions	Second Lien (L+8.00% Cash, 1.0% L Floor, 1% OID)	Nov-13	May-21	5.0	9.0%	8.9%	9.4%
KIK Custom Products	Second Lien (L+8.25% Cash, 1.25% L Floor, 2% OID)	May-13	Oct-19	19.7	9.5%	9.6%	10.0%
Heartland Dental - 2013 Secondary	Second Lien (L+8.5% Cash, 1.25% L Floor, 0.5% OID)	Jan-13	Jun-19	4.0	9.8%	9.8%	10.2%
Heartland Dental	Second Lien (L+8.5% Cash, 1.25% L Floor, 1.5% OID)	Jan-13	Jun-19	14.9	9.8%	9.8%	10.2%
Evans Network of Companies	Sr. Sub Notes (12% Cash, 2% PIK, 2% OID)	Jun-12	May-18	12.6	14.0%	12.8%	14.6%
Total Corporate Private Debt Investments Fair Value				**$256.1**	**9.4%**	**10.0%**	**10.8%**
*Total Healthcare Credit Investments**							
Term Loan (Medical Implants)	Second Lien (L+8.50%, 1% L Floor, 6% OID)	Mar-15	Mar-23	-	9.5%	10.2%	10.0%
Royalty Notes (Biotechnology)	Royalty Backed Note (9.375% Cash)	Mar-15	Mar-26	-	9.4%	9.2%	9.8%
Term Loan (Biotherapeutics B)	Senior Secured Loan (First Lien, L+10.0% cash, 1% L Floor, 1% OID)	Jun-14	Jun-18	-	11.0%	8.5%	11.6%
Convertible Notes (Specialty Pharmaceuticals)	Convertible Notes (4.5% Cash)	Apr-14	May-20	-	4.5%	6.4%	4.6%
Term Loan (Contract Research Organization)	Second Lien (L+8.25%, 1% L Floor, 1% OID)	Apr-14	Mar-22	-	9.3%	9.3%	9.7%
Term Loan (Specialty PCP and Pediatric Pharmaceuticals)	Senior Secured Loan (First Lien, 8% cash, 0.75% fee)	Feb-14	Feb-19	-	8.0%	16.9%	8.3%
Term Loan (Medical Diagnostics)	Senior Secured Loan (10.5% Cash)	Jan-14	Dec-18	-	10.5%	11.3%	11.0%
Term Loan (Skin Products Company)	Senior Secured Loan (First Lien, 10.5% Cash, 1.5% Fee)	Jul-13	Jul-18	-	10.5%	9.4%	11.1%
Term Loan (Genetic Testing)	Senior Secured Loan (First Lien, 10% Cash, 1% Fee)	Jun-13	Jun-18	-	10.0%	10.0%	10.5%
Term Loan (Cardiac Device)	Senior Secured Loan (First Lien, 13.5% Cash, 1.5% OID, 1% Fee)	Feb-13	Mar-18	-	13.5%	9.3%	14.4%
Royalty Notes (Internal Medication)	Royalty Backed Note	Jan-13	Jun-24	-	11.0%	10.8%	11.6%
Royalty Notes (Hormone Therapy)	Royalty Backed Note	Apr-11	N/A	-	N/A	4.0%	21.3%
Total Healthcare Credit Investments Fair Value				**$27.3**	**9.6%**	**9.9%**	**11.1%**
Total Income Portfolio Fair Value				**$283.3**	**9.4%**	**10.0%**	**10.4%**

** Due to confidentiality agreements, company names cannot be disclosed.*
1.The yield to maturity is inclusive of PIK interest and represents the return (IRR) from this reporting period to the maturity of the investment.
2. Based on the net leverage that is senior to the security held by NBPE.
3. Includes two portfolios of small business loans ($12.3m of fair value) at an interest rate at least at the rate stated above but not included in the yield calculation.

Mature funds portfolio with a significant proportion of fair value in mid-cap buyout and special situations funds

($ in millions) Fund Investments	Principal Geography	Vintage Year	Fair Value	Unfunded Commitment	Total Exposure
Catalyst Fund III	Canada	2009	$14.8	$2.3	$17.0
Centerbridge Credit Partners	U.S.	2008	1.6	-	1.6
CVI Global Value Fund	Global	2006	3.9	0.8	4.7
OCM Opportunities Fund VIIb	U.S.	2008	3.6	3.0	6.6
Oaktree Opportunities Fund VIII	U.S.	2009	5.6	-	5.6
Platinum Equity Capital Partners II	U.S.	2007	10.4	2.9	13.3
Prospect Harbor Credit Partners	U.S.	2007	0.3	-	0.3
Sankaty Credit Opportunities III	U.S.	2007	8.0	-	8.0
Strategic Value Special Situations Fund	Global	2010	0.2	0.0	0.2
Strategic Value Global Opportunities Fund I-A	Global	2010	0.2	0.1	0.3
Sun Capital Partners V	U.S.	2007	8.2	1.3	9.4
Total Special Situations Funds			**$56.8**	**$10.2**	**$67.1**
Mid-cap Buyout					
American Capital Equity II	U.S.	2007	2.6	1.2	3.7
Aquiline Financial Services Fund	U.S.	2005	3.5	-	3.5
ArcLight Energy Partners Fund IV	U.S.	2007	4.3	4.6	8.8
Avista Capital Partners	U.S.	2006	9.1	0.3	9.4
Clessidra Capital Partners	Europe	2004	0.9	0.1	1.0
Corsair III Financial Services Capital Partners	Global	2007	5.8	1.1	7.0
Highstar Capital II	U.S.	2004	3.0	0.1	3.1
Investitori Associati III	Europe	2000	0.2	0.2	0.4
Lightyear Fund II	U.S.	2006	3.4	1.4	4.7
OCM Principal Opportunities Fund IV	U.S.	2006	10.6	2.0	12.6
Trident IV	U.S.	2007	3.0	0.5	3.6
Total Mid-cap Buyout Funds			**$46.4**	**$11.4**	**$57.8**
Large-cap Buyout					
Carlyle Europe Partners II	Europe	2003	1.6	0.6	2.2
First Reserve Fund XI	U.S.	2006	7.1	-	7.1
J.C. Flowers II	Global	2006	2.9	0.3	3.2
Total Large-cap Buyout Funds			**$11.6**	**$0.9**	**$12.5**
Growth Equity					
Bertram Growth Capital I	U.S.	2007	6.8	1.2	8.1
Bertram Growth Capital II	U.S.	2010	10.2	2.4	12.6
DBAG Expansion Capital Fund	Europe	2012	1.5	2.9	4.4
NG Capital Partners	Peru	2010	7.1	0.1	7.2
Total Growth Equity Funds			**$25.6**	**$6.7**	**$32.3**
Fund of Funds Investments [2]					
NB Crossroads Fund XVII	U.S.	2002-06	19.4	1.9	21.3
NB Crossroads Fund XVIII Large-cap Buyout	Global	2005-10	8.3	2.2	10.5
NB Crossroads Fund XVIII Mid-cap Buyout	Global	2005-10	22.8	7.1	29.9
NB Crossroads Fund XVIII Special Situations	Global	2005-10	4.9	0.9	5.9
NB Crossroads Fund XVIII Venture Capital	U.S.	2005-10	9.7	1.7	11.3
NB Fund of Funds Secondary 2009	Global	2009-10	4.9	0.9	5.8
Total Fund of Funds			**$69.9**	**$14.7**	**$84.7**
Total Fund Investments			**$210.4**	**$44.0**	**$254.3**

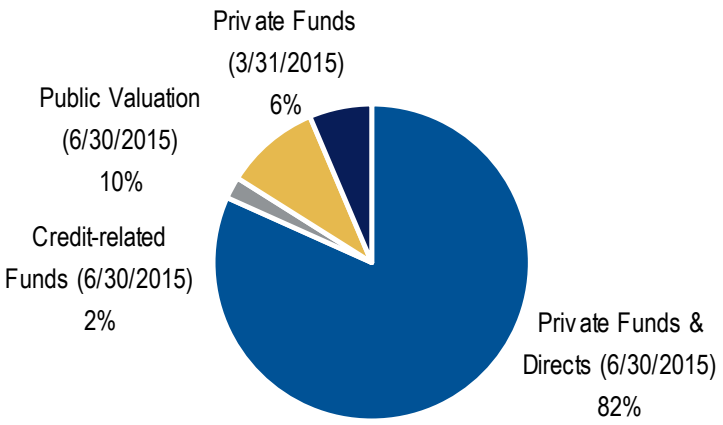
Note: Numbers may not sum due to rounding.

1. *$23.8 million of unfunded commitments are to funds past their investment period. Please refer to page 31 for more information on unfunded commitments to funds past their investment period.*
2. *The underlying NB Crossroads vintage year diversification is as follows (as a percentage of fair value): 2002 (1%), 2003 (1%), 2004 (3%), 2005 (13%), 2006 (44%), 2007 (32%), 2008 (6%) and 2010 (1%).*

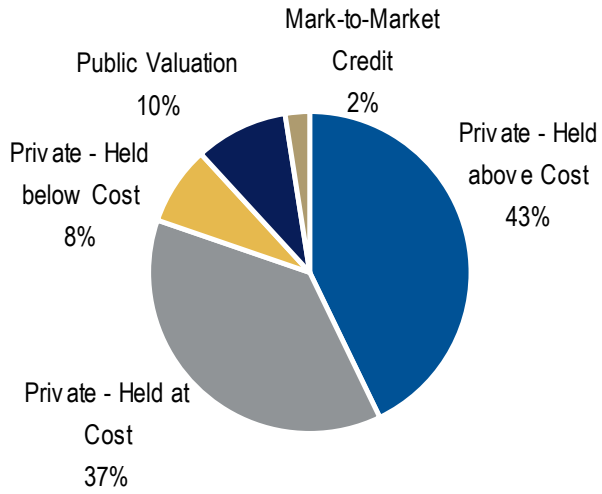
PORTFOLIO VALUATION[1]

PORTFOLIO ANALYSIS

By Date of Information & Valuation Type (% of Fair Value)[1]



Valuation Method (% of Fair Value)

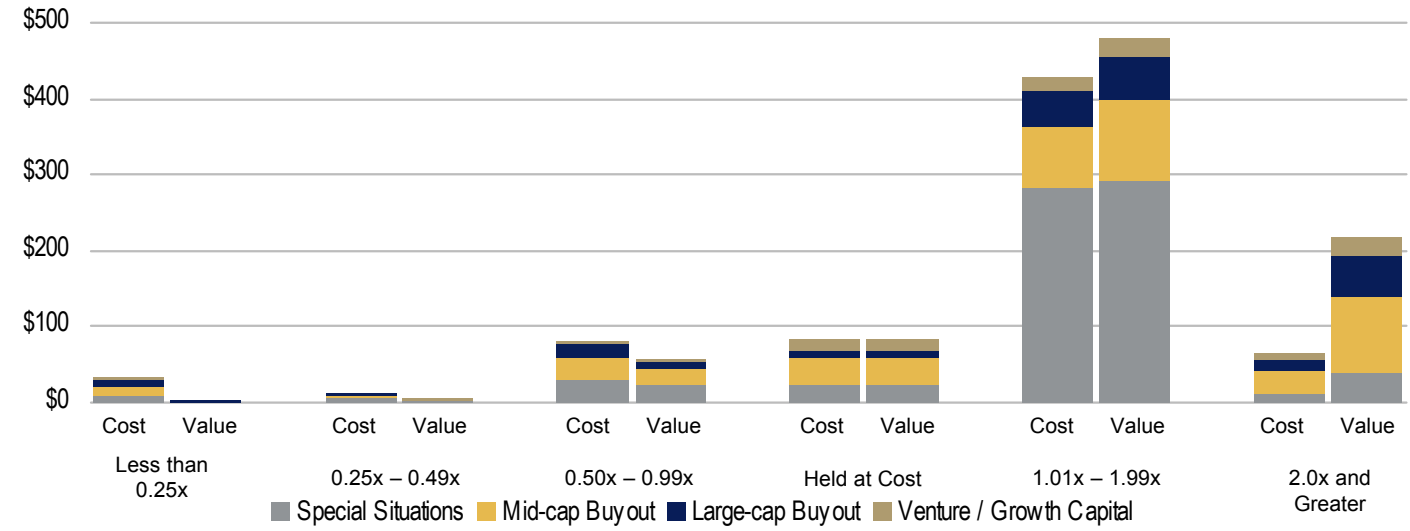


The NAV per Share of $14.61 was $0.05 higher than previously reported in the June Monthly NAV estimate, principally due to the receipt of additional valuation information after 10 July 2015, the publication date of the June Monthly NAV estimate.[2] As of 30 June 2015, approximately 10% of fair value was held in public securities. The top five public stock exposures are listed below as a percentage of fair value:

- Sabre Holdings Corporation (NASDAQ: SABR): 3.1% of fair value
- Freescale Semiconductor (NYSE: FSL): 1.4% of fair value
- Black Knight Financial Services (NYSE: BKFS): 1.1% of fair value[3]
- Commscope (NASDAQ: COMM): 0.4% of fair value
- Fairmount Minerals (NYSE: FMSA): 0.3% of fair value

Underlying Company Performance by Asset Class and Multiple of Invested Capital Range

$ in millions

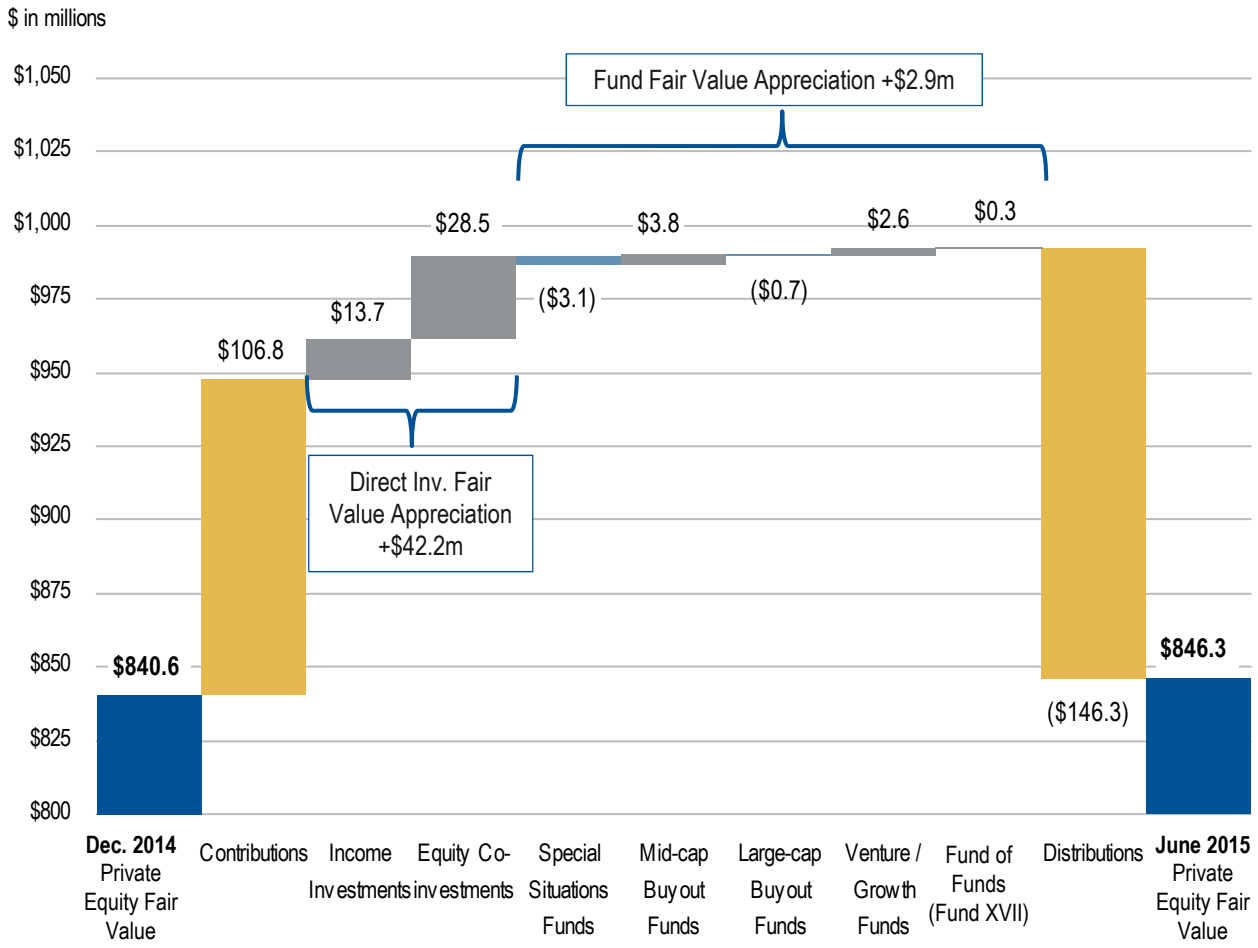


1. Please refer to page 67 for a detailed description of the valuation policy. While some information is as of 31 March 2015, the Manager's analysis and historical experience lead the Manager to believe that this approximates fair value at 30 June 2015.
2. As reported in the monthly NAV estimate the percent of private equity fair value was held: 37% in Directs, 2% in Credit-related Funds and 10% in publics as of 30 June 2015, 2% in Private Funds and 1% in Directs as of 31 May 2015, and 48% in Private Funds & Directs as of 31 March 2015.
3. Valuation is based on the underlying share price of BKFS, which completed its initial public offering, and an investment held through a private entity.

