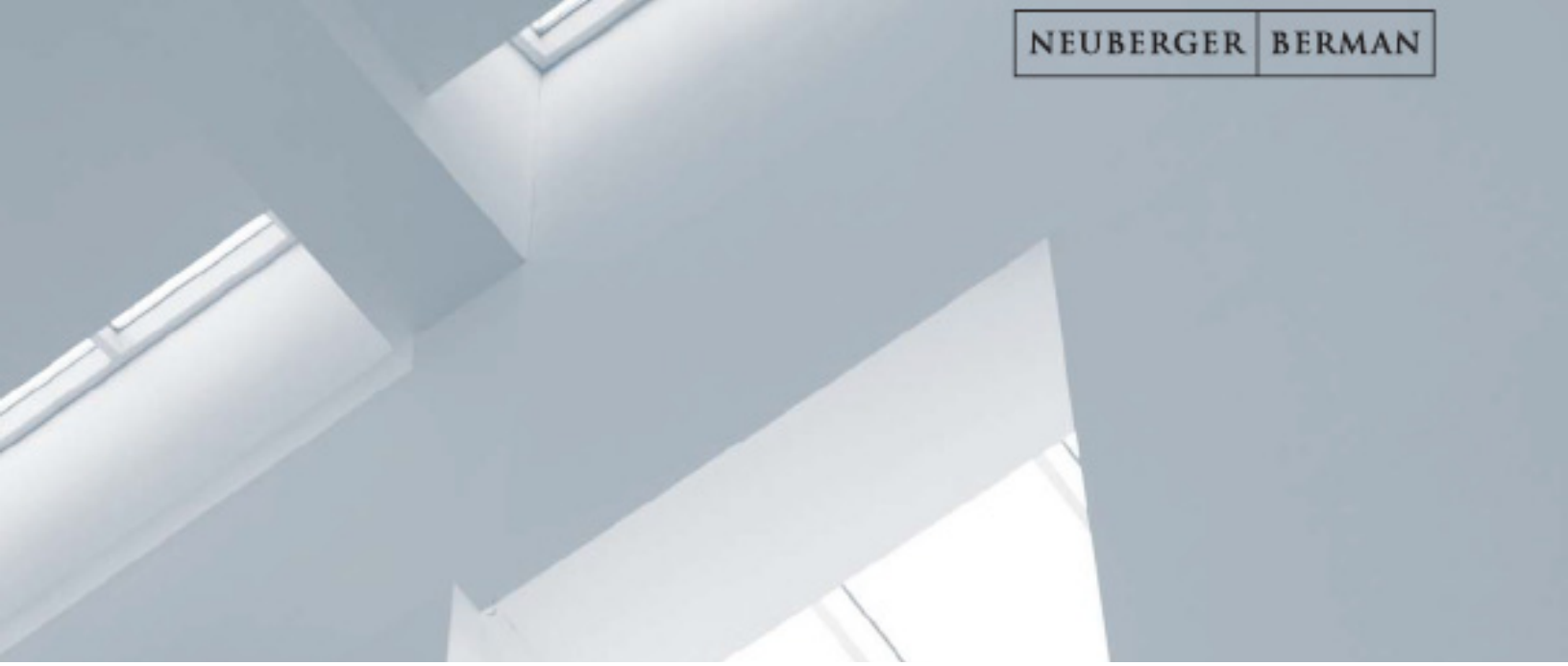

For the quarter ended
31 March 2018

NB Private Equity Partners Limited

31 March 2018 Quarterly Report

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NB PRIVATE EQUITY PARTNERS LIMITED | COMPANY OVERVIEW

ABOUT NBPE

NBPE's objective is to provide investors with the opportunity for capital appreciation (through share price growth) and current income (through a regular dividend). NBPE's strategy is to invest directly into private equity-backed companies, across the capital structure in the best relative value opportunities.

Investment Strategy

NBPE invests in the equity and debt of private equity-backed companies, across the capital structure in the best relative value opportunities. Equity investments are made alongside leading private equity firms. The Company seeks investments across a variety of situations including new buyouts and "mid-life" transactions. The Company also invests in the debt of private equity backed companies, including first and second lien debt and mezzanine. Investments are made both on a primary basis to finance new buyouts and on a secondary basis, typically in credits which may be misunderstood or to take advantage of mispricings or other dislocations.

The Company also has legacy exposure to a mature portfolio of private equity funds which are highly cash generative. Distributions from this portfolio are being reinvested into direct investments over time and NBPE has not made a commitment to a third-party fund since 2011.

About the Company

NBPE is a closed-ended private equity investment company with 48,790,564 class A shares outstanding and 10,000 class B shares outstanding (together, the "Ordinary shares") and 50,000,000 2022 ZDP Shares outstanding. The class A shares are admitted to trading on the Main Market of the London Exchange and Euronext Amsterdam. NBPE has 2022 ZDP Shares admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange ("Specialist Fund Segment"). Subsequent to the end of the first quarter, on 25 May 2018, NBPE raised an additional 50,000,000 ZDP Shares with a maturity date of 30 October 2024 ("2024 ZDP") which are admitted to trading on the Specialist Fund Segment.

120

Direct investment portfolio companies

58

Underlying private equity sponsors

$929M

Total private equity assets

INVESTMENT MANAGER | OVERVIEW

About the Manager

NBPE is managed by NB Alternatives Advisors LLC, the private equity group of Neuberger Berman (the "Manager" or the "Investment Manager"), which manages over $55 billion of private equity assets across multiple strategies. The Investment Manager has 30 years of investing experience specialising in direct equity investments, income investments, private equity funds and secondary investments and has built relationships with leading private equity fund managers over that time.

The Company is managed by the Investment Manager pursuant to an Investment Management Agreement, dated on 2 May 2017. Subject to the Board's overall strategic direction and instructions, the Investment Manager makes all of the Company's investment decisions. The Board has delegated to the Investment Manager the day-to-day management and operations of the Company, including sourcing, evaluating and making investment decisions related to the Company and executing the Company's business plan. The Investment Manager's investment decisions are made by its Investment Committee, which currently consists of 11 members with over 318 years of combined professional experience and average 17 years with the firm. The sourcing and evaluation of the Company's investments are conducted by the Investment Manager's team of over 140 investment professionals who specialise in direct equity investments, income investments and fund investments. The Investment Manager currently maintains offices in New York, London, Boston, Dallas, Hong Kong, Milan and Bogotá.

+400

Active fund relationships with private equity firms

$7BN

Committed annually to private equity over the past three years[1]

+$55BN

Commitments managed[2]

About Neuberger Berman

Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager. The firm manages a range of strategies—including equity, fixed income, quantitative and multi-asset class, private equity and hedge funds—on behalf of institutions, advisors and individual investors globally. With offices in 20 countries, Neuberger Berman's team is approximately 1,900 professionals. For five consecutive years, the company has been named in Pensions & Investments Best Places to Work in Money Management survey (among those with 1,000 employees or more). Tenured, stable and long-term in focus, the firm fosters an investment culture of fundamental research and independent thinking. It manages $299 billion in client assets as of 31 March 2018. For more information, please visit Neuberger Berman's website at www.nb.com.

1. Average committed capital from 2015 to 2017.
2. Committed capital from inception through March 2018, including commitments in the process of documentation.

Financial Highlights

Strong balance sheet with **$929 million** of private equity assets

Investment level decreased from 113% to 111% as of 31 March 2018

Financial Summary	At 31 March 2018	At 31 December 2017
Net Asset Value ("NAV") of the Ordinary Shares	$836.6m	$851.5m
Direct Equity Investments	$686.3m	$698.6m
Income Investments	$142.6m	$155.2m
Fund Investments	$100.0m	$107.6m
Total Private Equity Fair Value	$928.9m	$961.4m
Private Equity Investment Level	111%	113%
Cash and Cash Equivalents	$47.6m	$25.7m
Credit Facility Borrowings Drawn	($55.0m)	($60.0m)
2022 ZDP Share Liability (Dollar equivalent liability)	($74.4m)	($71.1m)
Net Other Liabilities	($10.4m)	($4.5m)
NAV per Ordinary Share (USD)	**$17.14**	**$17.45**
NAV per Ordinary Share (GBP)	**£12.23**	**£12.91**
NAV per Ordinary Share including dividends paid during financial period	**$17.39**	**$17.95**
ZDP Shares (2022)	£53.1m	£52.6m
Net Asset Value per ZDP Share (2022)	106.23p	105.21p
Dividends per Ordinary Share:		
Dividends paid during financial period	$0.25	$0.50
Cumulative dividends paid since inception	$2.59	$2.34

Note: Numbers may not sum due to rounding.