PERFORMANCE OVERVIEW

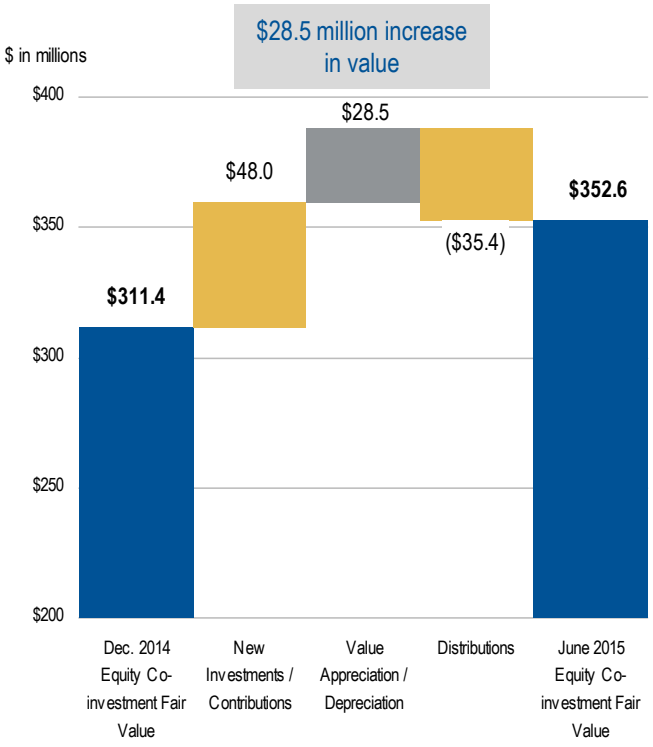
During the first six months of 2015, the private equity fair value appreciated in value across asset classes and investment types, with the largest gains in value coming from equity co-investments and income investments. Fund investments continue to generate liquidity and distributed $27.1 million to NBPE during the first six months of 2015. NBPE also received approximately $83.7 million of distributions consisting of cash interest, principal repayment and refinancing proceeds from income investments. During the first six months of 2015, NBPE's gross portfolio Internal Rate of Return ("IRR") was 13.2%, driven by[1]:

- 24.6% gross portfolio IRR from equity co-investments
- 9.6% gross portfolio IRR from income investments
- 2.7% gross portfolio IRR from fund investments



Note: Income investment appreciation includes both fair value appreciation as a result of accrued cash interest as well as accrued non-cash (PIK) yield. The Company's investment performance related to the commitment to NB Crossroads Fund XVIII is presented within each respective fund asset class. Numbers may not sum due to rounding.
1. Returns represent the internal rate of return ("IRR") during the first six months of 2015 and include only investment level cash flows. Returns are before NBPE expenses, but net of underlying fees and expenses.

$48.0 million of new and follow-on equity co-investment activity and a $28.5 million increase in value during the first six months of 2015



Equity Co-investment portfolio

During the first six months of 2015, NBPE participated in ten new equity co-investments in the industrials, technology, healthcare, financial services and consumer products sectors.

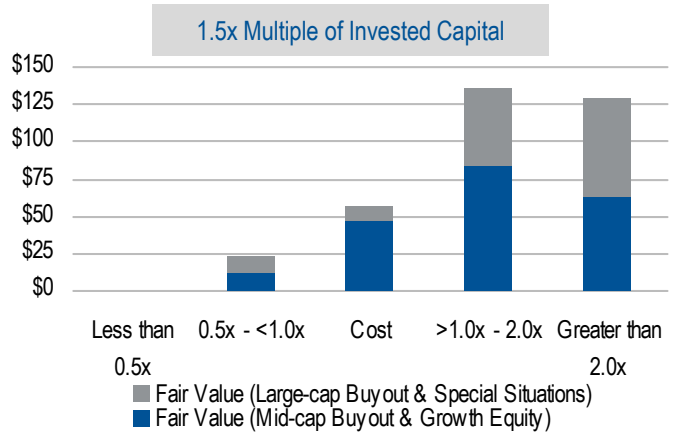
The portfolio appreciated in value by $28.5 million during the first six months of 2015, due mainly to write-ups of several equity co-investments, offset by declines in certain other investments. The top five investments appreciated by $21.2 million and represented approximately 74% of the overall increase in the portfolio. Strong performance was driven by the write-ups of one 2006 and one 2007 vintage large-cap co-investment, and the write-up of a 2014 vintage equity co-investment.

NBPE received approximately $35.4 million in distributions during the first six months of 2015 which included proceeds from the partial realization of four investments, the full realization of one 2012 vintage investment, a dividend payout from two companies, and the sale of stock received as part consideration of the acquisition of a 2007 vintage investment.

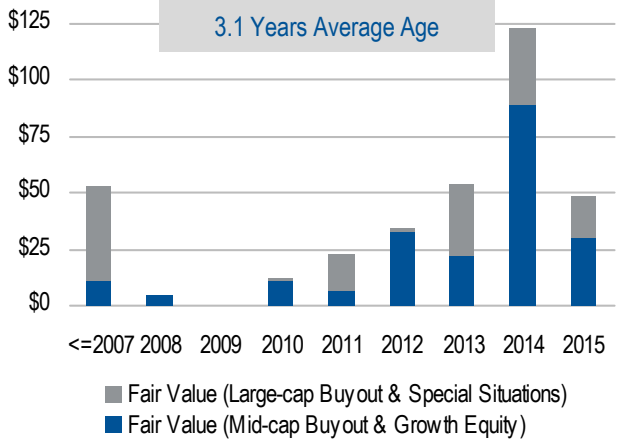
The investment multiple range by fair value shows the dispersion of value within the equity co-investment portfolio. The majority of the private equity fair value is currently held above cost and only approximately 7% of private equity fair value was held below cost.

The average age of the equity co-investments was 3.1 years and approximately 80% of the fair value was due to investments made in 2010 or after.

Investment Multiple Range by Fair Value



Vintage Year by Fair Value

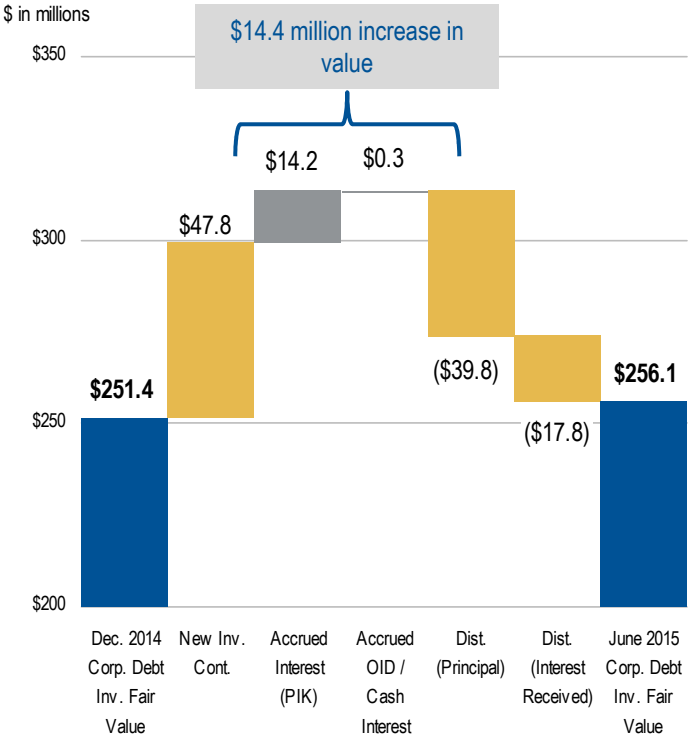


Note: Numbers may not sum due to rounding.

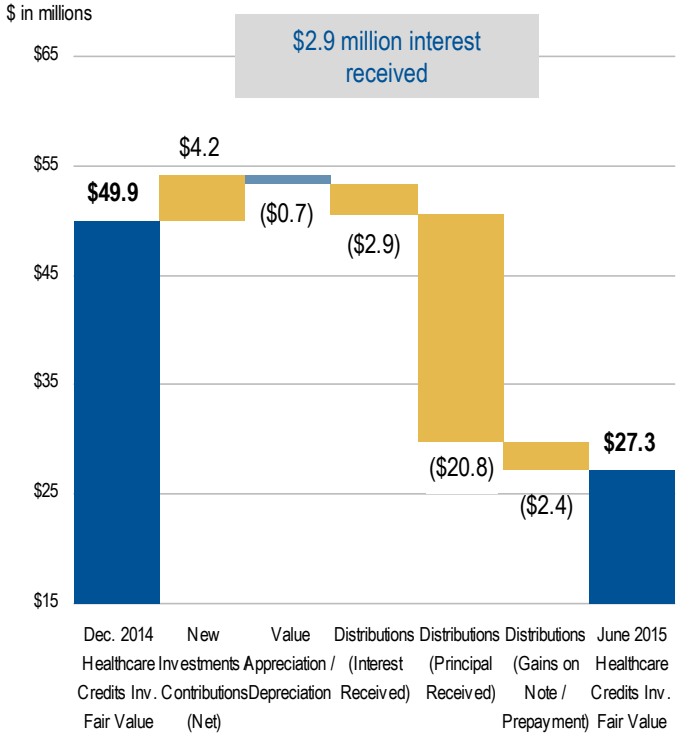
PERFORMANCE ANALYSIS

$13.7 million increase in the value of income investments. Run-rate cash income was $27.0 million as of 30 June 2015

Corporate Private Debt



Healthcare Credit Investments



Corporate Private Debt Investment Portfolio

During the first six months of 2015, NBPE funded approximately $47.8 million to six corporate private debt investments. NBPE also received approximately $57.6 million of distributions consisting of cash interest, principal repayment and refinancing proceeds.

The portfolio includes 29 corporate private debt investments, consisting of mezzanine investments, term loans and 2nd-lien debt

- 9.9% cash yield
- $24.3 million of run-rate cash income
- 10.8% weighted average estimated yield to maturity
- 4.7x weighted average total leverage
- 3.5x weighted average senior leverage[1]
- 72% of value invested in floating rate debt[2]

Healthcare Credit Investment Portfolio

During the first six months of 2015, NBPE participated in two healthcare credit investments. The two investments were in a royalty credit and a second lien term loan.

NBPE received approximately $26.1 million in distributions consisting of cash interest, principal repayments and gains during the first six months of 2015.

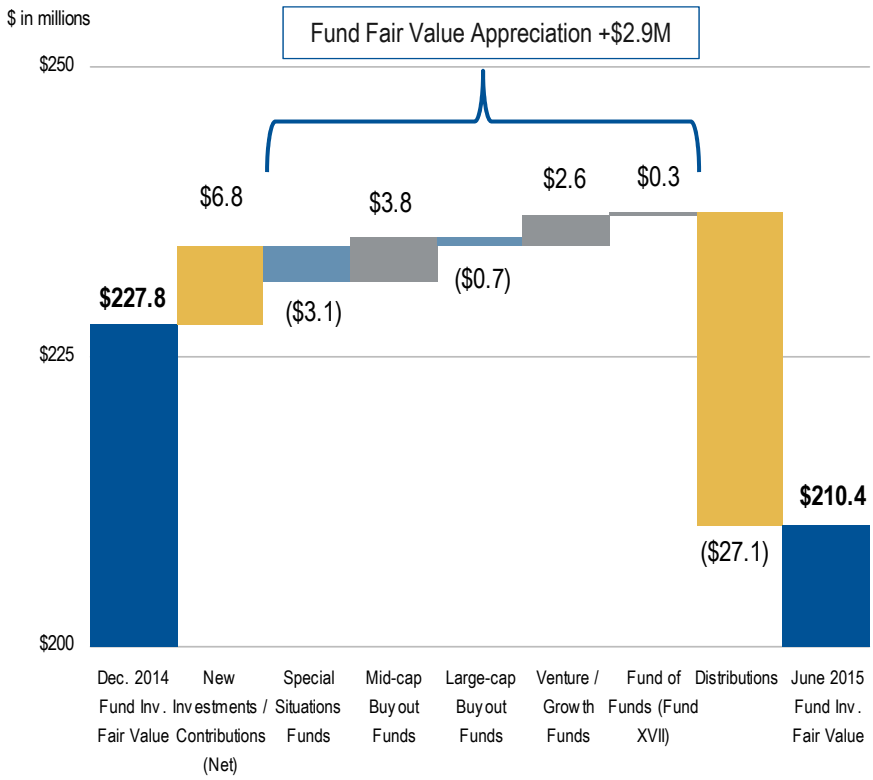
The portfolio includes 12 healthcare credit investments

- 9.9% cash yield
- $2.7 million of run-rate cash income
- 11.1% weighted average estimated yield to maturity

Note: Numbers may not sum due to rounding.
1. Based on the net leverage that is senior to the security held by NBPE.
2. Based on the fair value of the debt only and excludes the fair value of equity investments and warrants.

PERFORMANCE ANALYSIS

$2.9 million appreciation in value of the fund investment portfolio



Fund Portfolio Investment Performance

During the first six months of 2015, the four largest fund value drivers, measured in terms of dollar appreciation, were venture / growth and mid-cap buyout funds. While the other fund portfolios slightly decreased in value during the quarter, the Manager believes that funds are generally benefiting from the healthy economic environment, strong governance and resulting robust operating performance.

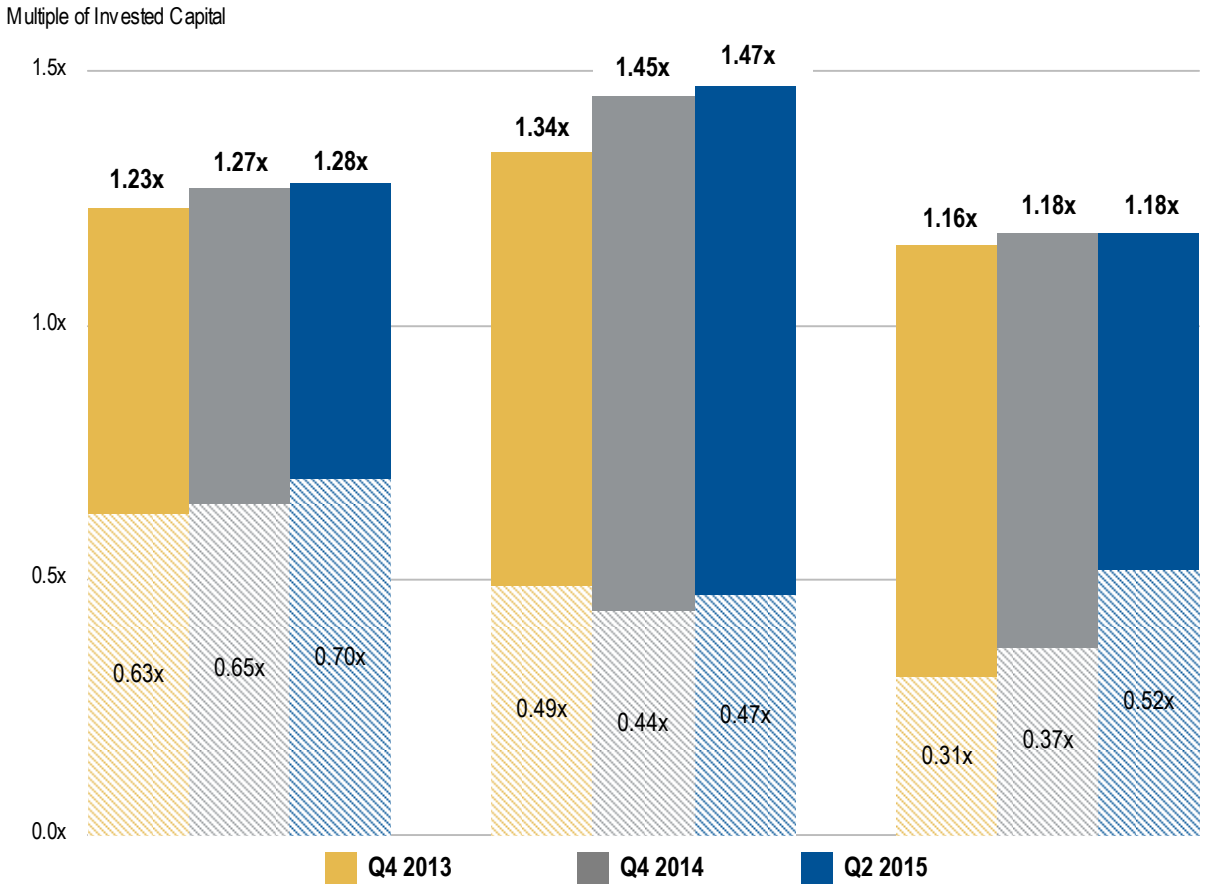
Excluding investment cash flow activity, during the first six months of 2015, the top ten fund value drivers had a combined fair value appreciation of $8.1 million. The top ten negative drivers had a combined depreciation in fair value of $6.1 million. The remaining 15 funds had a combined fair value appreciation of $1.0 million.