QUARTERLY REPORT | 2018 FIRST QUARTER KEY HIGHLIGHTS

2018 Total Return Performance

(0.3%) NAV per Share[1]

(6.4%) Share price[1]

Portfolio at 31 March 2018

85% Equity investments[2]

15% Income investments

Cash Flows during 2018

$57.0M in Realisations **to NBPE**

$19.9M Invested into **New Direct Investments, Follow-ons and Funds**

Dividends Paid to Shareholders

$0.25 per Share

3.7% **Annualised yield** on share price[3]

1. *Assumes re-investment of dividends at the closing NAV or share price, respectively, on the ex-dividend date. NAV total return figures reflect cumulative returns over the period shown and are based on USD. Share price return data based on London Stock Exchange, based on GBP returns.*
2. *Includes fund investments, including some which have a credit orientation.*
3. *Annualised yield based on 31/3/2018 closing share price in USD and annualised dividends of $0.50.*

2018 First Quarter Results

Realised gains of **$29.9m or $0.61** per share

Results	Value in Millions	USD per Share
31 December 2017 Net Asset Value	**$851.5 M**	**$17.45**
Positive Value Drivers		
+ Unrealised Gains / losses	($30.4) M	($0.62)
+ Realised Gains / losses	$29.9 M	$0.61
+ Yield Income & Dividends	$5.1 M	$0.10
Fees / Expenses		
- Management Fees & Operating Costs	($4.4) M	($0.09)
- Interest & Financing Costs	($1.9) M	($0.04)
FX Changes		
- Foreign Exchange Movements	($1.0) M	($0.02)
Dividends Paid to Shareholders		
- Dividends Paid	($12.2) M	($0.25)
31 March 2018 Net Asset Value	**$836.6 M**	**$17.14**

Note: Numbers may not sum due to rounding.

Portfolio Summary

153 total investments and total private equity value of $928.9M

NBPE's portfolio is comprised of three main types of assets: direct equity investments, income investments and fund investments. NBPE is actively investing in direct equity and income investments and the relative weighting of each may vary over time, as the Manager seeks the best relative value opportunities. Fund investments are increasingly a less material portion of the portfolio and are comprised of mature private equity funds, with exposure to hundreds of underlying companies, in realisation mode.

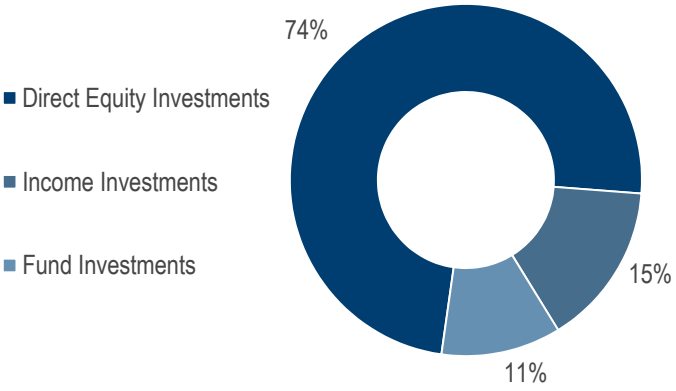
Portfolio Summary	Investments	Fair Value	Adj.Unfunded[1]	Exposure[1]
Direct Equity Investments	84	$686.3m	$63.1m	$749.4m
Income Investments	36	$142.6m	-	$142.6m
Fund Investments	33	$100.0m	-	$100.0m
Total Private Equity	**153**	**$928.9m**	**$63.1m**	**$992.0m**

Note: Numbers may not sum due to rounding.

1. Please refer to page 19 for more information on unfunded commitments to funds past their investment period. Actual unfunded commitments and total exposure is $259.4 million and $1.2 billion, respectively. Actual unfunded commitments is comprised of $172.5 million, $47.3, and $39.6 million to direct equity investments, income investments, and fund investments, respectively. Actual total exposure is $858.8 million, $189.9 million, and $139.6 million to direct equity investments, income investments, and fund investments, respectively.

Investment Type

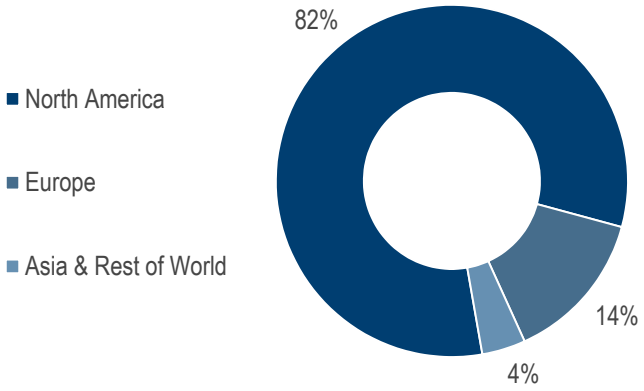
Weighted to Direct Equity Investments



NBPE pursues the securities that the Manager believes present the most attractive risk / return opportunity. Currently the portfolio is weighted to direct equity investments, and 15% of the portfolio is in income investments. Fund investments represent 11% of private equity fair value but the fund portfolio will continue to become a smaller portion of NBPE's private equity fair value as capital is re-deployed into direct investments over time.

Geography

Weighted to North America

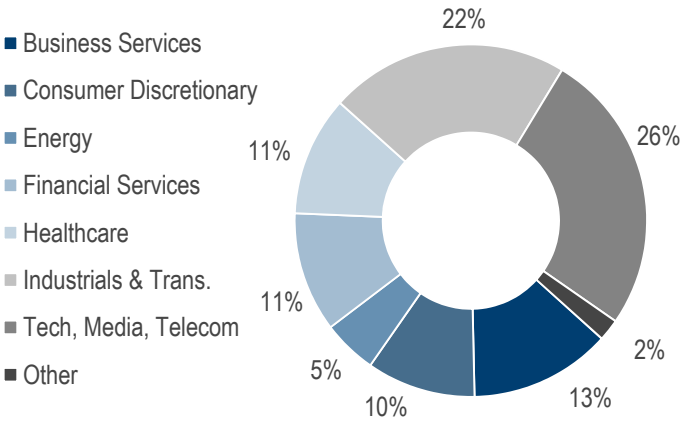


NBPE's portfolio is weighted to North American investments. This is the largest private equity market globally and the Manager believes the overall dynamics in this market relative to other geographies have generally offered the most attractive investment opportunities. The Manager is constantly monitoring and evaluating markets globally and may adjust this strategy over time. Approximately 14% of NBPE's portfolio is invested in European companies and 4% in other parts of the world, primarily Asia and Latin America.

Note: Numbers may not sum due to rounding.

Industry

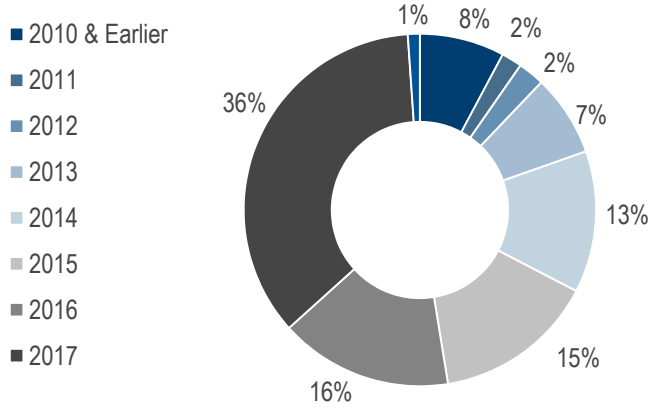
Broadly diversified across industries



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 gross domestic product.

Year of Investment

Diversified by vintage year, with limited exposure to older vintages



Approximately 81% of the portfolio fair value has been invested since 2014 and the portfolio has a limited exposure to older vintages. The Manager believes this is advantageous for a number of reasons. First, older vintages typically contain businesses which underlying sponsors have been unable or unwilling to sell and therefore are often unlikely to be value drivers for a portfolio. Younger vintages in NBPE's portfolio demonstrate the Company's ability to regularly refresh its portfolio into healthier, newer investments. Second, companies in the 2014, 2015 and 2016 vintage years are in many cases progressing well as GPs execute their investment plans. Given that private equity holding periods are typically in the 3 - 6 year range, the Manager believes that companies from these vintage years can continue to drive value in NBPE's portfolio in the coming years. The Manager is very pleased with the investments made in 2017 and the first three months of 2018, but it is too early to assess the execution of the underlying investment theses at this stage.

Note: Numbers may not sum due to rounding.

Direct Equity Investments

Made alongside leading private equity firms in their core areas of expertise

NBPE seeks to invest in high quality businesses across a variety of transaction types, including capital for new buyouts and "mid-life" transactions, where investments are made into a sponsor's existing private equity portfolio companies. The Investment Manager's team of professionals works alongside the general partners throughout the process and often engages with sponsors early on in a transaction. NBPE is able to leverage the deep networks of the Investment Manager's team to invest alongside numerous private equity sponsors.

INVEST IN NEW DEALS

CO-INVEST "MID-LIFE" INTO EXISTING PRIVATE EQUITY PORTFOLIO COMPANIES

NEW BUYOUTS

New buyouts are made alongside leading private equity firms and can be across a variety of transaction types including take-privates, buyouts of family businesses, carve-outs or divisional sales.

ADD-ON ACQUISITIONS / GROWTH CAPITAL

Add-on or growth capital typically helps finance an existing company's growth or M&A strategy.

PARTIAL REALISATIONS / RECAPITALISATIONS

Partial realisations can provide liquidity to existing investors. Recapitalisations provide primary equity capital in order to recapitalise a company's balance sheet.

QUARTERLY REPORT | DIRECT EQUITY INVESTMENTS

Portfolio

The direct equity portfolio is comprised of 84 investments with a fair value of $686.6 million. The portfolio consists primarily of buyout investments and is diversified across industry, vintage year and sponsor. The portfolio includes investments with unique investment angles and the Manager seeks investments which have multiple value creation levers including: strong sponsors and management teams, industry growth or secular trends, growth of new markets or product offerings, operational enhancements or clear exit paths and the potential for shorter paths to liquidity. The portfolio is weighted towards buyout investments and the average age of companies is 3.0 years.

Overview of Q1 2018

NBPE deployed $10.0 million into two new equity investments and $6.9 million into follow-on investments during Q1 2018. The new investments are in an undisclosed healthcare services company and Avantor, a global provider of materials for the life sciences and technology industries. Follow-on investments were made into various companies across the portfolio within a variety of industries and geographies. The new direct equity investments are highlighted on page 13.

During the first three months of 2018, the direct equity portfolio distributed $34.5 million, driven by the full exits of an undisclosed financial services company and ProMach. Additional distributions were the result of ongoing liquidation of public positions including Black Knight Financial Services (NYSE: BKI), Evoqua (NASDAQ: AQUA) and Aruhi (TYO:9984).

Over the past year, the direct equity portfolio has generated a gross IRR of 21.9% driven by strong operating performance and deleveraging at the underlying company level as well as strong exits across the portfolio during the period.

Exit Activity

NBPE received $28.0 million from two full exits within the direct equity portfolio during Q1 2018 (inclusive of prior realisations and escrow). On a combined basis, the investments generated a 2.0x gross multiple of capital and a 45% gross IRR. The average hold period of the two investments was 2.4 years, while the uplift at exit between the two exits averaged 12% relative to the valuation one quarter prior to the exit announcement.

Key Stats[1]

(as of 31 December 2017)

10.5x

EV / EBITDA Valuation Multiple

4.5x

EBITDA / Net Debt Multiple

2%

LTM Revenue Growth

11%

LTM EBITDA Growth

Full Exits / Sales:

Pro Mach
Integrated Packaging Solutions

Financial Services Company*

**Due to confidentiality provisions, company name cannot be disclosed.*

1. Analysis based on 67 private companies and excludes public companies, equity invested alongside healthcare credits, financial services companies valued on a multiple of book value or other income metrics, E&P companies valued on acreage or reserves and escrow value (ie companies valued on metrics other than EBITDA). Revenue and EBITDA of companies denominated in foreign currency are converted to US Dollars at the average US Dollar exchange rate for the 12 month period from 1 January 2017 through 31 December 2017; leverage and enterprise value is converted to US Dollars at the year end exchange rate. Companies valued on a revenue multiple are excluded from EV/EBITDA metrics . Portfolio company operating and valuation metrics are based on the most recently available (unaudited) financial information for each company. Where necessary, estimates were used, which include pro forma adjusted EBITDA and revenue, annualised quarterly operating metrics and LTM periods as of 31/12/17 and 30/9/17. Data weighted by private equity fair value as of 31 December 2017.

Largest Companies in the Direct Equity Investment Portfolio

The table below shows the largest company exposures in the portfolio. The top ten investments represented approximately 26.8% of NBPE's NAV and no company was larger than 3.2% of NAV.

Investment / Description	Status	Year of Investment	Asset Class	Equity Sponsor	NBPE Fair Value
ProAmpac Leading global flexible packaging company	Private	2016	Mid-cap Buyout	Pritzker Group	$26.4 million
Business Services Company* Business services company	Private	2017	Large-cap Buyout	Not Disclosed	$26.2 million
QPark European parking services provider	Private	2016	Large-cap Buyout	KKR	$24.1 million
Staples B2B and retail supplies of office products	Private	2017	Special Situations	Sycamore Partners	$23.9 million
The Warranty Group Underwriter & administrator of extended warranties	Private	2014	Large-cap Buyout	TPG	$22.7 million
Engineering Italian IT firm	Private	2016	Direct equity investment Mid-cap Buyout	NB Renaissance	$21.0 million
Telxius Telecommunications infrastructure	Private	2017	Large-cap Buyout	KKR	$20.9 million
Material Handling Systems Infrastructure and automation outsourcing	Private	2017	Direct equity investment Mid-cap Buyout	Thomas H Lee	$20.3 million
USI Insurance Insurance brokerage & consulting services	Private	2017	Large-cap Buyout	KKR	$20.0 million
Extraction Oil & Gas (NASDAQ: XOG) E&P company in the U.S.	Public	2014	Mid-cap Buyout	Yorktown Partners	$18.7 million
Total Top Ten Largest Exposures					**$224.2 million**

Note: Numbers may not sum due to rounding.
**Due to confidentiality provisions, company name cannot be disclosed.*

New Direct Equity Investments

$10 million invested into two new direct equity investments during Q1 2018

avantor™

Industry: Industrials

Sponsor: New Mountain Capital

Thesis: Platform Add-on

Healthcare Services Company*

Industry: Healthcare

Sponsor: Undisclosed

Thesis: Buy and Build

*Due to confidentiality provisions, company name cannot be disclosed.

Income Investments

Debt in private equity backed companies including first and second lien debt

The portfolio is broadly diversified across industry sectors in leading businesses with strong cash flow generation and defensible market positions. Income investments are made in established and stable private equity-backed companies with high quality private equity sponsorship.

NBPE invests both on a primary basis – to finance new buyouts – as well as on secondary basis, when mispricings or market dislocations exist or a credit is misunderstood.

INVEST IN THE DEBT OF PRIVATE EQUITY-BACKED COMPANIES

CORPORATE DEBT - PRIMARY

First / Second Lien

Mezzanine

ProAmpac, Digital River, OPTIV, SUNGARD, Schumachergroup, K&N, Central Security Group, FLEXERA, DuBois, GCA Services Group, evoqua Water Technologies, LINXENS, THE EVANS NETWORK OF COMPANIES

CORPORATE DEBT - SECONDARY

Mispricings or dislocations

Misunderstood credits

- Target smaller, less liquid issuers
- Rigorous fundamental private equity due diligence
- Long-term investment capabilities
- Target equity-like returns in fixed income

QUARTERLY REPORT | INCOME INVESTMENTS

Portfolio

The income portfolio is comprised of 36 investments with $142.6 million of fair value. The investments are well diversified and performing well and have a reasonable average level of total leverage. Total leverage and senior leverage to NBPE's security are both reasonable at 6.2x and 4.4x, respectively. The portfolio's current cash yield is 9.5% with a 15.1% estimated yield to maturity. In addition, underlying companies are well-capitalised with approximately 96% of the portfolio invested in companies with an equity cushion greater than 20%. The average age of the debt investments in the income portfolio was 1.6 years as of 31 March 2018.

The portfolio generates approximately $14.4 million of run-rate cash income as of 31 March 2018, which covers 59% of the annualised dividend.

Overview of Q1 2018

During Q1 2018, NBPE contributed $2.8 million to income investments and received $14.4 million in cash distributions. Distributions were made up of principal repayments equaling $10.0 million and interest income of $4.4 million.

Exit Activity

NBPE fully exited three investments during Q1 2018. These investments generated $17.5 million of total proceeds to NBPE and an aggregated 1.7x multiple and 20.5% IRR (inclusive of prior realisations).

9.5% / 15.1%

Cash Yield / Estimated yield to maturity

6.2x / 4.4x

Total leverage / Senior leverage

76%

Fair value invested in floating rate debt

59%

Dividend Coverage

Note: Statistics exclude small business loan programs, credit opportunities and healthcare credit investments. Based on portfolio company data as of 31 March 2018. Small business loan programs are excluded from yield calculations but are at an interest rate at least at the rate stated above.

Largest Companies in the Income Investment Portfolio

The table below shows the largest company exposures in the income investment portfolio. The top ten investments represented approximately 8.2% of NBPE's NAV and no company was larger than 1.2% of NAV.