Note: Numbers may not sum due to rounding.

PERFORMANCE ANALYSIS

The Manager believes NBPE has generated strong performance since inception and a significant amount of invested capital has been returned to the Company through distributions from its portfolio of private equity investments

Since inception, including realised investments and based on the multiple of total value to paid-in capital ("TVPI"), NBPE's total portfolio has generated a 1.28x gross TVPI multiple. During the first six months of 2015, the portfolio increased in value; however, valuation increases across the portfolio were offset by the funding of new investments, which were held at cost. NBPE has received cash distributions and sales proceeds from its portfolio of private equity investments of approximately $1,018.3 million. The equity co-investments are held at a 1.47x gross TVPI multiple and NBPE has received total distributions of $165.2 million, or 47% of paid-in capital, through sales, recapitalisations and dividends. As of 30 June 2015, the income investments were held at a 1.18x gross TVPI multiple and NBPE has received total distributions of $225.3 million, or 52% of paid-in capital, through sales, cash interest and principal repayments.



	Total Portfolio	Equity Co-investments	Income Investments
Fair Value at 30 June 2015	$846.3m	$352.6m	$283.3m
Cash Distributions received since Inception	$1,018.3m	$165.2m	$225.3m

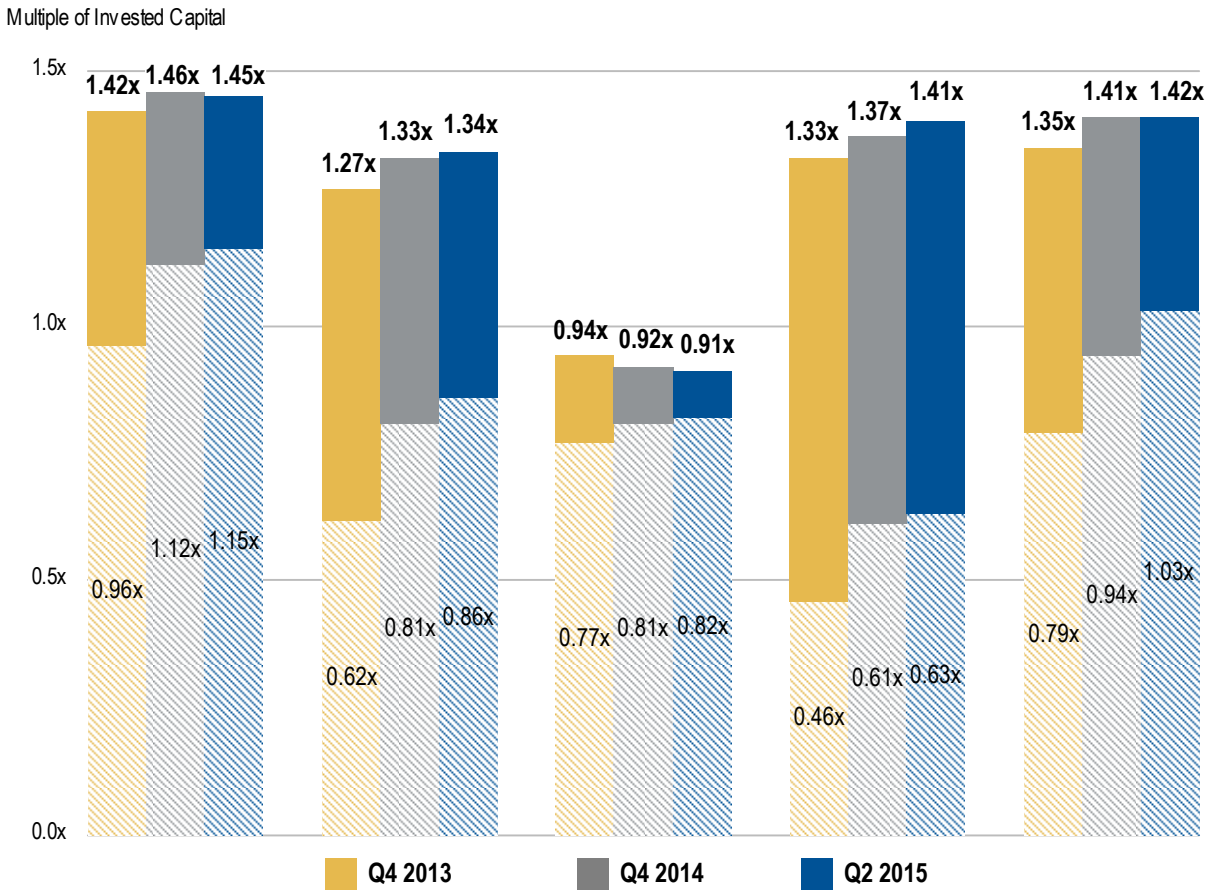
Note: Numbers may not sum due to rounding. Dashed bars represent distributed to paid-in capital.

PERFORMANCE SINCE INCEPTION

PERFORMANCE ANALYSIS

Mid-cap buyout and special situations funds continue to generate gains

Mid-cap buyout funds, the largest asset class by fair value within the fund portfolio, have generated a gross TVPI multiple of 1.34x and NBPE has received approximately $134.3 million in distributions, or 86% of paid-in capital. Special situations funds, the second largest asset class within the fund portfolio, have generated a gross TVPI multiple of 1.45x. NBPE has received cash distributions of approximately $230.6 million, or 115% of paid-in capital, driven by the monetization of credit positions by underlying managers. The Manager expects cash distribution activity to continue over the coming quarters within this asset class. The Manager believes the remaining fund asset classes, including large-cap buyout, venture / growth capital and NB Crossroads Fund XVII, while smaller parts of the overall portfolio, will also continue to drive value and provide cash distributions.



	Special Sit Funds	Mid-cap Buyout Funds	Large-cap Buyout Funds	Venture / Growth Funds	NB Crossroads Fund XVII
Fair Value at 30 June 2015	$61.7m	$74.1m	$19.9m	$35.3m	$19.4m
Cash Distributions since Inception	$230.6m	$134.3m	$182.1m	$28.8m	$51.9m

Note: Dashed bars represent distributed to paid in capital. NBPE's performance related to the commitment to NB Crossroads Fund XVIII is presented within each respective fund asset class. Numbers may not sum due to rounding.

Buyout Realisations

During the first six months of 2015, NBPE received $46.1 million from equity co-investments and buyout funds. Of this amount, $40.1 million was attributable to identifiable realisation activity and the manager analysed this amount of distributions. $11.9 million of these distributions was the result of sales with an average uplift of 9.8%, relative to the carrying value the quarter end prior to the announcement of the transaction, $3.3 million was the result of dividends and recapitalisations and $24.9 million was the result of partial sales and secondary offerings.

Buyout Company Analysis

In connection with our portfolio monitoring process, the Investment Manager analysed the operational performance and valuation metrics for the 50 largest buyout investments (including co-investments) based upon fair value at 30 June 2015. There are 35 companies valued on traditional buyout metrics and 15 companies valued on other metrics.

Traditional Buyout Investments

- Traditional buyout investments that were valued based on a multiple of cash flow (total enterprise value as a multiple of EBITDA)
  - 35 companies with approximately $178.7 million of fair value, representing 21% of private equity fair value and 44% of buyout fair value
- Summary Metrics for the traditional buyout investments:
  - Weighted average valuation multiple of 9.5x LTM EBITDA
  - Weighted average leverage multiple of 4.7x LTM EBITDA
  - Weighted average LTM revenue growth of 10.7%
  - Weighted average LTM EBITDA growth of 16.4%

Other Buyout Investments

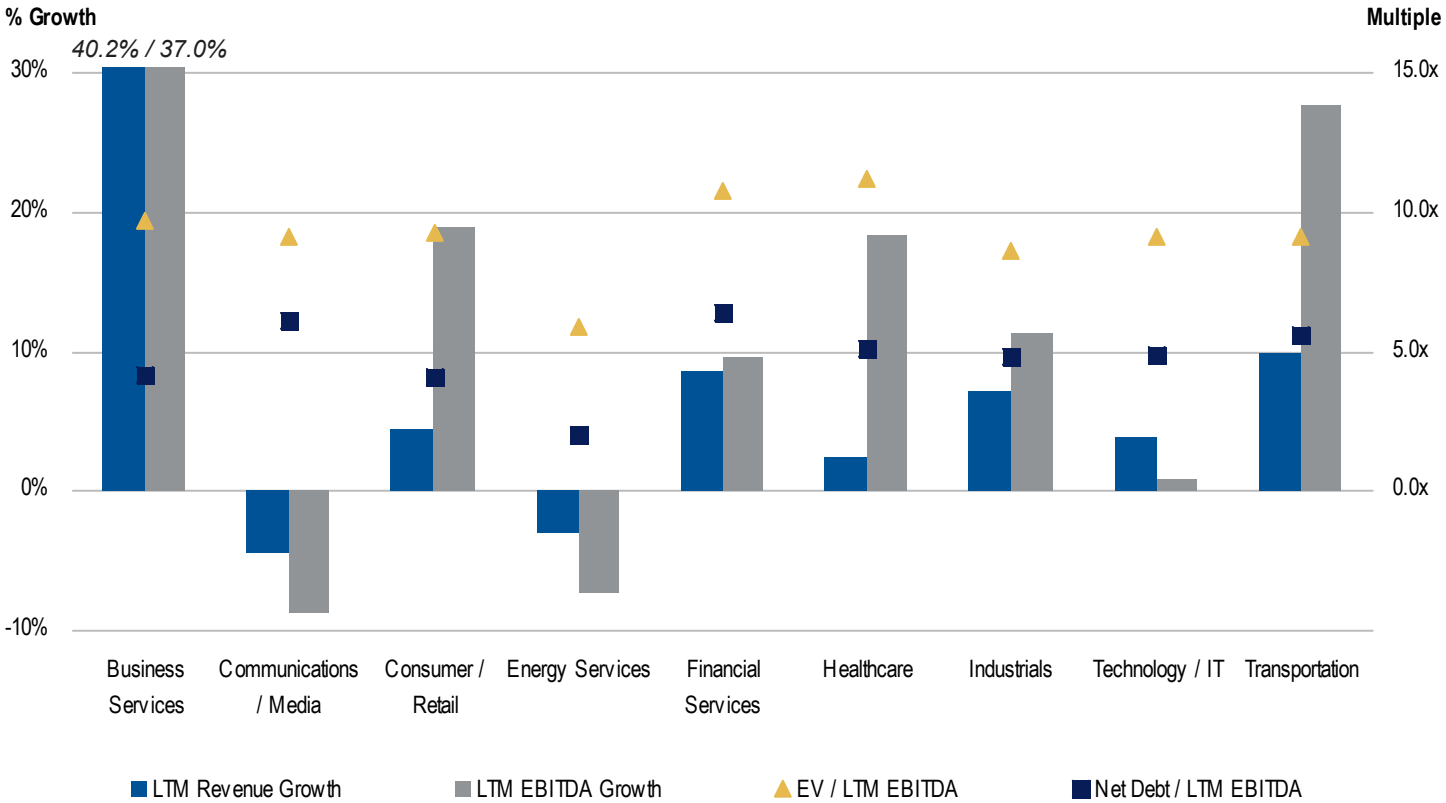
- Power generation and utility companies, financial institutions and publicly traded companies
  - 15 companies with approximately $120.0 million of fair value, representing 14% of private equity fair value and 30% of buyout fair value
- One privately held financial institution and one financial services company, which represented $17.8 million of fair value. The privately held financial institution was valued on a multiple of book value and the financial services company was valued based on a multiple of operating income
- Two power generation and utility companies and four E&P companies ($40.0 million of fair value) were valued based on a variety of metrics, including price per kilowatt hour of generation capacity and dollars per acre, respectively
- Six publicly traded companies ($57.6 million of fair value) generated a weighted average total return of 26% year to date during 2015[2]
- One preferred security invested in a healthcare company valued based on an assumed discount rate

1. *Portfolio company operating and valuation metrics are based on most recently available information (unaudited). Private equity fair value as of 30 June 2015. Numbers may not sum due to rounding.*
2. *Includes two IPOs that occurred during 2015. Performance is based on the time of the IPO to 30 June 2015.*

Traditional Buyout Companies[1]

The figure below illustrates the key operating, valuation, and leverage statistics for the largest traditional buyout investments based on fair value by industry sector. In conducting the analysis, the Investment Manager utilised the most recently available information (as of 30 June 2015 and 31 March 2015) to evaluate the year-over-year growth in revenue and EBITDA for each company. In addition, the Investment Manager analysed the most recently available valuation multiple (enterprise value to EBITDA) and leverage multiple (net debt to EBITDA) for each company. The aggregate metrics by industry sector represent weighted averages based on the fair value of each underlying company at 30 June 2015.

Operating Performance, Valuation and Leverage by Sector



	Business Services	Communications / Media	Consumer / Retail	Energy Services	Financial Services	Healthcare	Industrials	Technology / IT	Transportation
Fair Value ($mm):	$32.2	$6.5	$34.5	$6.5	$7.8	$34.1	$32.2	$21.2	$3.5
# of Companies:	5	2	7	2	2	5	8	3	1

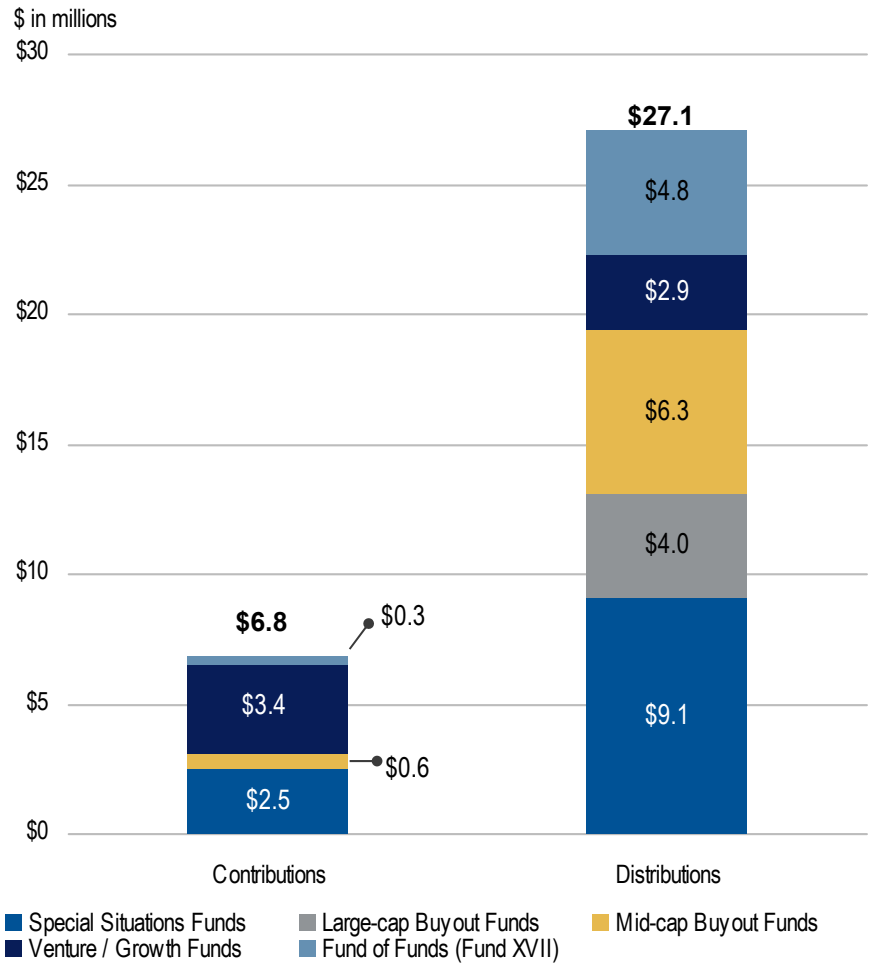
1. *Portfolio company operating and valuation metrics are based on most recently available information. Private equity fair value as of 30 June 2015. Numbers may not sum due to rounding.*

PERFORMANCE ANALYSIS

Liquidity events and IPO activity during the first six months of 2015

- Within NBPE's portfolio, 109 companies completed liquidity events, leading to $146.3 million of distributions to NBPE
- 18 companies in NBPE's portfolio, representing $14.3 million of unrealised value, completed IPOs during the first six months of 2015, which may lead to future distributions to NBPE. The IPOs below represent the top five companies by value that completed an IPO during the first six months of 2015:
  - Black Knight Financial Services, Inc. (NYSE: BKFS) – NBPE (co-investment)
  - Press Ganey Holdings, Inc. (NYSE: PGND) – NBPE (co-investment), NB Crossroads Fund XVIII
  - Univar Inc. (NYSE: UNVR) – NBPE (co-investment)
  - Box, Inc. (NYSE: BOX) – NB Crossroads Fund XVII
  - GoDaddy Inc. (NYSE: GDDY) – NB Crossroads Fund XVIII

Fund capital call activity continues to slow while distribution activity from NBPE's mature funds remains strong



The Fund portfolio's capital call activity has decreased as the portfolio matures. During the first six months of 2015, venture/growth funds experienced the most capital call activity. NBPE also funded $2.5 million to special situations funds.