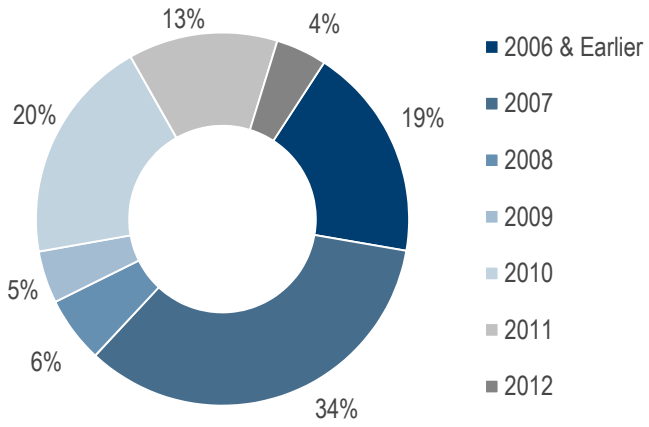
Investment / Description	Year of Investment	Security Terms	Cash Yield	NBPE Fair Value
Schumacher Group Provider of outsourced medical clinical staffing	2015	Second Lien (L+8.5% Cash, 1.0% L Floor)	10.9%	$9.7 million
Carestream Dental Dental imaging and software	2017	Second Lien (L+8.0% Cash, 1.0% L Floor)	10.6%	$9.2 million
Dubois Chemical Specialty chemical company	2017	Second Lien (L+8.0% Cash, 1.0% L Floor)	10.4%	$9.0 million
Linxens Manufacturer of smart card connectors	2015	Second Lien (L+8.25% Cash, 1.0% L Floor)	10.5%	$8.7 million
ProAmpac Leading global flexible packaging company	2016	Second Lien (L+8.5% Cash, 1.0% L Floor)	10.9%	$6.0 million
Central Security Group Security and home automation systems	2014	Second Lien (L+9.0% Cash, 1.0% L Floor)	11.6%	$5.9 million
Galco Industrial Electronics Distributor of electronic parts	2014	Second Lien (L+10.75% Cash, 1.25% PIK)	10.3%	$5.3 million
Optiv Provider of cyber security solutions	2017	Second Lien (L+7.25% Cash, 1.0% L Floor)	10.6%	$5.1 million
Sungard Provider of financial software and solutions	2017	Second Lien (L+8.5% Cash, 1.0% L Floor)	10.9%	$4.9 million
P2 Energy Solutions Provider of software and services to the Energy industry	2013	Second Lien (L+8.0% Cash, 1.0% L Floor)	11.3%	$4.6 million
Total Top Ten Largest Exposures				**$68.3 million**

Note: Numbers may not sum due to rounding. Excludes credit opportunities investments.

Fund Portfolio

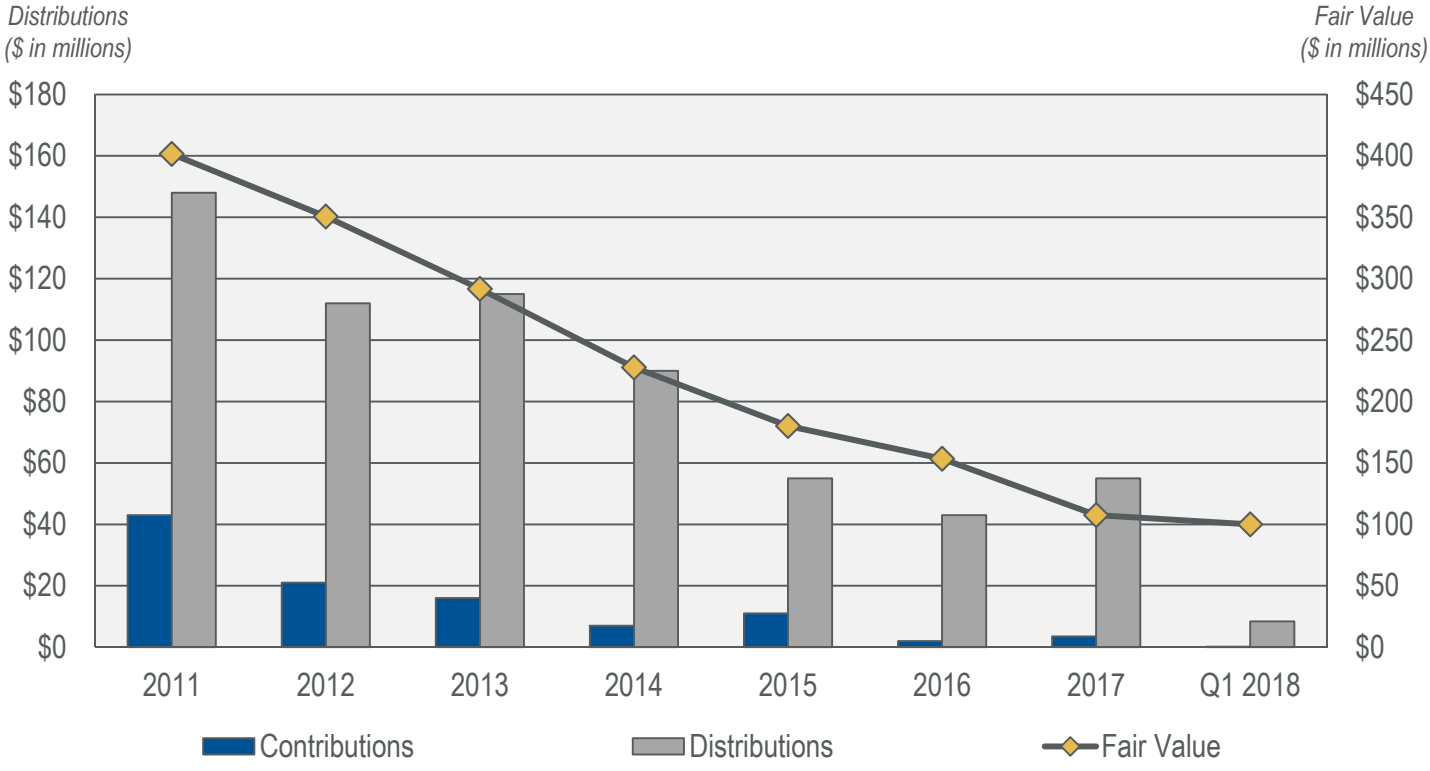
NBPE's portfolio includes approximately $100.0 million of fair value in a portfolio of legacy fund investments. NBPE's last third party fund commitment was made in 2011 and many of the existing fund's are 2007 and earlier vintages. As a result the portfolio of 33 funds contains exposure to a large number of mature underlying companies. Over time, these mature companies are being sold, leading to distributions to NBPE. Over the last several years this portfolio has been highly cash generative and a source of strong distribution activity as underlying companies have been sold and portfolios wind down. During Q1 2018, NBPE received $8.2 million in distributions from fund investments.

The pie chart on the right shows the diversification by vintage year of the fund portfolio.



Fund Portfolio Liquidity and Fair Value Over Time

The table below shows the fund portfolio over time, fair value and cash flows since 2011. Since then, the fund fair value has declined from over $400 million to approximately $100.0 million as of 31 March 2018, driven by strong distribution activity. Since 2011, funds have distributed over $625 million to NBPE, proceeds which have been re-invested into direct investments over time.



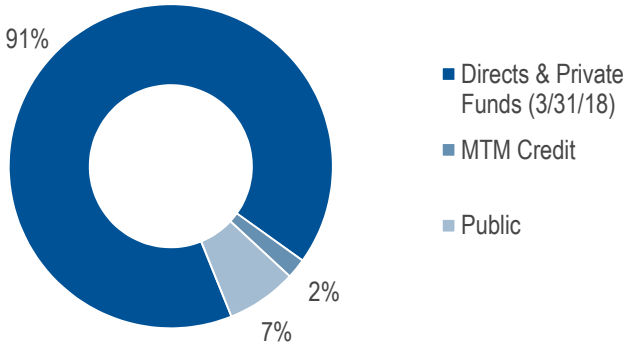
Note: Numbers may not sum due to rounding.

QUARTERLY REPORT | VALUATION

Valuation Information

Following the receipt of additional valuation information after 20 April 2018, the publication date of the March monthly NAV estimate, the NAV per Share of $17.14 was $0.01 higher than previously reported.[1]

NBPE carries direct equity and fund investments based on the most recently available estimate of fair value using financial information provided by the lead private equity sponsor. Debt investments made on a primary basis are generally carried at cost plus accrued interest, if any; debt investments made through secondary market trades are generally carried at market quotes, to the extent available. The chart on the right shows the timing of information used to determine fair value.



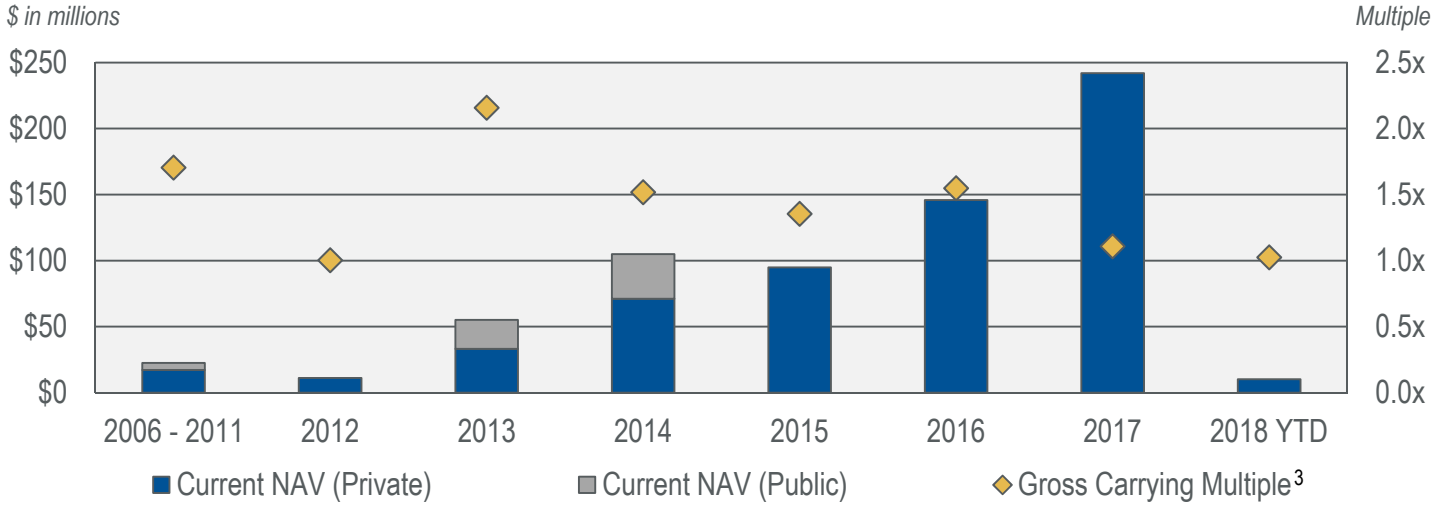
Public Positions

As of 31 March 2018, approximately 7% of fair value was held in public securities. The top five public securities exposures are shown below:

- Extraction Oil & Gas (NASDAQ: XOG): $18.7 million
- Gardner Denver (NYSE: GDI): $15.5 million
- Evoqua (NYSE: AQUA): $9.9 million
- Black Knight Financial Services (NYSE: BKI): $6.6 million[2]
- ARUHI (TYO: 7198): $5.2 million

Direct Equity Portfolio Valuation

The table below shows the private and public fair value and the current carrying multiple by vintage year of the direct equity portfolio. The direct equity portfolio was held at a gross carrying multiple of 1.3x current cost as of 31 March 2018[3].



Note: Numbers may not sum due to rounding. Please refer to page 28 for a detailed description of the valuation policy.

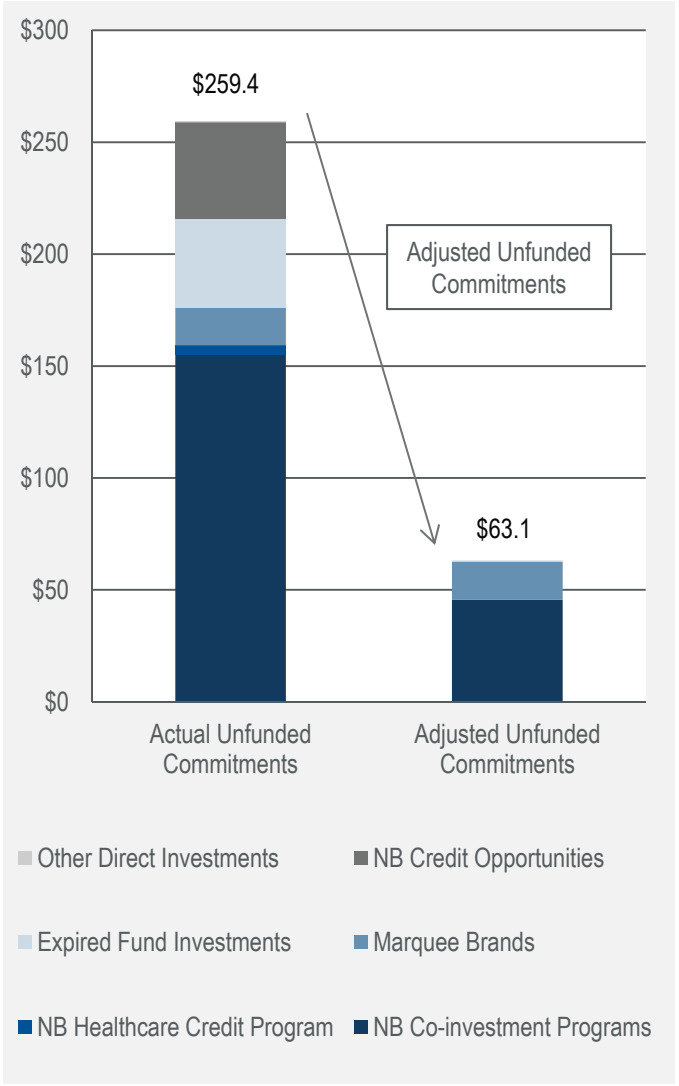
1. *As reported in the Monthly NAV estimate the percent of private equity fair value was held.*
2. *Valuation is based on the underlying share price of Black Knight Financial Services and includes an additional entity that remains private.*
3. *Returns are presented on a "gross" basis (i.e. they do not reflect the management fees, carried interest, transaction costs and other expenses that may be paid by investors, which may be significant and may lower returns).*

QUARTERLY REPORT | UNFUNDED COMMITMENTS AND CAPITAL RESOURCES

Unfunded Commitments

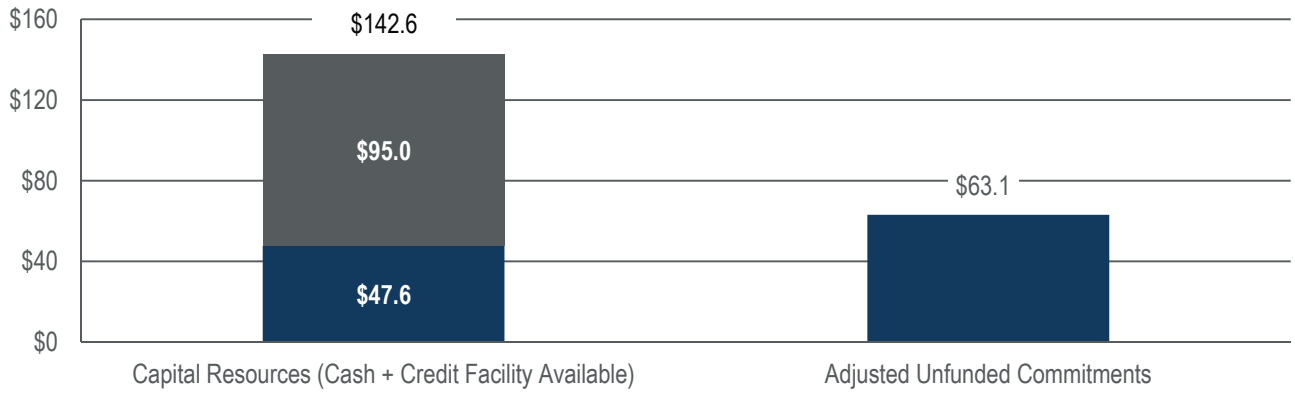
As of 31 March 2018, NBPE's unfunded commitments were approximately $259.4 million. Approximately $155.6 million, $4.3 million, $43.0 million, and $16.9 million were unfunded commitments to the NB Alternatives Co-investment, NB Healthcare Credit Programs, NB Credit Opportunities Program and Marquee Brands, respectively. Approximately $11.9 million of unfunded commitments were to funds of funds managed by the Manager and $27.7 million of unfunded commitments were to third party direct funds. Within the fund portfolio, $39.6 million of the unfunded commitments are to funds past their investment period. The Manager believes a large portion of this amount is unlikely to be called. However, some amount may be called for fees, expenses and / or follow-on investments.

The Manager analysed the unfunded commitments on an adjusted basis. Unfunded commitments were adjusted by removing unfunded commitments past their investment period, except for reserves which may be called for follow-ons, and amounts which NBPE has the ability to terminate if it so chooses. Following these adjustments, the unfunded commitments were $63.1 million.



Capital Resources

As of 31 March 2018, NBPE had $47.6 million of cash and $95.0 million of available borrowings under the 2016 Credit Facility (as defined on the following page), totaling $142.6 million of total capital resources. On an adjusted basis this corresponds to excess capital resources of $79.5 million and a commitment coverage ratio of 226%.



Note: Numbers may not sum due to rounding.

Credit Facility

On 7 June 2016, the Company entered into an agreement with JP Morgan Chase Bank, N.A. (the "2016 Credit Facility") to refinance the 2012 Credit Facility. The 2016 Credit Facility's availability is up to $150.0 million (including a $25.0 million accordion whereby the Company is able to increase available borrowings) that expires on 7 June 2021. Beginning in year four, the 2016 Credit Facility carries mandatory amortisation of outstanding balances of 25% per calendar quarter. The 2016 Credit Facility is guaranteed by the Company (the "Parent Guarantor") as well as all of the Company's subsidiaries (except for NB PEP Investments LP (Incorporated), being the borrower under the 2016 Credit Facility) and secured by substantially all of the assets of the Parent Guarantor and its subsidiaries. At 31 March 2018, there was $55 million borrowed under the 2016 Credit Facility.