NBPE received $9.1 million in distributions from special situations funds during the first six months of 2015. NBPE also received $10.3 million from buyout funds as managers focus on harvesting portfolio companies and returning cash.

During the first six months of 2015, the largest fund distributions were received from NB Crossroads Fund XVII, NB Crossroads Fund XVIII, and Sankaty III.

The Manager expects distribution activity in the fund portfolio to continue over the next several years as underlying managers focus on liquidity.

Note: Numbers may not sum due to rounding.

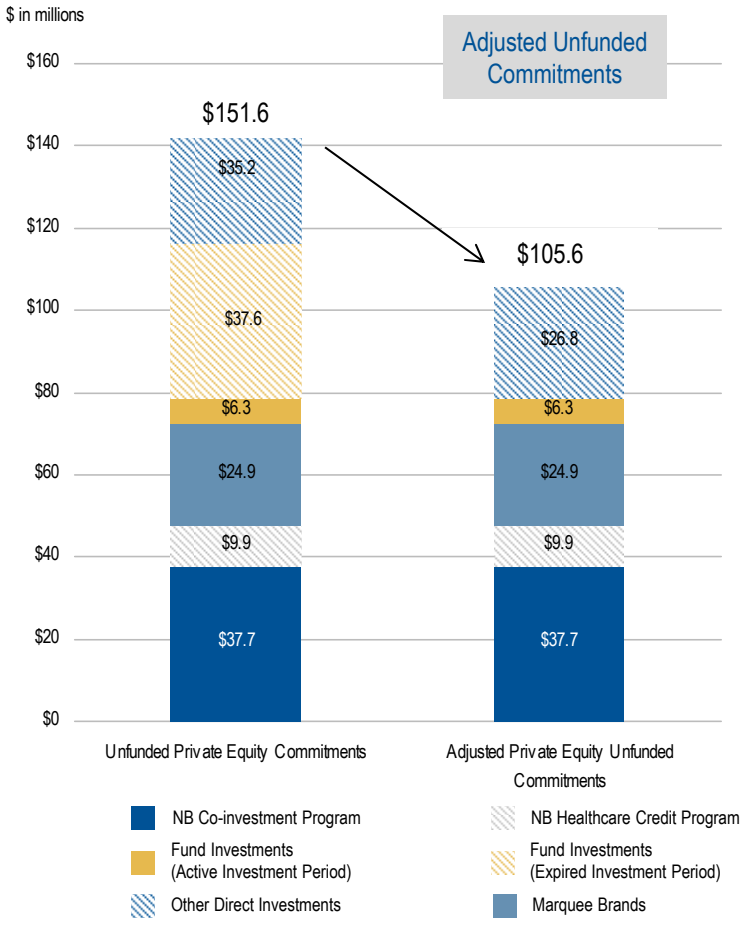
UNFUNDED COMMITMENTS

Favourable capital position for new investments

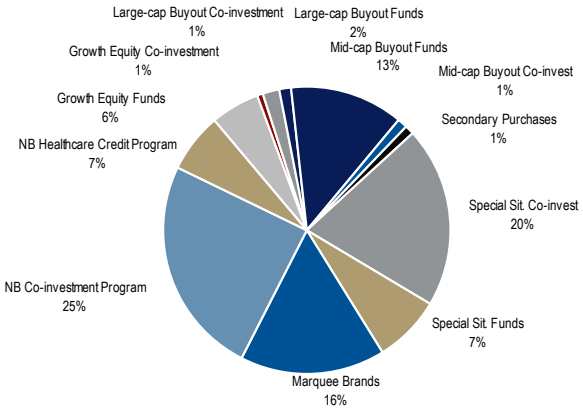
As of 30 June 2015, NBPE's unfunded commitments were approximately $151.6 million. Approximately $37.7 million, $9.9 million and $24.9 million were unfunded commitments to the NB Alternatives Co-investment and Healthcare Credit Programs and Marquee Brands, respectively. Approximately $13.8 million of unfunded commitments were to fund of funds managed by the Manager and $30.1 million of unfunded commitments were to third party direct funds. Within the fund portfolio, $23.8 million of the unfunded commitments are to funds past their investment period. The Manager believes a portion of this amount is unlikely to be called. However, some amount may be called for fees, expenses and / or follow-on investments.

Unfunded commitments are primarily to the NB Alternatives Co-investment, Healthcare Credit Program and Marquee Brands. The Manager expects capital to be called in future quarters to fund new direct investments. Approximately 29% of the unfunded commitments were to the fund portfolio, with large unfunded commitments to special situations and mid-cap buyout funds. However, unfunded amounts to special situations funds were to funds which were all past their investment period. Approximately 95% of the unfunded commitments to mid-cap buyout funds were to funds past their investment period. Approximately 6% of the unfunded commitments were to growth equity funds; capital deployment by underlying managers within this asset class is typically prolonged.

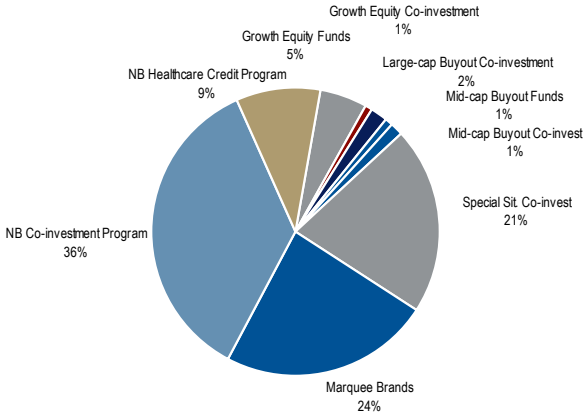
The Manager analysed the unfunded commitments on an adjusted basis. Unfunded commitments were adjusted by removing unfunded commitments past their investment period and unfunded commitments to funds or programs managed by the Manager. Following these adjustments, the unfunded commitments were $105.6 million. On an adjusted basis this would correspond to excess capital resources of $43.8 million and a commitment coverage ratio of 141%.



Actual Unfunded Private Equity Commitments

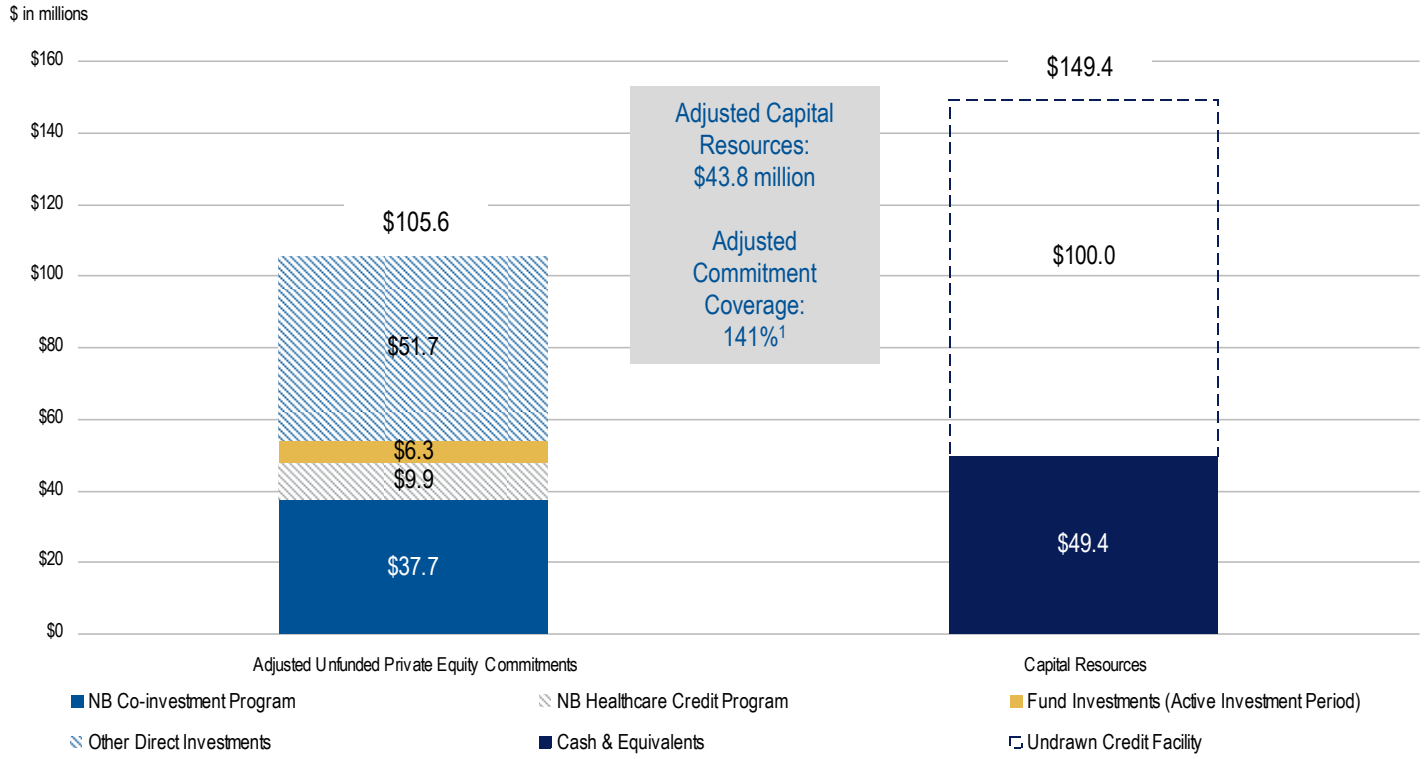


Adjusted Unfunded Private Equity Commitments



Note: Numbers may not sum due to rounding.

Adjusted capital resources of $43.8 million and $100 million of credit facility undrawn as of 30 June 2015[1]



Credit Facility

In December 2012, the Company entered into an agreement with Lloyds Banking Group regarding a senior secured revolving credit facility of up to $200.0 million. Under the terms of the agreement, the Company may borrow, repay and re-borrow to fund private equity contributions and working capital requirements throughout the term expiring in April 2017. All borrowings under the credit facility bear interest at a floating rate and are tiered based on loan value, calculated as LIBOR or Euribor, as appropriate:

- LIBOR / Euribor + 280 bps for loan value less than or equal to $65 million
- LIBOR / Euribor + 330 bps for loan value in excess of $65 million and less than or equal to $150 million
- LIBOR / Euribor + 365 bps for loan value in excess of $150 million

The Company is also required to pay a non-utilization fee calculated as 80 basis points per annum on the daily balance of the unused amount of the credit facility.

The key financial covenant for NBPE's credit facility is a maximum debt to value ratio of 50.0%. The debt to value ratio is calculated as total debt and current liabilities divided by Restricted NAV, with Restricted NAV defined as the fair value of all private equity investments (less any excluded value) plus cash and cash equivalents. At 30 June 2015, the debt to value ratio was 12.4%.

The two other covenants are a secured asset ratio and a commitment ratio. The secured asset ratio is not to exceed 80.0% and is defined as total debt and current liabilities divided by Secured Assets, with Secured Assets defined as the value of secured private equity investments plus cash and cash equivalents. At 30 June 2015, the secured asset ratio was 17.3%.

The commitment ratio is defined as Restricted Total Exposure divided by the aggregate of Shareholder's equity and the total amount of the credit facility, with Restricted Total Exposure defined as the value of private equity investments (less any excluded value) plus unfunded private equity commitments. If the debt to value ratio is greater than 25.0% and the commitment ratio is greater than 130.0%, then the Company becomes restricted from making new private equity investments. At 30 June 2015, the commitment ratio was 109.3%.

Note: Numbers may not sum due to rounding.
1. Actual unfunded commitments are $151.6 million, corresponding to an actual under commitment of $2.2 million and a commitment coverage ratio of 99%. See page 31 for detail on the adjustments to unfunded commitments.

MARKET COMMENTARY

After a soft first quarter, equity markets continued to lose momentum during the second quarter of 2015 ending slightly down during the three month period. The S&P 500 fell 0.2% during the second quarter of 2015 and the MSCI World Index fell 0.3%. Emerging markets, as measured by the MSCI Emerging Markets Index, fell 0.2% during the second quarter of 2015. The bond market has felt impacts of the current market environment more so than equities. The U.S. Corporate Investment Grade Index fell 3.2% during the second quarter of 2015, while the U.S. High Yield Index remained flat for the quarter. The Aggregate Bond Index experienced a more moderate decrease during the quarter of 2.3%.[1]

The U.S. dollar has appreciated against several currencies over the past year driven by the prospect of central bank tightening and strong economic growth in the U.S. As the Federal Reserve prepares to begin raising interest rates, which is expected later this year, other global central banks are just beginning their foray into quantitative easing. The ongoing divergence in growth and central bank policy will have far-reaching implications across global asset classes and economies.

Since late January, oil market volatility has increased as the commodity has sought a floor, driven by the tug-of-war between bullish and bearish supply indicators. On the bullish side are investors focused on the U.S. rig count while bearish investors have focused on near-term inventory concerns as U.S. stockpiles continue to build to record highs. While the near-term inventory builds are real, the nearly 50% drop in the U.S. rig count and subsequent production decline should help balance the oil market in the second half of this year as there is anywhere from a three- to six-month lag from when rigs are dropped until production follows.

International developments remain front-of-mind; while the risk associated with Greece has quieted down, China's economy is on a downward growth trajectory and its equity markets continue to experience heightened volatility. In August, Greece reached a deal with its international creditors on a third bailout program, easing fears of a default ahead of its August 20th scheduled bond payment to the ECB. Overall, there is still a long way to go for Greece and its creditors, particularly looking further out to the implementation and monitoring of the strict reforms expected of Greece. Near term; however, Greek exit risk has been reduced. The ECB's quantitative easing program launched earlier in the year is an important step toward restoring the region to economic health. Should the ECB not see the desired results, it has the flexibility to take further action, reinforcing its credibility and supporting European growth prospects. At the same time, QE alone may not be enough; continued progress on structural reforms across Europe may be required to encourage a meaningful long-term expansion.

Much of the slowdown in China is attributable to actions taken by the Chinese government and the People's Bank of China (PBOC) over the past three years to cool off the economy and to rein in speculative excesses that were developing in residential real estate. Economically, growth in China's officially reported gross domestic product has been falling for years, declining steadily from a 12% annualized rate in the first quarter of 2010 to 7% in the first three months of 2015. That's the slowest pace since the depths of global recession in 2009, and well below the 9% average annualized GDP growth since 1989. Market interventions by Chinese authorities, including a trading suspension for a substantial portion of stocks and placing limits on insider selling for six months, have temporarily arrested the slide in stock prices. Global investors are waiting cautiously to see if the measures hold up.