Under the 2016 Credit Facility, the interest rate is calculated as LIBOR (based on 3-month LIBOR) plus 3.75% per annum. In addition, under the 2016 Credit Facility, the Company is required to pay an undrawn revolving fee of 1.25% per annum on the daily balance of the unused facility amount (excluding the $25.0 million accordion). The Company is also subject to certain minimum draw requirements, which if not met, subjects the Company to an additional utilisation fee on any undrawn amounts that are below the minimum draw requirement.

Under the 2016 Credit Facility, the Company is required to meet a maximum over-commitment test, certain loan-to-value ("LTV") ratios, performance event tests and certain portfolio concentration tests.

The maximum over-commitment test is performed on an adjusted unfunded basis, and is designed to limit the amount of unfunded obligations the Company and its subsidiaries may enter into. Adjusted unfunded obligations cannot exceed the lesser of: 1) $50 million, plus unrestricted cash, plus the undrawn credit facility and 2) 15% of the adjusted market value of eligible investments.

The Company is subject to a number of LTV ratios in order to be in compliance with the 2016 Credit Facility. The drawdown LTV ratio is 25% and the maximum LTV ratio is 40%. If the LTV ratio exceeds 40%, the Company is subject to certain requirements to lower the LTV ratio to the maintenance margin of 35%, within certain timeframes. If at any time the LTV ratio exceeds 60%, the Company is forced to make prepayments on the loan balance on an expedited basis. Certain cash distributions, including dividends, are subject to an LTV release ratio of less than 35%, unless a performance event has occurred. The performance event test is measured against the level of the S&P 500 index. If the S&P 500 index value falls by 30% in any 120 day period, certain cash distributions, including dividends, are subject to an LTV release ratio of 20%.

The Company is subject to certain portfolio concentration tests which limit the amount of exposure the Company may have in certain areas.

At 31 March 2018, the Company met all requirements under the 2016 Credit Facility.

ESG at Neuberger Berman

Neuberger Berman is highly focused on integrating environmental, social and governance issues across its equity, fixed income and alternatives businesses and is continually striving to deepen its commitment to ESG integration both at the individual strategy level, and as a firm as a whole. Since 2012, Neuberger Berman has coordinated these efforts through the ESG Committee, chaired by the Head of ESG Investing, Jonathan Bailey. This committee includes the firm's President and CIO-Equities, Joe Amato, and also includes senior representatives from across the firm including private equity. In June 2012, with the help of the committee, Neuberger Berman became a signatory of the Principles for Responsible Investment ("PRI"). Neuberger Berman has reported to the PRI since 2014 and found that the process of reporting has increased awareness to areas where the firm can improve to ensure continual development. In addition to being a signatory to the PRI, Neuberger Berman is a signatory to the U.K. Stewardship Code, Japan Stewardship Code, and the U.S. Investor Stewardship Group. Neuberger Berman is an active supporter and funder of a range of industry groups including US SIF, SRI and CDP, and the Coalition for Inclusive Capitalism. Most recently Neuberger Berman became a founding member of the SASB Alliance.

The firm's Environmental Social Governance Policy provides a broad framework for an approach to ESG integration. This policy is reviewed annually by the ESG Committee, which is responsible for overseeing the ESG integration efforts, setting goals, and reporting on the firm's performance. This ESG Policy is the guideline for formalising and focusing on responsible investment efforts, with the recognition that environmental, social and governance issues have a significant impact on delivering investment results for clients. Neuberger Berman measures success through sustained improvement in ESG expertise and building awareness across investment teams and central research capabilities by offering continuing education on ESG issues and access to an array of ESG-related analytical resources.

The firm's policy statement is disclosed to the public on the firm's website www.nb.com/esg and includes the latest white papers, articles and perspectives on ESG topics from investment professionals across the firm.

ESG Neuberger Berman Private Equity

NB Private Equity believes that mitigating ESG-related risks may reduce overall portfolio risk and that integrating ESG factors into investment due diligence may lead to a more consistent investment outcome.

ESG factors are an integral part of NB Private Equity's rigorous and resource-intensive due diligence process. NB Private Equity has the ability to diligence a single asset and to ensure that the company and sponsor are appropriately managing ESG risks.

The NB Private Equity investment team works closely with Neuberger Berman's dedicated ESG team to ensure implementation of industry best practices.

Directors Biographies

Talmai Morgan (Chairman, Independent Director) / 22 June 2007

Talmai Morgan, a resident of Guernsey, qualified as a barrister in 1976. He holds a MA in Economics and Law from Cambridge University. He moved to Guernsey in 1988 where he worked for Barings and then for the Bank of Bermuda. From 1999 to 2004, he was Director of Fiduciary Services and Enforcement at the Guernsey Financial Services Commission (Guernsey's financial regulatory agency) where he was responsible for the design and subsequent implementation of Guernsey's law relating to the regulation of fiduciaries, administration businesses and company directors. He was also particularly involved in the activities of the Financial Action Task Force and the Offshore Group of Banking Supervisors.

For the last 13 years, Mr Morgan has been the non-executive chairman or a non-executive director of a number of publicly-listed investment companies. He is presently Chairman of NB Private Equity Partners Limited, Sherborne Investors (Guernsey) B Limited, Sherborne Investors (Guernsey) C Limited and is on the board of John Laing Infrastructure Fund Limited.

John Falla (Chairman of the Audit Committee, Independent Director) / 21 December 2015

John Falla, a resident of Guernsey, is an Associate of the Institute of Chartered Accountants in England and Wales. He has a degree in Property Valuation and Management from City University London and is a Fellow of the Chartered Institute for Securities and Investment, holding their diploma. He qualified as a Chartered Accountant with Ernst and Young in London, before transferring to their Corporate Finance Department. On his return to Guernsey in 1996 he worked for an International Bank before joining the The International Stock Exchange (formerly Channel Islands Stock Exchange) in 1998 on its launch as a member of the Market Authority. In 2000 he joined the Edmond de Rothschild Group. Although based in Guernsey he provided corporate finance advice to international clients including open and closed-ended funds, and institutions with significant property interests. He was also a director of a number of Edmond de Rothschild operating and investment entities. He has been a non-executive director of London listed companies for a number of years, and is now a full-time non-executive director and consultant.

Other public company directorships:

- SQN Asset Finance Income Fund Limited
- Hadrian's Wall Secured Investments Limited
- CIP Merchant Capital Limited
- Marble Point Loan Financing Limited

Trudi Clark (Independent Director) / 24 April 2017

Trudi Clark qualified as a Chartered Accountant with Robson Rhodes in Birmingham before moving to Guernsey in 1987. She joined KPMG where she was responsible for an audit portfolio including some of the major financial institutions in Guernsey. After 10 years in public practice, she was recruited by the Bank of Bermuda as Head of European Internal Audit, later moving into corporate banking. In 1995 she joined Schroders in the Channel Islands as CFO. She was promoted in 2000 to Banking Director and Managing Director in 2003. From 2006 to 2009, Ms Clark established a family office, specialising in alternative investments. In recent years she has returned to public practice specialising in corporate restructuring services. Ms Clark also has several Non-Executive Director appointments for companies both listed and non-listed investing in property, private equity and other assets. Ms Clark graduated with a first class honours in Business Studies.

Ms Clark also holds a number of non-executive directorships of publicly-listed investments companies, namely, F&C Commercial Property Trust Limited, Sapphire PCC Limited, Sapphire IV Cell River and Mercantile UK MicroCap Investment Company Limited.

Directors Biographies (continued)

John Buser (Director) / 22 June 2007

John Buser is the Executive Vice Chairman of NB Alternatives and a Managing Director of Neuberger Berman. He is also a member of the Private Investment Portfolios, Co-Investment, Northbound and Secondary Investment Committees. He is Head of Private Market Client Initiatives and previously Mr. Buser was Global Head of Private Investment Portfolios for 13 years. Before joining Neuberger Berman in 1999, Mr. Buser was a partner at the law firm of Akin, Gump, Strauss, Hauer & Feld, L.L.P., where he had extensive experience in the practice of domestic and international income taxation and complex partnership negotiation during his 17 year tenure. Mr. Buser was admitted to the State Bar of Texas in 1982 after receiving his J.D. from Harvard Law School. Prior to attending law school, Mr. Buser graduated summa cum laude with a B.S. in accounting from Kansas State University.

John Buser has no other public company directorships.

Peter von Lehe (Director) / 22 June 2007

Peter von Lehe is the Head of Investment Solutions and Strategy and is a Managing Director of Neuberger Berman. He is also a member of the Athyrium, Co-Investment, Private Investment Portfolios, Marquee Brands and Renaissance Investment Committees. Mr. von Lehe sits on the Limited Partner Advisory Boards of a number of investment relationships globally on behalf of Neuberger Berman funds. Previously, Mr. von Lehe was a Managing Director and Deputy Head of the Private Equity Fund of Funds unit of Swiss Reinsurance Company. At Swiss Re, Mr. von Lehe was responsible for investment analysis and product structuring and worked in both New York and Zurich. Before that, he was an attorney with the law firm of Willkie Farr & Gallagher LLP in New York focusing on corporate finance and private equity transactions. He began his career as a financial analyst for a utility company, where he was responsible for econometric modeling. Mr. von Lehe received a B.S. with Honors in Economics from the University of Iowa and a J.D. with High Distinction, from the University of Iowa College of Law. He is a member of the New York Bar.