Private Equity Buyout Market

Private equity buyers had significant capital to invest as robust fundraising activities continued. In addition, credit was readily available and many companies have demonstrated strong performance over the last few years. Companies with strong growth profiles, high free cash flow and more predictable business models insulated from broad macroeconomic trends attracted premium multiples. In addition, active competition from cash-rich strategic acquirers and private equity firms, combined with ample credit availability, kept transaction valuation multiples at elevated levels, particularly for larger transactions. Strong M&A and generally receptive IPO markets created many selling opportunities for private equity firms seeking exits for portfolio companies. The Manager believes this environment was advantageous for NBPE's portfolio during the first six months of 2015.

U.S. leveraged buyout volume was $80.8 billion in the first six months of 2015, which was down 9.2% from the same period in 2014. Nevertheless, the Manager believes the buyout market remains healthy and year to date activity remains strong. Large-cap transactions (defined by S&P as companies with enterprise values above $500 million) continued to be the largest contributor to volume, representing slightly over 70% of buyout volume in the first six months of 2015.

Valuations remained at elevated levels. Average purchase price multiples rose to 9.7x EBITDA in the first six months of 2015, up slightly from an average of 9.4x EBITDA in 2014. Equity contributions as a percentage of the capital structure increased to 40.5% in the first six months of 2015, up from 37.0% in 2014.[2] Buyouts of middle market companies, defined as companies with less than $50 million in EBITDA, continued to be more conservatively capitalized than large-cap transactions. Equity contributions for mid-cap buyouts during the first six months of 2015 were 43.3%, or approximately 2.8% higher than large-cap transactions.[2] The higher equity level in the mid-cap market is in part the result of less transparent credit markets for smaller transactions as well as generally less reliance on financial leverage to create returns. Although many segments of the private equity market remain competitive, the Manager believes a favourable opportunity exists in the small and mid-cap buyout markets. Given the lower absolute leverage levels employed in the small- to mid-cap market, co-investors have frequently been utilized to fund the equity portion of these transactions.

1. *Source: CapitalIQ.*
2. *S&P Q2 2015 U.S. Leveraged Buyout Review.*

In Europe, the UK, Germany, and Switzerland were the most active countries by total LBO volume and the average purchase price multiple for all LBOs was 9.8x EBITDA in the first six months of 2015.[1] While multiples remain elevated, the Manager believes the executed transactions involved stable businesses with healthy cash flows which generally justify a higher valuation.

Debt Markets

Private equity managers continue to be very active in the credit markets. The average leverage for U.S. middle market buyout transactions remains high at 5.2x in the second quarter, but marginally below the average of 5.3x for 2014. Interest coverage levels were 3.0x at 30 June 2015 and interest coverage has remained at this level since 2012. Default rates remain low, indicating that portfolio company performance remains stable and a majority of lenders expect stable to improved company performance in 2015. Aggregate volumes for leveraged loans issuances in the first half of 2015 were up 14% from the second half of 2014. Second-lien clearing yields remain elevated, averaging 10.3% in the first half, versus 9.8% during the prior six months, demonstrating the yield premium investors are compensated with for more illiquid investments.

Fundraising Environment

The fundraising environment in the second quarter of 2015 was robust with approximately $48.4 billion raised in the U.S. buyout market, of which approximately $13.8 billion was raised by funds with a fund size under $2.5 billion.[2] This fundraising activity represents an increase of over 28% relative to amounts raised in the U.S. buyout market during the same period in 2014. The Manager believes the majority of this capital was limited to a relatively small number of large traditional buyout funds with strong prior fund track records. In Europe, during the second quarter of 2015, approximately $11.6 billion was raised in the buyout market, of which approximately $10.6 billion was raised by managers with a fund size under $2.5 billion.[2]

1. *S&P Q2 2015 European Leveraged Buyout Review.*
2. *Thomson Reuters through 30 June 2015. Excludes venture, mezzanine, fund of funds, and secondary fundraising.*

COMPANY INFORMATION & MATERIAL CONTRACTS

Investment Management and Services Agreement

NBPE, NB PEP Investments LP (Incorporated) and the Investment Manager entered into an Investment Management and Services Agreement on 25 July 2007 (as amended and restated on 25 January 2008), whereby the Investment Manager, subject to the overall supervision of the Directors of NBPE, was appointed as NBPE's Investment Manager.

Administration Agreement & Limited Partnership Agreement

NBPE and Heritage International Fund Managers Limited entered into an Administration Agreement on 3 July 2007 (as amended by side letter on 22 September 2009), whereby NBPE appointed Heritage International Fund Managers Limited to act as administrator and company secretary to NBPE.
NBPE, as general partner ("General Partner"), and NB PEP Associates LP (Incorporated), as special limited partner ("Special Limited Partner"), entered into the Limited Partnership Agreement of NB PEP Investments LP (Incorporated) on 25 July 2007, as amended and restated on 16 July 2008.

Share Buy-Back Agreement

NBPE is party to a Share Buy-Back Agreement with Jefferies International Limited ("JIL") in relation to the market repurchases of Class A Shares on behalf of NBPE. The Share Buy-Back Agreement was initially entered into between NBPE and The Royal Bank of Scotland N.V. (London Branch) ("RBS N.V.") on 22 October 2010 and was subsequently amended and extended on 30 August 2011, novated on 7 November 2011 from RBS N.V. to The Royal Bank of Scotland plc ("RBS plc") in respect of repurchases of Shares made on the Specialist Fund Market only, and extended on 29 November 2011. The Share Buy-Back Agreement was then novated by RBS NV and RBS plc to JIL on 1 March 2012 and the Board of Directors has approved an extension of the Share Buyback Program until 30 November 2015.

Change of Control

There are no agreements that the Company considers significant and to which the Company is party that would take effect, alter or terminate upon change of control of the Company following a takeover bid.

List of NBPE Subsidiaries

Name	Place of Incorporation (or registration) and operation	Proportion of Ownership Interest %
Directly Owned		
NB PEP Investments, LP (Incorporated)	Guernsey	99.9%
Indirectly Owned		
NB PEP Investments Limited	Guernsey	99.9%
NB PEP Investments DE, LP	United States	99.9%
NB PEP Investments LP Limited	Guernsey	99.9%
NB PEP Investments I, LP (Incorporated)	Guernsey	99.9%
NB PEP Holdings Limited	Guernsey	99.9%
Various holding entities for specific investments	United States	99.9%

Statement of Principal Risks and Uncertainties

The principal risks and uncertainties of the Company include external risks, strategic risks, investment risks, financial risks and operational risks. These risks, and the way in which they are managed, are described in more details under the heading "Risk Report" in the Company's annual report for the year ended 31 December 2014. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remainder of the Company's financial year.

Statement of Responsibility

We confirm that to the best of our knowledge:

- the interim consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles, and give a true and fair view of the assets, liabilities, financial position and return of the Company included in consolidation as a whole as required by DTR 4.2.4R of the Disclosure and Transparency Rules and the Financial Supervision Act of the Netherlands;

- the Investment Manager's Report meets the requirements of an interim management report, and includes a fair review of the information required by DTR 4.2.7R & DTR 4.2.8R of the Disclosure and Transparency Rules and Section 5.25d of the Financial Supervision Act of the Netherlands and includes:

  (a) an indication of important events that have occurred during the first six months of the financial year and their impact on the financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Talmai Morgan
Director

John Hallam
Director

Date: 24 August 2015

Independent Review Report to NB Private Equity Partners Limited

Introduction

We have been engaged by NB Private Equity Partners Limited (the "Company") together with its subsidiaries (the "Group") to review the consolidated financial statements (the "financial statements") of the Group included in the interim report for the six month period ended 30 June 2015 which comprises the consolidated balance sheet, consolidated condensed schedule of private equity investments, consolidated statement of operations and changes in net assets, consolidated statement of cash flows and the related explanatory notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the financial statements.

This report is made solely to the Company in accordance with the terms of our engagement letter dated 25 June 2015 to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA") and by the Financial Supervision Act of the Netherlands (the "Wft"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The interim report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the DTR of the UK FCA and by the Wft.

The financial statements included in this interim report have been prepared in conformity with U.S generally accepted accounting principles.

Our responsibility

Our responsibility is to express to the Company a conclusion on the financial statements included in the interim report based on our review.

Scope of review

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

Independent Review Report to NB Private Equity Partners Limited (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements included in the interim report for the six month period ended 30 June 2015 do not give a true and fair view of the financial position of the Group as at 30 June 2015 and of its financial performance and its cash flows for the six month period then ended in conformity with U.S. generally accepted accounting principles, the DTR of the UK FCA and the Wft.

Dermot A. Dempsey

For and on behalf of KPMG Channel Islands Limited
Chartered Accountants, Guernsey

24 August 2015

The maintenance and integrity of the NB Private Equity Partners Limited's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements or review report since they were initially presented on the website.

Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors shall remain responsible for establishing and controlling the process for doing so, and for ensuring that the financial statements are complete and unaltered in any way.

CONSOLIDATED BALANCE SHEETS
JUNE 30 2015 (UNAUDITED) AND 31 DECEMBER 2014 (AUDITED)

Assets		2015		2014
Private equity investments				
Cost of $707,968,068 at 30 June 2015 and $687,856,021 at 31 December 2014	$	846,313,172	$	840,612,899
Cash and cash equivalents		49,415,962		25,583,910
Distributions and sales proceeds receivable from investments		6,637,367		9,020,622
Other assets		1,546,280		2,039,373
Total assets	**$**	**903,912,781**	**$**	**877,256,804**
Liabilities				
Liabilities:				
Credit facility loans	$	100,000,000	$	90,000,000
ZDP Share liability		76,924,758		73,659,739
Carried interest payable		2,283,652		6,810,616
Net deferred tax liability		4,052,877		4,313,687
Accrued expenses and other liabilities		3,839,571		3,987,981
Payables to Investment Manager and affiliates		2,999,848		2,918,443
Total liabilities	**$**	**190,100,706**	**$**	**181,690,466**
Net assets				
Class A Shares, $0.01 par value, 500,000,000 shares authorized,				
51,940,972 shares issued, and 48,790,564 shares outstanding	$	519,410	$	519,410
Class B Shares, $0.01 par value, 100,000 shares authorized,				
10,000 shares issued and outstanding		100		100
Additional paid-in capital		525,157,490		525,157,490
Retained earnings		196,593,494		178,379,511
Less cost of treasury stock purchased (3,150,408 shares)		(9,248,460)		(9,248,460)
Total net assets of the controlling interest		**713,022,034**		**694,808,051**
Net assets of the non-controlling interest		790,041		758,287
Total net assets	**$**	**713,812,075**	**$**	**695,566,338**
Total liabilities and net assets	**$**	**903,912,781**	**$**	**877,256,804**
Net asset value per share for Class A and Class B Shares	**$**	**14.61**	**$**	**14.24**
Net asset value per ZDP Share (Pence)		**148.24**		**143.14**

The accounts were approved by the board of directors on 24 August 2015 and signed on its behalf by

Talmai Morgan **John Hallam**

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED CONDENSED SCHEDULES OF PRIVATE EQUITY INVESTMENTS
30 JUNE 2015 (UNAUDITED) AND 31 DECEMBER 2014 (AUDITED)

Private equity investments	Cost	Fair Value	Unfunded Commitment	Private Equity [3] Exposure
2015				
Fund investments	$ 167,793,879	$ 210,390,008	$ 43,950,644	$ 254,340,652
Direct co-investments-equity [1]	256,942,590	352,599,722	76,956,775	429,556,497
Direct income investments[2]	283,231,599	283,323,442	30,719,027	314,042,469
	$ 707,968,068	**$ 846,313,172**	**$ 151,626,446**	**$ 997,939,618**
2014				
Fund investments	$ 181,973,937	$ 227,833,703	$ 50,281,518	$ 278,115,221
Direct co-investments-equity [1]	206,989,298	311,447,032	98,549,936	409,996,968
Direct income investments[2]	298,892,786	301,332,164	5,000,000	306,332,164
	$ 687,856,021	**$ 840,612,899**	**$ 153,831,454**	**$ 994,444,353**

Private equity investments in excess of 5% of net asset value	Fair Value
2015	
NB Crossroads Fund XVIII	
Large-cap Buyout	$ 8,318,327
Mid-cap Buyout	22,759,669
Special Situations	4,906,608
Venture	9,652,428
	$ 45,637,032
2014	
NB Crossroads Fund XVIII	
Large-cap Buyout	$ 9,769,329
Mid-cap Buyout	25,817,115
Special Situations	5,442,747
Venture	9,465,349
	$ 50,494,540

(1) Including investments made through NB Alternatives Direct Co-investment Program and NB Brand Licensing Program.

(2) Including investments made through NB Healthcare Credit Investment Program.

(3) Private Equity Exposure is the sum of Fair Value and Unfunded Commitment.

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED CONDENSED SCHEDULES OF PRIVATE EQUITY INVESTMENTS (CONTINUED)
30 JUNE 2015 (UNAUDITED) AND 31 DECEMBER 2014 (AUDITED)

Geographic diversity of private equity investments [1]	Fair Value 2015	Fair Value 2014
North America	$ 758,458,080	$ 734,110,889
Europe	45,919,618	70,364,601
Asia / Rest of World	34,673,781	28,567,364
Not classified	7,261,693	7,570,045
	$ 846,313,172	**$ 840,612,899**

Industry diversity of private equity investments [2]	Fair Value 2015	Fair Value 2014
Industrials	15.8%	15.6%
Healthcare	15.5%	14.7%
Technology / IT	14.7%	16.3%
Consumer / Retail	14.0%	13.9%
Business Services	13.0%	11.1%
Financial Services	9.8%	9.6%
Energy / Utilities	8.2%	8.6%
Communications / Media	4.3%	4.7%
Diversified / Undisclosed / Other	3.3%	3.9%
Transportation	1.4%	1.6%
	100.0%	**100.0%**

Asset class diversification of private equity investments [3]	Fair Value 2015	Fair Value 2014
Large-Cap Buyout	2.8%	3.3%
Large-Cap Buyout Co-Invest	12.2%	11.6%
Mid-cap Buyout	8.3%	8.8%
Mid-cap Buyout Co-Invest	23.1%	19.1%
Special Situation	7.3%	8.1%
Special Situation Co-Invest	4.2%	2.2%
Direct income investments	33.5%	39.2%
Growth/Venture	7.6%	6.4%
Secondary Purchases	1.0%	1.3%
	100.0%	**100.0%**

[1]: Geography is determined by location of the headquarters of the underlying portfolio companies in funds and direct co-investments. A portion of our fund investments may relate to cash, or other assets or liabilities that they hold and for which we do not have adequate information to assign a geographic location.

[2]: Industry diversity is based on underlying portfolio companies and direct co-investments.

[3]: Asset class diversification is based on the net asset value of underlying fund investments and co-investments.

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014 (UNAUDITED)

	2015	2014
Interest and dividend income	$ 16,204,355	$ 10,301,679
Expenses		
Carried interest	2,283,652	5,048,029
Investment management and services	6,064,298	4,871,345
Administration and professional	1,686,490	1,156,588
Finance costs		
ZDP Shares	2,716,714	2,739,685
Credit facility	2,274,027	1,165,609
	15,025,181	14,981,256
Net investment income (loss)	**$ 1,179,174**	**$ (4,679,577)**
Realized and unrealized gains (losses)		
Net realized gain (loss) on investments, net of tax expense of $467,506 for 2015 and $1,513,006 for 2014	$ 42,907,509	$ 20,504,224
Net change in unrealized gain (loss) on investments, net of tax (benefit) expense of ($260,810) for 2015 and $2,193,603 for 2014	(14,616,816)	50,466,728
Net realized and unrealized gain (loss)	28,290,693	70,970,952
Net increase (decrease) in net assets resulting from operations	$ 29,469,867	$ 66,291,375
Less net increase (decrease) in net assets resulting from operations attributable to the non-controlling interest	31,754	71,339
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	**$ 29,438,113**	**$ 66,220,036**
Net assets at beginning of period attributable to the controlling interest	694,808,051	625,093,033
Less dividend payment	(11,224,130)	(10,736,124)
Net assets at end of period attributable to the controlling interest	**$ 713,022,034**	**$ 680,576,945**
Earnings (loss) per share for Class A and Class B Shares of the controlling interest	***$ 0.60***	***$ 1.36***

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2015 AND 2014 (UNAUDITED)

	2015	2014
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	$ 29,438,113	$ 66,220,036
Net increase (decrease) in net assets resulting from operations attributable to the non-controlling interest	31,754	71,339
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net realized (gain) loss on investments	(42,907,509)	(20,504,224)
Net change in unrealized (gain) loss on investments	14,616,816	(50,466,728)
In-kind payment of interest income	(252,369)	(1,053,654)
Amortization of finance costs	493,073	492,347
Amortization of purchase premium (OID)	(804,930)	(323,664)
Change in other assets	533,121	(161,064)
Change in payables to Investment Manager and affiliates	(4,445,559)	266,525
Change in accrued expenses and other liabilities	2,497,963	2,416,665
Net cash provided by (used in) operating activities	(799,527)	(3,042,422)
Cash flows from investing activities:		
Distributions from private equity investments	74,665,385	82,248,653
Proceeds from sale of private equity investments	63,099,115	23,112,759
Contributions to private equity investments	(6,615,626)	(4,000,301)
Purchases of private equity investments	(105,293,185)	(155,432,532)
Net cash provided by (used in) investing activities	25,855,689	(54,071,421)
Cash flows from financing activities:		
Dividend payment	(11,224,130)	(10,736,124)
Borrowing from credit facility	45,000,020	40,000,000
Payment to credit facility	(35,000,000)	-
Net cash provided by (used in) financing activities	(1,224,110)	29,263,876
Net increase (decrease) in cash and cash equivalents	**23,832,052**	**(27,849,967)**
Cash and cash equivalents at beginning of period	25,583,910	63,692,359
Cash and cash equivalents at end of period	**$ 49,415,962**	**$ 35,842,392**
Supplemental cash flow information		
Interest paid	**$ 1,637,096**	**$ 73,920**
Net taxes paid	**$ 286,178**	**$ 2,101,181**

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2015 (UNAUDITED) AND 31 DECEMBER 2014 (AUDITED)
SEE ACCOMPANYING INDEPENDENT REVIEW REPORT

Note 1 – Organization

NB Private Equity Partners Limited and its subsidiaries (the "Company", "we", or "our") is a closed-ended investment company registered in Guernsey. The registered office is Heritage Hall, Le Marchant Street, St. Peter Port, Guernsey GY1 4HY. The Company invests in private equity assets, which consist of equity co-investments, direct income investments, and private equity fund investments. Direct income investments include corporate private debt investments and healthcare credit investments, which consist of loans to companies in the healthcare sector and royalty backed notes. From time to time, the Company may also make other opportunistic investments, as appropriate. The Company's Class A Shares are listed and admitted to trading on the regulated market of Euronext Amsterdam N.V. and on the Specialist Fund Market of the London Stock Exchange plc under the symbol "NBPE". NBPE's ZDP Shares (see note 6) are listed and admitted to trading on the Daily Official List of The Channel Islands Securities Exchange Authority Limited and the Specialist Fund Market of the London Stock Exchange under the symbol "NBPZ".

Our Class B Shares were contributed at the time of our initial public offering to a Guernsey charitable trust whose trustee is Heritage Corporate Services Limited ("Trustee"). Class B Shares have the right to elect all of our directors and make certain other reserved decisions. The voting rights of Class A Shares are limited to special consent rights involving specified events including merger, change in investment manager or investment policy, certain additional share issuances and certain material related party transactions as well as other events as described in our memorandum and articles of incorporation. Each Class A and B Share participates equally in profits and losses.

The Company is managed by NB Alternatives Advisers LLC ("Manager" or "Investment Manager") pursuant to an Investment Management and Services Agreement. The Manager is a subsidiary of Neuberger Berman Group LLC ("NBG").

Note 2 – Summary of Significant Accounting Policies and Risks

Basis of Presentation

These interim consolidated financial statements (the "consolidated financial statements") give a true and fair view of the assets, liabilities, financial position and profit or loss and are prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"), as allowed by rules published in the United Kingdom and Netherlands to effect implementation of the EU Transparency Directive. These consolidated financial statements are presented in United States dollars. Having reassessed the principal risks, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The Company qualifies, for U.S. GAAP purposes, as an investment company. Accordingly, the Company reflects its investments on the Consolidated Balance Sheets at their estimated fair values, with unrealised gains and losses resulting from changes in fair value reflected in net change in unrealised gain (loss) on investments in the Consolidated Statements of Operations and Changes in Net Assets. The Company does not consolidate majority-owned or controlled portfolio companies. The Company does not provide any financial support to any of its investments beyond the investment amount to which it committed.

Principles of Consolidation

The consolidated financial statements include accounts of the Company consolidated with the accounts of all its subsidiaries, excluding portfolio investments, in which we hold a controlling financial interest as of the financial statement date. All material inter-company balances have been eliminated.

Market Risk

The Company's exposure to financial risks is both direct (through its holdings of assets and liabilities directly subject to these risks) and indirect (through the impact of these risks on the overall valuation of its investments). The Company's investments are generally not traded in an active market but are indirectly exposed to market price risk arising from uncertainties about future values of the investments held. The partnership investments of the Company each hold a portfolio of investments in underlying companies. These portfolio company investments vary as to type of security held by the underlying partnership (debt or equity, publicly traded or privately held), stage of operations, industry, geographic location, and geographic distribution of operations and size, all of which may impact the susceptibility of their valuation to market price risk.

Market conditions for publicly traded and privately held investments in portfolio companies held by the partnerships may affect their value in a manner similar to the potential impact on direct co-investments made by the Company in publicly traded and privately held securities. The partnership investments of the Company may also hold financial instruments (including debt and derivative instruments) in addition to their investments in portfolio companies that are susceptible to market price risk and therefore may also affect the value of the Company's investment in the partnerships. As with any individual investment, market prices may vary from composite index movements.

Credit Risk

Credit risk is the risk of losses due to the failure of a counterparty to perform according to the terms of a contract. The Company may invest in a range of debt securities directly or in funds which do so. Until such investments are sold or are paid in full at maturity, the Company is exposed to credit risk relating to whether the issuer will meet its obligations when the securities come due. Distressed debt securities by nature are securities in companies which are in default or are heading into default and will expose the Company to a higher than normal amount of credit risk.

The cash and other liquid securities held can subject the Company to a concentration of credit risk. The Investment Manager attempts to mitigate the credit risk that exists with cash deposits and other liquid securities by regularly monitoring the credit ratings of such financial institutions and evaluating from time to time whether to hold some of the Company's cash and cash equivalents in U.S. Treasuries or other highly liquid securities.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Investment Manager mitigates this risk by monitoring the sufficiency of cash balances and availability under the credit facility to meet expected liquidity requirements for investment funding and operating expenses.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Because of the inherent uncertainty of such estimates, including estimates of values of investments as described above, amounts ultimately determined may differ from our current estimates and such differences may be significant.

Cash and Cash Equivalents

Cash and cash equivalents are valued at cost plus accrued interest, which approximates fair value. These balances represent amounts held with financial institutions that are readily accessible to pay expenses or fund investments. As of 30 June 2015 and 31 December 2014, $49,415,962 and $25,583,910, respectively, are primarily held with JPMorgan Chase.

Valuation of Investments

The Company carries private equity investments on its books at fair value in accordance with U.S. GAAP. We use the best information we have reasonably available to determine or estimate fair value. Valuations of the investments are reviewed and approved quarterly by the Investment Manager. We estimate fair value for private interests based on a methodology that begins with the most recent information available from the general partner of the underlying fund or the lead investor of a direct co-investment, and considers subsequent transactions, such as drawdowns or distributions, as well as other information judged to be reliable that reports or indicates valuation changes, including realizations and other portfolio company events. If we conclude that it is probable that we will sell an investment, we adjust our carrying value to the amount we expect to realize from the sale, exclusive of transaction costs.

Publicly traded securities are valued based on quoted prices as of the last day of the relevant period less discounts to reflect legal restrictions associated with the securities, if any, that affect marketability. We determine such values for publicly traded securities held directly as well as known public positions held in the underlying private equity investments on a look-through basis.

For direct income investments, we estimate the enterprise value of each portfolio company and compare such amount to the total amount of the company's debt as well as the level of debt senior to our interest. Estimates of enterprise value are based on the specific measure (such as EBITDA, free cash flow, net income, book value or NAV) believed to be most relevant for the given company and we compare this metric in relation to comparable company valuations (market trading and transactions) based on the same metric. In determining the enterprise value, we further consider the companies' acquisition price, credit metrics, historical and projected operational and financial performance, liquidity as well as industry trends, general economic conditions, scale and competitive advantages along with other factors deemed relevant. Valuation adjustments are made if estimated enterprise value does not support the value of the debt security we are invested in and securities senior to our position.

If the principal repayment of debt and any accrued interest is supported by the enterprise value analysis described above, we next consider current market conditions including pricing quotations for the same security and yields for similar investments. To the extent market quotations for the security are available, we take into account current pricing and liquidity. Liquidity may be estimated by the spread between bid and offer prices and other available measures of market liquidity, including number and size of recent trades and liquidity scores. If we believe market yields for similar investments have changed substantially since the pricing of our security, we perform a discounted cash flow analysis, based on the expected future cash flows of the debt securities and current market rates. We also consider the maturity of the investment, compliance with covenants and ability to pay cash interest when estimating the fair value of our debt investment.

Because of their inherent uncertainty, the fair values we use 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 consolidated financial statements.

Investment Income

We earn interest and dividends from our direct investments and from our cash and cash equivalents. We record dividends on the ex-dividend date and interest when earned, provided we know the information or are able to reliably estimate it. Otherwise, we record the investment income when it is reported to us by the private equity investments. Discounts received or premiums paid in connection with the acquisition of loans are amortized into interest income using the effective interest method over the contractual life of the related loan. Payment-in-kind ("PIK") interest is computed at the contractual rate specified in the loan agreement for any portion of the interest which may be added to the principal balance of a loan rather than paid in cash by obligator on the scheduled interest payment date. PIK interest is added to the principal balance of the loan and recorded as interest income. Prepayment premiums include fee income from securities settled prior to maturity date, and are recorded as interest income in the Consolidated Statements of Operations and Changes in Net Assets.

Operating Expenses

Operating expenses are recognized when incurred. Operating expenses include amounts directly incurred by the Company as part of its operations, and do not include amounts incurred from the operations of our investments.

Realised Gains and Losses on Investments

For investments in private equity funds, we record our share of realised gains and losses incurred when we know that the private equity fund has realised its interest in a portfolio company and we have sufficient information to quantify the amount. For all other investments, we record realised gains and losses when the asset is realised and on the trade date. For all investments, realised gains and losses are recorded on a specific identification cost basis.

Net Change in unrealised Gains and Losses of Investments

Gains and losses arising from changes in value are recorded as an increase or decrease in the unrealised gains or losses of investments based on the methodology described above.

Carried Interest

Carried interest amounts due to the Special Limited Partner (see note 3) are computed and accrued at each period end based on period-to-date results in accordance with the terms of the agreements.

Currency Translation

Investments denominated in a currency other than U.S. dollars are translated into U.S. dollar equivalents using spot rates as of the valuation date. The Company does not separate the changes relating to currency exchange rates from those relating to changes in the fair value of the investments held. These fluctuations are combined and included in the net change in unrealised gain (loss) on investments in the Consolidated Statements of Operations and Changes in Net Assets. For the six month periods ended 30 June 2015 and 2014, the effect of translation to U.S. dollars decreased valuations of foreign investments by approximately $587,490 and $482,736, respectively.

The Company has unfunded commitments denominated in currencies other than U.S. dollars. At 30 June 2015, the unfunded commitments are in Euro and Canadian dollars and amounted to €2,638,665 and CAD 304,214. At 31 December 2014, the unfunded commitments are in Euro and Canadian dollars and amounted to €4,506,390 and CAD 1,256,523. They have been included in the Consolidated Condensed Schedules of Private Equity Investments at the U.S. dollar exchange rate in effect at 30 June 2015 and 31 December 2014. The effect on the unfunded commitment of the change in the exchange rate between Euros and U.S. dollars and CAD and U.S. dollars was a decrease in the U.S. dollar obligation of $1,643,328 and $1,118,719 for 30 June 2015 and 31 December 2014, respectively.

Income Taxes

The Company is registered in Guernsey as an exempt company. The States of Guernsey Income Tax Authority has granted the Company an exemption from Guernsey income tax under the provision of the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 and the Company has been charged an annual exemption fee of £1,200 (2014: £600).

Generally, income that we derive from our investments may be subject to taxes imposed by the U.S. or other countries and will impact our effective tax rate.

Investments made in entities that generate U.S. source investment income may subject the Company to certain U.S. federal and state income tax consequences. A U.S. withholding tax at the rate of 30 percent may be applied on the Company's distributive share of any U.S. source dividends and interest (subject to certain exemptions) and certain other income that we receive directly or through one or more entities treated as either partnerships or disregarded entities for U.S. federal income tax purposes.

Investments made in entities that generate business income that is effectively connected with a U.S. trade or business may subject the Company to certain U.S. federal and state income tax consequences. Generally the U.S. imposes withholding tax on effectively connected income at the highest U.S. rate (generally 35 percent). In addition, we may also be subject to a branch profits tax which can be imposed at a rate of up to 30 percent of the after-tax profits treated as effectively connected income associated with a U.S. trade or business. As such, the aggregate U.S. tax liability on effectively connected income may approximate 54.5 percent given the two levels of tax.

We recognize a tax benefit in the consolidated financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. To date, we have not provided any reserves for taxes as all related tax benefits have been fully recognized. Although we believe we have adequately assessed for our uncertain tax positions, we acknowledge that these matters require significant judgment and no assurance can be given that the final tax outcome of these matters will not be different.

Deferred taxes are recorded to reflect the tax benefit and consequences of future years' differences between the tax basis of assets and liabilities and their financial reporting basis. We record a valuation allowance to reduce deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realised. Management subsequently adjusts the valuation allowance as the expected realizability of the deferred tax assets change such that the valuation allowance is sufficient to cover the portion of the asset that will not be realised. We record the tax associated with any transactions with U.S. or other tax consequences when we recognize the related income.

Shareholders in certain jurisdictions may have individual income tax consequences from ownership of our shares. We have not accounted for any such tax consequences in these consolidated financial statements. For example, we expect the Company and certain of its non-U.S. corporate subsidiaries to be treated as passive foreign investment corporations ("PFICs") under U.S. tax rules. For this purpose, the PFIC regime should not give rise to additional tax at the level of the Company or its subsidiaries. Instead, certain U.S. investors in the Company may need to make tax elections and comply with certain U.S. reporting requirements related to their investments in the PFICs in order to potentially manage the U.S. adverse tax consequences associated with the regime.

Forward Foreign Exchange Contracts

Forward foreign exchange contracts are reported at fair value. See note 7.

Forward foreign exchange contracts involve elements of market risk in excess of the amounts reflected on the consolidated financial statements. We bear the risk of an unfavorable change in the foreign exchange rate underlying the forward foreign exchange contract as well as risks from the potential inability of the counterparties to meet the terms of their contracts.

Reclassifications

Certain amounts in the 2014 financial statements have been reclassified to conform to the 2015 presentation.

Recent Accounting Pronouncements

In May 2015, the FASB issued Accounting Standards Update ("ASU") No. 2015-07 ("ASU 2015-07"), Fair Value Measurement (Topic 820), Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. This update is effective for fiscal years beginning after December 15, 2015, and early adoption is permitted. The Company has not early adopted ASU 2015-07. Management is evaluating the impact of the adoption of ASU 2015-07 on the Company 's financial statements and disclosures.

Note 3 – Agreements, including related party transactions

Management and Administration

We pay the Investment Manager a management fee calculated at the end of each calendar quarter equal to 37.5 basis points (150 basis points per annum) of the net asset value of our private equity and opportunistic investments. For purposes of this computation, the net asset value is reduced by the net asset value of any investment for which the Investment Manager is separately compensated as investment manager. For the six month periods ended 30 June 2015 and 2014, the management fee expenses were $5,634,185 and $4,514,036, respectively.

We also pay the Investment Manager for certain accounting and administrative services at the rate of 2.5 basis points per quarter (10 basis points per annum) applied to the net asset value of our private equity and opportunistic investments at the end of each calendar quarter, computed as described above. The amounts incurred by the Company for the six month periods ended 30 June 2015 and 2014 for these services were $430,113 and $357,309, respectively.

We pay to Heritage International Fund Managers Limited ("Heritage"), an affiliate of the Trustee, a fee for providing certain administrative functions relating to certain corporate services and Guernsey regulatory matters affecting the Company. Fees for these services are paid as invoiced by Heritage. We paid Heritage $116,903 and $120,931 for the six month periods ended 30 June 2015 and 2014, respectively, for such services.

For the six month periods ended 30 June 2015 and 2014, we paid our independent directors a total of $97,500 and $97,500 respectively.

Expenses related to the Investment Manager are included in investment management and services in the Consolidated Statements of Operations and Changes in Net Assets. Administration and professional expenses include fees for directors, audit and tax, trustee, legal, listing, and other items.