Peter Von Lehe has no other public company directorships.

APPENDIX | SCHEDULE OF INVESTMENTS (UNAUDITED)

($ in millions) Direct Equity Investments	Principal Geography	Investment Date	Description	Fair Value
ProAmpac	U.S.	Nov-16	Leading global flexible packaging company	26.4
Business Services Company*	U.S.	Oct-17	Business services company	26.2
Qpark	Europe	Oct-17	European parking services provider	24.1
Staples	U.S.	Sep-17	Provider of office supplies through a business to business platform and retail	23.9
The Warranty Group	Global	Jul-14	Underwriter & administrator of extended warranties	22.7
Engineering Ingegneria Informatica	Italy	May-16	Italian IT firm	21.0
Telxius	Europe	Oct-17	Telecommunications infrastructure including fibre-optic cables and telecom towers	20.9
Material Handling Systems	U.S.	Apr-17	E-commerce infrastructure and automation company	20.3
USI	U.S.	Jun-17	Insurance brokerage and consulting services	20.0
Extraction Oil & Gas	U.S.	May-14	E&P company in the U.S.	18.7
Marquee Brands	Global	Dec-14	Portfolio of consumer branded IP assets, licensed to third parties	16.3
LGC	Europe	Mar-16	Life sciences measurement and testing company	15.6
Gardner Denver, Inc.	U.S.	Jul-13	Maker of industrial equipment	15.5
Consilio	U.S.	Jul-15	eDiscovery company providing end-to-end services globally	15.4
Accedian	U.S.	Apr-17	Network technology company	15.3
Branded Cities Network	U.S.	Nov-17	North American advertising media company	14.6
Final Site	U.S.	Nov-16	Learning management platform for schools	14.0
Leaseplan	Europe	Apr-16	Fleet management company	13.7
Standard Aero	U.S.	Jun-15	Provider of aircraft maintenance, repair and overhaul services	12.6
Saguaro	Canada	Jul-13	E&P company pursuing unconventional light oil/liquids-rich gas properties	11.9
Excelitas	U.S.	Nov-17	Sensing, optics and illumination technology	10.9
Vencore	U.S.	Nov-10	High-end systems engineering to US Intelligence Industry	10.7
Branded Toy Company*	U.S.	Jul-17	Specialty toy company	10.6
Lasko Products	U.S.	Nov-16	Manufacturer of portable fans and ceramic heaters	10.0
Evoqua Equity	U.S.	Jan-14	Water treatment technology, equipment and services	9.9
SolarWinds	U.S.	Feb-16	Provider of enterprise-class IT and infrastructure management software	9.9
Digital River (Equity)	U.S.	Feb-15	Digital eCommerce, payments and marketing solutions	9.9
CSC Service Works	U.S.	Mar-15	Provider of outsourced services to laundry & air vending markets	9.7
RiverBed	U.S.	Feb-15	Provider of application performance infrastructure	9.7
Groupo Cortefiel	Europe	Oct-17	Spanish apparel retailer	9.3
Omega Environmental Technologies	U.S.	Feb-17	Leading distributor and assembler of climate control components	9.3
Genetic Testing Company - Equity*	U.S.	Jun-13	Genetic testing company	8.7
Looking Glass	U.S.	Feb-15	Cyber security technology company	8.6
Brightview	U.S.	Dec-13	Commercial landscape and turf maintenance	8.2
West Marine	U.S.	Sep-17	Specialty retailer of boating supplies	8.0
Solace Systems	U.S.	Apr-16	Enterprise messaging solutions	7.2
GC Services	U.S.	Jan-16	Provider of call center management and collection agency services	7.2
Ellucian	Global	Sep-15	Developer of higher education ERP software	7.1
Petsmart	U.S.	Jun-15	Pet supplies retailer	7.0
Fortress	U.S.	Jun-17	Leading hospital provider in Vietnam	7.0
Berlin Packaging	U.S.	Oct-14	Supplier of rigid packaging materials and value-added services	6.7
Black Knight Financial Services	U.S.	Dec-13	Mortgage servicing technology and appraisal / origination services	6.4
Avantor	U.S.	Feb-18	Provider of materials for life sciences and technology industries	6.1
Wind River Environmental	U.S.	Apr-17	Waste management services provider	5.9
Aster / DM Healthcare	Middle East / India	Jun-14	Operator of hospitals, clinics and pharmacies	5.7

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($ in millions) Direct Equity Investments	Principal Geography	Investment Date	Description	Fair Value
American Dental Partners, Inc.	U.S.	Feb-12	Dental practice management services	5.6
Vertiv	U.S.	Nov-16	Provider of data center infrastructure	5.4
ARUHI Corporation	Japan	Oct-14	Mortgage company in Japan offering primarily fixed rate mortgages	5.2
MHS	U.S.	Mar-17	Provider of repair, maintenance and fleet management services	5.0
Hilsinger	U.S. / U.K. / Australia	May-14	Supplier of eye wear and eye care accessories	4.9
Compliance Solutions Strategies	U.S.	Apr-17	Provider of compliance solutions to the financial services sector	4.8
Snagajob	U.S.	Jun-16	Job search and human capital management provider	4.5
Concord Bio	India	Jun-16	Active pharmaceutical ingredients manufacturer	4.5
Mills Fleet Farms	U.S.	Feb-16	Value-based retailer with 35 stores in the Midwest US	4.4
Inflection Energy	U.S.	Oct-14	Dry gas exploration company in the Marcellus Shale	4.4
Healthcare Services Company	NA	Feb-18	Healthcare services company	4.1
Connector Company*	U.S.	Oct-15	Producer of embedded solid-state connectors	4.0
Centro	U.S.	Jun-15	Provider of digital advertising management solutions	3.6
Boa Vista	Brazil	Nov-12	Second largest credit bureau in Brazil	3.3
Syniverse Technologies	Global	Feb-11	Global telecommunications technology solutions	3.3
First Data	Global	Sep-07	Electronic commerce and payments	3.1
Stratus Technologies	U.S.	Apr-14	Technology solutions that prevent downtime of critical applications	3.0
BackOffice	U.S.	Dec-17	Data management solutions provider	3.0
Bylight	U.S.	Jun-17	Provider of IT and technology infrastructure cyber solutions	2.5
Kyobo Life Insurance Co.	Asia	Dec-07	Life insurance in Korea	2.5
Counsyl	U.S.	Jul-14	Genetic testing and services using innovative software	4.0
Prosper	U.S.	Apr-15	Peer-to-peer online lending marketplace for unsecured consumer credit loans	2.1
Into University Partnerships	U.K./U.S.	Apr-13	Collegiate recruitment, placement and education	2.0
Velocidi	U.S.	Dec-16	Marketing intelligence company	2.0
Alex & Ani	U.S.	May-15	Designer jewelry company	1.9
Technology Company (Encryption App)*	U.S.	Aug-14	Encryption app for text, audio, picture and video messaging	1.5
Corona Industrials	South America	Jun-14	Building materials company	1.5
Shelf Drilling	Global	Feb-13	Shallow water offshore drilling contractor	1.3
Galco Industrials Equity	U.S.	May-14	Wholesale distributor of electrical components	1.3
Taylor Precision Products	U.S.	Jul-12	Consumer & foodservice measurement products	1.3
Acteon	Europe	Dec-12	Products & services to offshore energy sector	1.0
Specialty Drug Pharma. Company*	U.S.	Oct-15	Provider of product development and related services to life sciences companie	1.0
Fairmount Minerals	U.S.	Aug-10	Producer of high purity sand / sand based proppants	0.9
Formation Energy	U.S.	Jul-13	Oil & gas E&P focused on shale formations including the Bakken and Eagle Ford	0.9
Innovation Group	U.K.	Dec-15	Global business process outsourcing provider of insurance claims processing se	0.6
OB Hospitalist Group	U.S.	Aug-17	Hospitalist and related physician support services	0.4
Univar	Global	Nov-10	Commodity and specialty chemicals distributor	0.4
J.Crew Group	U.S.	Mar-11	Specialty retailer	0.2
Incipio	U.S.	Feb-16	Designer and developer of smartphone and tablet accessories	0.0
Net Other Assets / (Liabilities)				1.9
Total Direct Equity Investments				**$686.3**

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APPENDIX | SCHEDULE OF INVESTMENTS (UNAUDITED)