Special Limited Partner's Noncontrolling Interest in Subsidiary

An affiliate of the Investment Manager is a Special Limited Partner in a consolidated partnership subsidiary. At 30 June 2015 and 31 December 2014, the noncontrolling interest of $790,041 and $758,287 represented the Special Limited Partner's capital contribution to the partnership subsidiary and income allocation, respectively.

The following table reconciles the carrying amount of net assets, net assets attributable to the controlling interest and net assets attributable to the noncontrolling interest at 30 June 2015 and 31 December 2014.

	Controlling Interest	Noncontrolling Interest	Total
Net assets balance, 31 December 2013	$ 625,093,033	$ 659,703	$ 625,752,736
Net increase (decrease) in net assets resulting from operations	91,675,272	98,584	91,773,856
Dividend Payment	(21,960,254)	-	(21,960,254)
Net assets balance, 31 December 2014	**$ 694,808,051**	**$ 758,287**	**$ 695,566,338**
Net increase (decrease) in net assets resulting from operations	29,438,113	31,754	29,469,867
Dividend Payment	(11,224,130)	-	(11,224,130)
Net assets balance, 30 June 2015	**$ 713,022,034**	**$ 790,041**	**$ 713,812,075**

Carried Interest

The Special Limited Partner is entitled to a carried interest in an amount that is, in general, equal to 7.5 percent of our consolidated net increase in net assets resulting from operations, adjusted by withdrawals, distributions, and capital contributions, for a fiscal year in the event that our internal rate of return for such period, based on our net asset value, exceeds 7.5 percent. If losses are incurred for a period, no carried interest is earned and such loss amounts are carried forward to be included in the calculations for future periods. Such loss amounts are reduced proportionately to give effect to the distributions to the general partner of the partnership subsidiary during the performance period. Carried interest is reduced by the amount of carried interest that we paid during the period on any investment for which the Investment Manager serves as investment manager. Carried interest is also accrued and paid on any economic gain that we realize on treasury stock transactions. (See note 10). Carried interest is accrued periodically and paid at the conclusion of the fiscal year. As of 30 June 2015 and 31 December 2014, $2,283,652 and $6,810,616 carried interest was accrued, respectively.

Investments with the Investment Manager's Platform

The Company holds limited partner interests in private equity funds and funds of funds managed and sponsored by the Investment Manager. These investments will not result in any duplicative Neuberger Berman investment management fees and carry charged to NBPE. As of 30 June 2015 and 31 December 2014, the aggregate net asset value of these funds was approximately $222.0 million and $213.2 million, respectively, and associated unfunded commitments were $86.3 million and $86.8 million, respectively.

We own a 50% interest in NB Fund of Funds Secondary 2009 LLC ("NBFOFS"). Other funds managed by the Investment Manager own the remaining interest. NBFOFS holds a portfolio of private equity funds acquired in a secondary transaction. NBFOFS pays no fees or carry and we bear our share of any direct expenses of NBFOFS.

As of 30 June 2015, we have committed $125 million and funded $91.1 million to the NB Alternatives Direct Co-investment Program, committed $50 million and funded $47.1 million to the NB Healthcare Credit Investment Program, and committed $30 million and funded $5.1 million to Marquee Brands.

Note 4 – Fair Value of Financial Instruments

We categorize our investments and other financial instruments as follows based on inputs to valuation techniques.

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

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).

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The following tables detail the Company's financial assets and liabilities that were accounted for at fair value as of 30 June 2015 and 31 December 2014 by level. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Assets (Liabilities) Accounted for at Fair Value			
As of 30 June 2015	**Level 1**	**Level 2**	**Level 3**	**Total**
Private equity investments	$ 47,366,689	$ -	$ 798,946,483	$ 846,313,172
Forward foreign exchange contract	-	(1,998,555)	-	(1,998,555)
Totals	**$ 47,366,689**	**$ (1,998,555)**	**$ 798,946,483**	**$ 844,314,617**
As of 31 December 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
Private equity investments	$ 43,977,358	$ -	$ 796,635,541	$ 840,612,899
Forward foreign exchange contract	-	(2,216,985)	-	(2,216,985)
Totals	**$ 43,977,358**	**$ (2,216,985)**	**$ 796,635,541**	**$ 838,395,914**

The Company has assessed its positions and concluded that all of its private equity investments are classified as level 3 with the exception of six publicly traded co-investments classified as level 1 as of 30 June 2015 and five publicly traded co-investments classified as level 1 as of 31 December 2014.

Two co-investments were transferred from Level 3 to Level 1 during 2015 as a result of the completion of an initial public offering in 2015 and the resulting availability of quoted prices in active markets for those securities. Three co-investments were transferred from Level 3 to Level 1 during 2014 as a result of the completion of an initial public offering in 2014 and the resulting availability of quoted prices in active markets for those securities. The Company accounts for transfers at the end of the reporting period in which such transfers occur.

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The following table summarizes the changes in the fair value of the Company's level 3 private equity investments for the six month period ended 30 June 2015.

(dollars in thousands)

For the Six Month Period Ended 30 June 2015

	Large-cap Buyout	Mid-cap Buyout	Special Situations	Growth/ Venture	Diversified	Secondary Purchases	Direct Income	Total Private Equity Investments
Balance, 31 December 2014	$ 86,680	$ 238,328	$ 100,028	$ 41,272	$ 23,504	$ 5,492	$ 301,332	$ 796,636
Purchases of investments and/or contributions to investments	10,784	25,580	4,160	13,931	308	41	52,009	106,813
Realized gain (loss) on investments	7,201	19,518	9,206	(1,712)	170	1,172	16,068	51,623
Changes in unrealized appreciation (depreciation) of investments still held at the reporting date	(2,818)	(8,907)	(7,530)	4,280	220	(758)	(2,770)	(18,283)
Changes in unrealized appreciation (depreciation) of investments sold during the period	-	(214)	-	-	-	-	422	208
Distributions from investments	(9,652)	(24,015)	(8,542)	(2,898)	(4,812)	(1,038)	(83,738)	(134,695)
Transfers in and/or (out) of level 3	(1,002)	(2,354)	-	-	-	-	-	(3,356)
Balance, 30 June 2015	**$ 91,193**	**$ 247,936**	**$ 97,322**	**$ 54,873**	**$ 19,390**	**$ 4,909**	**$ 283,323**	**$ 798,946**
Balance, 30 June 2015 through fund investments	$ 19,942	$ 69,173	$ 61,713	$ 35,263	$ 19,390	$ 4,909	$ -	$ 210,390

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The following table summarizes the changes in the fair value of the Company's level 3 private equity investments for the year ended 31 December 2014.

(dollars in thousands) For the Year Ended 31 December 2014	Large-cap Buyout	Mid-cap Buyout	Special Situations	Growth/ Venture	Diversified	Secondary Purchases	Direct Income	Total Private Equity Investments
Balance, 31 December 2013	$ 94,362	$ 187,824	$ 97,276	$ 38,229	$ 27,302	$ 12,570	$ 170,731	$ 628,294
Purchases of investments and/or contributions to investments	15,675	61,453	23,222	6,064	907	268	176,354	283,943
Realized gain (loss) on investments	(3,019)	11,365	14,191	2,670	3,107	2,505	25,836	56,655
Changes in unrealized appreciation (depreciation) of investments still held at the reporting date	10,219	39,154	3,099	1,783	284	(1,540)	1,727	54,726
Changes in unrealized appreciation (depreciation) of investments sold during the period	-	(4,760)	-	-	-	-	(446)	(5,206)
Distributions from investments	(10,607)	(49,704)	(37,760)	(7,474)	(8,096)	(8,311)	(72,870)	(194,822)
Transfers in and/or (out) of level 3	(19,950)	(7,004)	-	-	-	-	-	(26,954)
Balance, 31 December 2014	**$ 86,680**	**$ 238,328**	**$ 100,028**	**$ 41,272**	**$ 23,504**	**$ 5,492**	**$ 301,332**	**$ 796,636**
Balance, 31 December 2014 through fund investments	$ 24,028	$ 73,785	$ 68,806	$ 32,219	$ 23,505	$ 5,491	$ -	$ 227,834

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The following table summarizes the valuation methodologies and inputs used for private equity investments categorized in level 3 as of 30 June 2015.

(dollars in thousands) Private Equity Investment	Fair Value 30 June 2015	Valuation Methodologies	Unobservable Inputs[1]	Ranges (Weighted Average)[2]	Impact to Valuation from an Increase in Input[3]
Fund investments	210,390	See note 2	Net Asset Value[4]	N/A	Increase
Direct co-investments - equity					
Large-cap Buyout	71,252	Market Comparable Companies	LTM EBITDA	8.0x-15.0x (11.6x)	Increase
		Market Comparable Companies	Pre-Tax Operating Inc. Multiple	10.6x	Increase
		See note 2	Net Asset Value[4]	N/A	Increase
Mid-cap Buyout	178,762	Market Comparable Companies	LTM EBITDA	4.0x-13.4x (9.6x)	Increase
		Market Comparable Companies	LTM Adj. EBITDA	8.0x-12.8x (10.3x)	Increase
		Market Comparable Companies	PF LTM EBITDA	7.8x	Increase
		Market Comparable Companies	FWD EBITDA	7.3x	Increase
		Market Comparable Companies	$ per BOE	$13.3	Increase
		Market Comparable Companies	$ per Acre	$2,352.0-$6,745.0 ($3,437.5)	Increase
		Discounted Cash Flow	Discount Rate	10.0%-18.0% (15.6%)	Decrease
		See note 2	Net Asset Value[4]	N/A	Increase
		Other	Escrow Value	0.6x	Increase
		Other	Book Value	1.1x	Increase
Special Situations	35,608	Market Comparable Companies	LTM EBITDA	5.5x-10.6x (8.9x)	Increase
		Market Comparable Companies	EV/T4Q Sales Multiple	2.5x	Increase
		Market Comparable Companies	LTM EV/EBITDA	6.3x	Increase
		See note 2	Net Asset Value[4]	N/A	Increase
Growth/ Venture	19,611	Market Comparable Companies	LTM EBITDA	10x	Increase
		Market Comparable Companies	LTM Net Revenue	2.2x	Increase
		Market Comparable Companies	FWD Net Revenue	2.0x	Increase
		Other	Most Recent Financing	Series B, Series D	Increase
Direct income investments	283,323	Market Comparable Companies	LTM EBITDA	4.7x-11.1x (8.3x)	Increase
		Market Comparable Companies	PF EBITDA	10x	Increase
		Market Comparable Companies	PF LTM Adj. EBITDA	11x	Increase
		Discounted Cash Flow	Discount Rate	13.0%-15.0% (14.5%)	Decrease
		Other	Book Value	1.0x	Increase
		Other	Most Recent Financing	Series D	Increase
Total	798,946				

1. LTM means Last Twelve Months, FWD means Forward, PF means Pro Forma, EBITDA means Earnings Before Interest Taxes Depreciation and Amortization.
2. Inputs weighted based on fair value of investments in range.
3. Unless otherwise noted, this column represents the directional change in the fair value of level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.
4. The Company utilizes the same valuation methodology as it does for fund investments as these investments are held by investment companies.

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The following table summarizes the valuation methodologies and inputs used for private equity investments categorized in level 3 as of 31 December 2014.

(dollars in thousands) Private Equity Investment	Fair Value 31 Dec. 2014	Valuation Methodologies	Unobservable Inputs[1]	Ranges (Weighted Average)[2]	Impact to Valuation from an Increase in Input[3]
Fund investments	$ 227,834	See note 2	Net Asset Value[4]	N/A	Increase
Direct co-investments - equity					
Large-cap Buyout	62,652	Market Comparable Companies	LTM EBITDA	11.6x	Increase
		See note 2	Net Asset Value[4]	N/A	Increase
Mid-cap Buyout	164,542	Market Comparable Companies	LTM EBITDA	3.5x-15.8x (9.7x)	Increase
		Market Comparable Companies	FWD EBITDA	4.6x	Increase
		Market Comparable Companies	$ per BOE	$16.7	Increase
		Market Comparable Companies	$ per Acre	$2,863.0 - $13,307.0 ($5,110.0)	Increase
		Discounted Cash Flow	Discount Rate	10.0%-18.0% (14.4%)	Decrease
		See note 2	Net Asset Value[4]	N/A	Increase
		Other	Expected Sales Proceeds	1x	Increase
		Other	Book Value	1.3x	Increase
Special Situations	31,221	Market Comparable Companies	LTM EBITDA	5.1x-8.5x (6.0x)	Increase
		Option Pricing Model	LTM EBITDA Multiple	9.1x-11.1x (10.1x)	Increase
		Option Pricing Model	NTM EBITDA Multiple	9.0x-10.9x(10.0x)	Increase
		Option Pricing Model	Disount for Lack of Control	20.80%	Decrease
		Option Pricing Model	Average Volatility	56%	Increase
		See note 2	Net Asset Value[4]	N/A	Increase
Growth/ Venture	9,055	Market Comparable Companies	LTM Revenue	1.9x-13.5x (9.5x)	Increase
		Market Comparable Companies	LTM EBITDA	10.0x	Increase
		Other	Most Recent Financing	Series B	Increase
Direct income investments	301,332	Market Comparable Companies	LTM EBITDA	4.7x-11.1x (8.6x)	Increase
		Discounted Cash Flow	Discount Rate	9.3%-35.0% (13.3%)	Decrease
		Bloomberg Jump-Diffusion Model	Credit Spread	1,100bps - 1,800bps (1,521bps)	Decrease
		Bloomberg Jump-Diffusion Model	Average Volatility	40.0%-55.0% (40.6%)	Increase
		Bloomberg Jump-Diffusion Model	Borrow cost	2.0%-5.0% (4.6%)	Decrease
		See note 2	Net Asset Value[4]	N/A	Increase
		Other	Book Value	0.8x	Increase
Total	$ 796,636				

1. LTM means Last Twelve Months, EBITDA means Earnings Before Interest Taxes Depreciation and Amortization.
2. Inputs weighted based on fair value of investments in range.
3. Unless otherwise noted, this column represents the directional change in the fair value of level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

Since 31 December 2014, there have been no changes in valuation methodologies within level 2 and level 3 that have had a material impact on the valuation of financial instruments.

Generally, our private equity investments have a defined term and no right to withdraw. In the case of fund investments, fund lives are typically ten years; however, a series of extensions often mean the lives can extend significantly beyond this. It should be noted that the life of a fund is based on the time it takes the General Partner to exit the final position in that fund, but the bulk of realizations typically occur considerably before the final exit, with only a small tail existing beyond the standard life of ten years. In the case of equity co-investments and direct income investments NB Alternatives does not control the timing of exits but at the time of investment, typically expects investment durations to be meaningfully shorter than fund investments. Therefore although some fund and direct investments may take 10-15 years to reach final realization, we expect the majority of NBPE's invested capital in the current portfolio to be returned in much shorter timeframes.

Our special situations investments include hedge funds valued at approximately $1.9 million and $1.9 million at 30 June 2015 and 31 December 2014 respectively.

Note 5 – Credit Facility

On 12 December 2012, a subsidiary of the Company amended an agreement with Lloyds Banking Group (Bank of Scotland) to provide for a revised senior secured revolving credit facility (the "2012 Facility") of up to $200 million that expires in April 2017. At 30 June 2015 and 31 December 2014, $100 million and $90 million were borrowed, respectively. Substantially all assets are pledged pursuant to the following:

- a security interest in the Company's interest in substantially all eligible funds or co-investments
- an undertaking to dispose of the Company's assets in the event of continued default
- a security interest in the Company's bank accounts
- a pledge over the share capital of any current or future subsidiary of the Company, provided such an arrangement would not violate the terms of the investment
- an assignment by the Company over future cash flows of its private equity investments
- a negative pledge by the Company in respect of the general partnership interests held
- an assignment of the Company's rights under any key transactional documents entered into by the Company

Under the 2012 Facility, the Company is required to meet certain portfolio diversification tests, a minimum fund/co-investment threshold, maximum exposure limitations, a maximum debt to value ratio, a maximum debt to secured assets ratio and a maximum over-commitment test. In addition, the 2012 Facility limits the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers, repurchase of shares, liens or other matters customarily restricted in such agreements. The ZDP Shares (note 6) and the forward foreign exchange contract (note 7) are compliant with the credit facility agreements. At 30 June 2015 and 31 December 2014, the Company met all requirements under the 2012 Facility.

Under the 2012 Facility, all borrowings bear interest tiered based on loan value. For a loan value less than or equal to $65 million, the interest rate is calculated as LIBOR or Euribor, as appropriate, plus 2.80% per annum. For a loan value in excess of $65 million and less than or equal to $150 million, the interest rate is calculated as LIBOR or Euribor, as appropriate, plus 3.30% per annum. For a loan value greater than $150 million, the interest rate is calculated as LIBOR or Euribor, as appropriate, plus 3.65% per annum.

In addition, under the 2012 Facility, we are required to pay a commitment fee calculated as 80 basis points per annum on the daily balance of the unused facility amount.

For the six month period ended 30 June 2015, we incurred and expensed $1,637,096 interest and $368,978 for commitment fees. For the six month period ended 30 June 2014, we incurred and expensed $98,212 interest and $799,444 for commitment fees. As of 30 June 2015 and 31 December 2014, unamortized capitalized debt issuance costs (included in other assets) were $991,869 and $1,259,822 respectively. For the six month periods ended 30 June 2015 and 2014, capitalized amounts are being amortized on a straight-line basis over the term of the 2012 Facility. Such amortization amounted to $267,953 and $267,953 for the six month periods ended 30 June 2015 and 2014, respectively.

An active market for debt that is similar to that of the 2012 Facility does not exist. Management estimates the fair value of the 2012 Facility based on comparison to debt instruments with comparable characteristics and considers that, based on the balance borrowed, the 2012 facility had a fair value of $100 million at 30 June 2015 and $90 million at 31 December 2014.

Note 6 – Zero Dividend Preference Shares

On 30 November 2009 the Company issued 30,000,000 ZDP Shares. On 16 April 2010 the Company issued an additional 2,999,999 ZDP Shares. The additional ZDP Shares rank pari passu with the first ZDP Shares. The holders of the ZDP Shares are entitled to a redemption amount of 100.0 pence per ZDP Share as increased daily at such a daily compound rate as would give a final entitlement of 169.73 pence on 31 May 2017, resulting in an effective interest rate of 7.3% annually. The ZDP Shares rank prior to the Class A and B Shares in respect of repayment of the final entitlement. However, they rank behind any borrowings that remain outstanding. They carry no entitlement to income and their entire return takes the form of capital.

The following table reconciles the liability for ZDP Shares for the six month period ended 30 June 2015 and year ended 31 December 2014.

ZDP Shares	Pounds Sterling	U.S. Dollars
Liability, 31 December 2013	£ 44,087,988	$ 72,996,481
Accrued interest	3,215,557	5,295,027
Unamortized premium	(16,045)	(24,405)
Currency conversion	-	(4,607,364)
Liability, 31 December 2014	£ 47,287,500	$ 73,659,739
Accrued interest	1,680,640	2,592,249
Premium amortization	(8,900)	(11,512)
Currency conversion	-	684,282
Liability, 30 June 2015	£ 48,959,240	$ 76,924,758

Capitalized offering costs are being amortized using the effective interest rate method. The unamortized balance at 30 June 2015 and 31 December 2014 is $529,293 and $665,268, respectively.

Note 7 – Forward Foreign Exchange Contract

The Company entered into a forward foreign exchange contract to economically hedge, in part, the currency risk associated with the pounds sterling contractual liability for the ZDP Shares.

The contract provides that we will purchase £40,000,000 on 17 May 2017 for $64,820,000 from the Lloyds Banking Group (Bank of Scotland). The contract further provides that the security interests granted to the bank under the credit facility as described in note 5 also apply to any amounts we may owe the bank pursuant to this contract. As of June 30 2015, the fair value of the forward foreign exchange contract was a liability of $1,998,555 included in accrued expenses and other liabilities in the Consolidated Balance Sheets. As of 31 December 2014, the fair value of the forward foreign exchange contract was an liability of $2,216,985 included in accrued expenses and other liabilities in the Consolidated Balance Sheets. The change in unrealised gain/(loss) on the Forward Foreign Exchange Contract for the six month periods ended 30 June 2015 and 2014 is $218,430 and $2,004,317, respectively. Actual trade prices or firm bids may vary significantly from the valuation because of factors including hedging and transaction costs, credit considerations, bid-ask spreads, position size and market liquidity.

Note 8 – Income Taxes

The Company is exempt from Guernsey tax on income derived from non-Guernsey sources. However, certain of its underlying investments generate income that is subject to tax in other jurisdictions, principally the United States. The Company has recorded the following amounts related to such taxes:

	30 June 2015	30 June 2014
Current tax expense	$ 467,506	$ 1,513,006
Deferred tax expense (benefit)	(260,810)	2,193,603
Total tax expense (benefit)	$ 206,696	$ 3,706,609

	30 June 2015	31 December 2014
Gross deferred tax assets	$ 3,263,758	$ 3,219,846
Valuation allowance	(1,260,445)	(1,216,533)
Net deferred tax assets	2,003,313	2,003,313
Gross deferred tax liabilities	6,056,190	6,317,000
Net deferred tax liabilities	**$ 4,052,877**	**$ 4,313,687**

Current tax expense is reflected in net realised gains and deferred tax expense (benefit) is reflected in net changes in unrealised gains on the Consolidated Statements of Operations. Net deferred tax liabilities are related to net unrealised gains and gross deferred tax assets, offset by a valuation allowance, are related to unrealised losses on investments held in entities that file separate tax returns.

The Company has no gross unrecognized tax benefits. The Company has been audited by the IRS for the tax year ended 30 November 2007; the audit resulted in no change to the tax the Company reported. The years subsequent to 2011 remain subject to examination.

Note 9 – Earnings (Loss) per Share

The computations for earnings (loss) per share for the six month periods ended 30 June 2015 and 2014 are as follows:

	For the Six Month Periods Ended 30 June	
	2015	2014
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	$ 29,438,113	$ 66,220,036
Divided by weighted average shares outstanding for Class A and Class B Shares of the controlling interest	48,800,564	48,800,564
Earnings (loss) per share for Class A and Class B Shares of the controlling interest	**$ 0.60**	**$ 1.36**

Note 10 – Treasury Stock

The Company continues to maintain a liquidity enhancement policy that is intended to enhance and strengthen the liquidity in the trading of the Company's Class A Shares. The Company's Liquidity Enhancement Agreement with ABN AMRO Bank N.V. London Branch, which had been in force since 21 July 2008 (and which was subsequently renewed with The Royal Bank of Scotland N.V. on 29 June 2010), expired on 28 June 2011. Under the terms of Share Buy Back Programme (described below), the Liquidity Enhancement Agreement was suspended from 21 October 2010 to 28 June 2011.

On 22 October 2010, we launched a new Share Buy-Back Programme in order to begin implementing the Capital Return Policy. The Share Buy-Back Programme, which commenced in October 2010, is the subject of periodic review by the Board. The Board of Directors has approved an extension of the Share Buyback Program through 30 November 2015. Under the terms of the Share Buy-back Programme, Jefferies International Limited has been appointed to effect on-market repurchases of Shares on behalf of NBPE on Euronext Amsterdam and/or the Specialist Fund Market of the London Stock Exchange. Shares bought back under the Share Buy-Back Programme will be cancelled.

The aggregate number of Class A Shares which may be repurchased pursuant to the Share Buy-back Agreement is limited to 6,776,250 shares (being 12.5 per cent of the total number of Class A Shares outstanding as of 21 October 2010, the day before the Share Buy-back Programme commenced). The Company may increase such maximum, subject to any limits to the authority granted to the Company by its shareholders to effect share repurchases. The Company currently has shareholder authority to repurchase shares in the market, the aggregate value of which may be up to 14.99 percent of its net asset value on 1 January in the relevant year in which the buyback is made. The maximum price which may be paid for a Class A Share is an amount equal to the higher of (i) the price of the last independent trade and (ii) the highest current independent bid, in each case, with respect to the Class A Shares on the relevant exchange (being the Specialist Fund Market of the London Stock Exchange or the regulated market of Euronext Amsterdam N.V.).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2015 (UNAUDITED) AND 31 DECEMBER 2014 (AUDITED)
SEE ACCOMPANYING INDEPENDENT REVIEW REPORT

The following table summarizes the Company's shares at 30 June 2015 and 31 December 2014.

	30 June 2015	31 December 2014
Class A Shares outstanding	48,790,564	48,790,564
Class B Shares outstanding	10,000	10,000
	48,800,564	48,800,564
Class A Shares held in treasury - number of shares	3,150,408	3,150,408
Class A Shares held in treasury - cost	$ 9,248,460	$ 9,248,460
Class A Shares repurchased and cancelled - number of shares	2,269,028	2,269,028
Class A Shares repurchased and cancelled - cost	$ 16,523,000	$ 16,523,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2015 (UNAUDITED) AND 31 DECEMBER 2014 (AUDITED)
SEE ACCOMPANYING INDEPENDENT REVIEW REPORT

Note 11 – Financial Highlights

The following ratios with respect to the Class A and B Shares have been computed for the six month periods ended 30 June 2015 and 2014 and for the year ended 31 December 2014:

Per share operating performance (based on average shares outstanding during the period/year)		**For the Six Month Period Ended 30 June 2015**		**For the Year Ended 31 December 2014**
Beginning net asset value	$	14.24	$	12.81
Net increase in net assets resulting from operations:				
Net investment income (loss)		0.02		(0.07)
Net realized and unrealized gain (loss)		0.58		1.95
Dividend payment		(0.23)		(0.45)
Ending net asset value	**$**	**14.61**	**$**	**14.24**

Total return (based on change in net asset value per share)	**For the Six Month Periods Ended 2015**	**2014**
Total return before carried interest	4.56%	11.40%
Carried interest	(0.35%)	(0.78%)
Total return after carried interest	**4.21%**	**10.62%**

Net investment income (loss) and expense ratios (based on weighted average net assets)	**For the Six Month Periods Ended (Annualized) 2015**	**2014**
Net investment income (loss)	0.34%	(1.50%)
Expense ratios:		
Expenses before interest and carried interest	2.45%	2.31%
Interest expense	1.22%	0.87%
Carried interest	0.66%	1.62%
Expense ratios total	**4.33%**	**4.80%**

Individual shareholder returns may differ from the ratios presented based on differing entry dates into the Company.

Note 12 – Commitments and Contingencies

In the normal course of business, the Company enters into a variety of undertakings containing a variety of warranties and indemnifications that may expose the Company to some risk of loss. The amount of future loss, arising from such undertakings, while not quantifiable, is not expected to be significant.

Note 13 – Subsequent Events

On 14 July 2015, the Board of Directors of the Company declared a dividend payment of $0.25 on each ordinary share which is payable on 27 August 2015 with a dividend record date of 24 July 2015.

There have been no other subsequent events through 24 August 2015, the date the consolidated financial statements were issued, that requires recognition or disclosure in the consolidated financial statements.

Equity

We carry our private equity investments on our books at fair value using the best information we have reasonably available to determine or estimate fair value. Publicly traded securities are valued based on quoted prices as of the last day of the relevant period less discounts to reflect legal restrictions associated with the securities, if any, that affect marketability. We determine such values for publicly traded securities held directly as well as known public positions held in the underlying private equity investments on a look-through basis. We estimate fair value for private interests based on a methodology that begins with the most recent information available from the general partner of the underlying fund or the lead investor of a direct co-investment, and considers subsequent transactions, such as drawdowns or distributions, as well as other information judged to be reliable that reports or indicates valuation changes, including realizations and other portfolio company events. We proactively re-value our investments before we have received updated information from the fund manager or lead sponsor if we become aware of material events that justify a change in valuation. If we conclude that it is probable that we will sell an investment, we adjust our carrying value to the amount we expect to realize from the sale, exclusive of transaction costs.

Debt

We estimate the enterprise value of each portfolio company and compare such amount to the total amount of the company's debt as well as the level of debt senior to our interest. Estimates of enterprise value are based on a specific measure (such as EBITDA, free cash flow, net income, book value or NAV) believed to be most relevant for the given company and compares this metric in relation to comparable company valuations (market trading and transactions) based on the same metric. In determining the enterprise value, we will further consider the companies' acquisition price, credit metrics, historical and projected operational and financial performance, liquidity as well as industry trends, general economic conditions, scale and competitive advantages along with other factors deemed relevant. Valuation adjustments are made if estimated enterprise value does not support the value of the debt security we are invested in and securities senior to our position.

If the principal repayment of debt and any accrued interest is supported by the enterprise value analysis described above, we will next consider current market conditions including pricing quotations for the same security and yields for similar investments. To the extent market quotations for the security are available, we will take into account current pricing and liquidity. Liquidity may be estimated by the spread between bid and offer prices and other available measures of market liquidity, including number and size of recent trades and liquidity scores. If we believe market yields for similar investments have changed substantially since the pricing of our security, we will perform a discounted cash flow analysis, based on the expected future cash flows of the debt securities and current market rates. We will also consider the maturity of the investment, compliance with covenants and ability to pay cash interest when estimating the fair value of our debt investment.

Appendix:
FORWARD LOOKING STATEMENTS

This report contains certain forward-looking statements. Forward-looking statements speak only as of the date of the document in which they are made and relate to expectations, beliefs, projections (including anticipated economic performance and financial condition), future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts and are subject to risks and uncertainties including, but not limited to, statements as to:

- Our future operating results;
- Our business prospects and the prospects of our investments;
- The impact of investments that we expect to make;
- The dependence of our future success on the general economy and its impact on the industries in which we invest;
- The ability of our investments to achieve their objectives;
- Differences between our investment objective and the investment objectives of the private equity funds in which we invest;
- The rate at which we deploy our capital in private equity investments, co-investments and opportunistic investments;
- Our expected financings and investments;
- The continuation of the Investment Manager as our service provider and the continued affiliation with the Investment Manager of its key investment professionals;
- The adequacy of our cash resources and working capital; and
- The timing of cash flows, if any, from the operations of our underlying private equity funds and our underlying portfolio companies.

In some cases, forward-looking statements may 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.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Factors and events that could cause our business, financial condition, liquidity and results of operations to vary materially include, among other things, general economic conditions, securities market conditions, private equity market conditions, the level and volatility of interest rates and equity prices, competitive conditions, liquidity of global markets, international and regional political conditions, regulatory and legislative developments, monetary and fiscal policy, investor sentiment, availability and cost of capital, technological changes and events, outcome of legal proceedings, changes in currency values, inflation, credit ratings and the size, volume and timing of transactions, as well as other risks described elsewhere in this report and our prospectus relating to our IPO and our prospectus relating to our ZDP Shares.

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 the 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.

About NB Alternatives

The NB Alternatives group of Neuberger Berman has 28 years of investing experience specializing in equity co-investments, income investments, private equity funds and secondary investments and has built relationships with leading private equity fund managers over that time.

The Investment Manager makes all of the Company's investment decisions, and the Board of Director's of the Company have delegated to the Investment Manager the day-to-day management and operations of the Company's business. The Investment Manager's investment decisions are made by its Investment Committee (the "Investment Committee"), which currently consists of eight members with over 220 years of professional experience. The sourcing and evaluation of the Company's investments is conducted by the Investment Manager's team of approximately 90 investment professionals who specialize in equity co-investments, income investments and fund investments. In addition, the Investment Manager's staff of approximately 150 administrative and finance professionals are responsible for the Company's administrative, financial management and reporting needs. The Investment Manager currently maintains offices in New York, London, Dallas, Hong Kong, Milan and Bogotá.

About Neuberger Berman

Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager. The firm manages equities, fixed income, private equity and hedge fund portfolios for institutions and advisors worldwide. With offices in 18 countries, Neuberger Berman's team is more than 2,100 professionals and the company was named by Pensions & Investments as a 2013 and 2014 Best Place to Work in Money Management. Tenured, stable and long-term in focus, the firm fosters an investment culture of fundamental research and independent thinking. It manages $251 billion in client assets as of June 30, 2015. For more information, please visit our website at www.nb.com.

Appendix:
DIRECTORS, ADVISORS AND CONTACT INFORMATION

Ordinary Share Information
Trading Symbol: NBPE
Exchanges: The regulated market of Euronext Amsterdam N.V. and the Specialist Fund Market of the London Stock Exchange
Euronext Amsterdam Listing Date: 25 July 2007
Specialist Fund Market Admission: 30 September 2009
Base Currency: USD
Bloomberg: NBPE NA, NBPE LN
Reuters: NBPE.AS, NBPE.L
ISIN: GG00B1ZBD492
COMMON: 030991001
Amsterdam Security Code: 600737

ZDP Share Information
Trading Symbol: NBPZ
Exchanges: Specialist Fund Market of the London Stock Exchange and the Daily Official List of the Channel Islands Stock Exchange
Admission Date: 1 December 2009
Base Currency: GBP
Bloomberg: NBPEGBP LN
Reuters: NBPEO.L
ISIN: GG00B4ZXGJ22
SEDOL: B4ZXGJ2

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John Buser
John Hallam
Christopher Sherwell
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