Investment Name	Security Details	Investment Date	Maturity Date	Fair Value[1]	Cash + PIK Coupon	Cash Yield	Total Est. YTM
Corporate Private Debt Investments							
2017							
Firstlight Fiber	Second Lien (L+8.0% Cash, 1% L Floor, 1.5% OID)	Sep-17	Dec-22	$2.4	10.3%	10.2%	10.6%
Epic Insurance	Second Lien (L+9.25% Cash, 1% L Floor, 3% OID)	Sep-17	Sep-25	3.4	11.6%	12.0%	13.1%
Carestream Dental	Second Lien (L+8.0% Cash, 1% L Floor, 3% OID)	Sep-17	Sep-25	9.2	10.3%	10.6%	11.4%
OB Hospitalist	Second Lien (L+8.5% Cash, 1% L Floor, 2% OID)	Aug-17	Aug-25	3.5	10.8%	12.2%	14.0%
Dubois Chemical	Second lien (L+8.00% Cash, 1% L Floor, 1% OID)	Mar-17	Mar-25	9.0	10.3%	10.4%	11.0%
Blue Nile	First Lien (L+6.50% Cash, 1% L Floor, 3% OID)	Mar-17	Feb-23	3.4	8.8%	9.4%	10.9%
Optiv	Second Lien (L+7.25%, 1% Floor, 0.5% OID)	Feb-17	Feb-25	5.1	9.6%	10.6%	12.3%
Sungard	Second Lien (L+8.50%, 1% Floor, 1.0% OID)	Feb-17	Jan-25	4.9	10.8%	10.9%	11.5%
2016							
ProAmpac	Second Lien (L+8.50%, 1% L Floor)	Nov-16	Oct-24	6.0	10.8%	10.9%	11.6%
2015							
Linxens	Second lien (L+8.25% Cash, 1.0% L Floor, 1% OID)	Oct-15	Oct-23	8.7	10.6%	10.5%	11.1%
Schumacher Group	Second lien (L+8.5% Cash, 1.0% L Floor, 1% OID)	Oct-15	Oct-23	9.7	10.8%	10.9%	11.6%
Funding Circle	Portfolio of small business loans	Jan-15	N/A	2.5	N/A	N/A	N/A
Digital River Debt	First lien (L+5.75% Cash, 1.0% L Floor, 1% OID)	Jan-15	Feb-21	1.2	8.1%	7.9%	7.6%
Digital River Debt	Second lien (L+11.0% Cash, 1.0% L Floor, 1% OID)	Jan-15	Feb-22	1.0	13.3%	13.0%	13.3%
2014							
Central Security Group	Second lien (L+9.0% Cash, 1% L Floor, 5% OID)	Nov-14	Oct-21	5.9	11.3%	11.6%	13.0%
Galco Industrial Electronics	Sr. sub notes (10.75% Cash, 1.25% PIK, 1.5% OID)	May-14	May-21	5.3	12.0%	10.3%	12.0%
2013							
P2 Energy Solutions	Second lien (L+8.00% Cash, 1.0% L Floor, 1% OID)	Nov-13	May-21	$4.6	10.3%	11.3%	14.7%
Total Corporate Private Debt Investments Fair Value				**$85.7**	**10.6%**	**10.8%**	**11.9%**
Total Credit Opportunities Investments				**$53.5**	**12.5%**	**14.2%**	**19.1%**
Total Healthcare Credit Investments Fair Value				**$3.3**	**8.0%**	**9.1%**	**19.0%**
Total Income Portfolio Fair Value				**$142.6**	**11.1%**	**9.5%**	**15.1%**

Note: Numbers may not sum due to rounding.

APPENDIX | SCHEDULE OF INVESTMENTS (UNAUDITED)

Investment Name	Asset Class	Vintage Year	Unfunded Commitment	Fair Value	% of NBPE NAV
Catalyst Fund III	Special Situations Funds	2011	$1.2	$12.9	1.5%
Bertram Growth Capital II	Growth / Venture Funds	2010	2.8	10.7	1.3%
NB Crossroads Fund XVIII - Mid-cap Buyout	Mid-cap Buyout Funds	Fund XVIII	7.1	10.1	1.2%
NG Capital Partners I , L.P.	Growth / Venture Funds	2010	0.3	7.6	0.9%
Bertram Growth Capital I	Growth / Venture Funds	2007	2.8	6.1	0.7%
Corsair III Financial Services Capital Partners	Mid-cap Buyout Funds	2007	0.7	5.7	0.7%
NB Crossroads Fund XVIII - Venture Capital	Growth / Venture Funds	Fund XVIII	1.7	4.7	0.6%
DBAG Expansion Capital Fund	Growth / Venture Funds	2012	0.8	4.4	0.5%
Sun Capital Partners V	Special Situations Funds	2007	1.0	4.3	0.5%
NB Fund of Funds Secondary 2009	Mid-cap Buyout Funds	2009	0.6	2.9	0.4%
NB Crossroads Fund XVIII - Special Situations	Special Situations Funds	Fund XVIII	0.9	2.9	0.3%
NB Crossroads Fund XVIII - Large-cap Buyout	Large-cap Buyout Funds	Fund XVIII	2.2	2.8	0.3%
Aquiline Financial Services Fund L.P.	Mid-cap Buyout Funds	2005	0.0	2.4	0.3%
Sankaty Credit Opportunities III	Special Situations Funds	2007	0.0	2.3	0.3%
CVI Global Value Fund	Special Situations Funds	2006	0.8	2.2	0.3%
Platinum Equity Capital Partners II	Special Situations Funds	2007	3.3	2.2	0.3%
OCM Opportunities Fund VIIb	Special Situations Funds	2008	3.0	2.2	0.3%
J.C. Flowers II	Large-cap Buyout Funds	2006	0.3	2.2	0.3%
Highstar Capital Fund II	Mid-cap Buyout Funds	2004	0.1	1.7	0.2%
ArcLight Energy Partners Fund IV	Mid-cap Buyout Funds	2007	4.6	1.5	0.2%
Oaktree Opportunities Fund VIII	Special Situations Funds	2009	0.0	1.4	0.2%
First Reserve Fund XI	Large-cap Buyout Funds	2006	0.0	1.4	0.2%
Trident IV	Mid-cap Buyout Funds	2007	0.5	1.3	0.2%
OCM Principal Opportunities Fund IV	Mid-cap Buyout Funds	2007	2.0	1.1	0.1%
Centerbridge Credit Partners	Special Situations Funds	2008	0.0	1.1	0.1%
Avista Capital Partners	Mid-cap Buyout Funds	2006	0.2	0.6	0.1%
Strategic Value Global Opportunities Fund I-A	Special Situations Funds	2010	0.1	0.5	0.1%
Lightyear Capital Fund II	Mid-cap Buyout Funds	2006	1.4	0.3	0.0%
American Capital Equity II	Mid-cap Buyout Funds	2005	0.5	0.3	0.0%
Carlyle Europe Partners II	Large-cap Buyout Funds	2003	0.7	0.2	0.0%
Strategic Value Special Situations Fund	Special Situations Funds	2010	0.0	0.1	0.0%
Clessidra Capital Partners	Mid-cap Buyout Funds	2004	0.1	0.1	0.0%
Prospect Harbor Credit Partners	Special Situations Funds	2007	0.0	0.0	0.0%
Total Fund Portfolio			**$39.6**	**$100.0**	**11.9%**

Note: Numbers may not sum due to rounding.
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APPENDIX | VALUATION METHODOLOGY

Equity

It is expected that most of the investments in which the Fund invests will meet the criteria set forth under FASB ASC 820 Fair Value Measurement ("ASC 820") permitting the use of the practical expedient to determine the fair value of the investments. ASC 820 provides that, in valuing alternative investments that do not have quoted market prices, but calculate NAV per share or equivalent, an investor may determine fair value by using the NAV reported to the investor by the underlying investment. To the extent ASC 820 is applicable to an investment, the General Partner will value the Fund's investment based primarily on the value reported to the Fund by the investment or by the lead investor of a direct co-investment as of each quarter-end, as determined by the investments in accordance with its own valuation policies.

The Fund generally uses the NAV reported by the investments as a primary input in its valuation; however, adjustments to the reported NAV may be made based on various factors, including, but not limited to, the attributes of the interest held, including the rights and obligations, any restrictions or illiquidity on such interest, any potential clawbacks by the investments and the fair value of the investments' investment portfolio or other assets and liabilities. The valuation process for investments categorized in Level 3 of the fair value hierarchy is completed on a quarterly basis and is designed to subject the valuation of Level 3 investments to an appropriate level of consistency, oversight and review. The General Partner has ultimate responsibility for the valuation process and the fair value of investments reported in the financial statements. The General Partner performs initial and ongoing investment monitoring and valuation assessments. In determining the fair value of investments, the General Partner reviews periodic investor reports and interim and annual audited financial statements received from the investments, reviews material quarter over quarter changes in valuation, and assess the impact of macro market factors on the performance of the investments.

Debt

Debt investments made on a primary basis are generally carried at cost plus accrued interest, if any. Investments made through the secondary market are generally marked based on market quotations, to the extent available, and the manager will take into account current pricing and liquidity of the security.

For primary issuance debt investments, the Manager estimates the enterprise value of each portfolio company and compares such amount to the total amount of the company's debt as well as the level of debt senior to the Company's 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, the Manager will further consider the companies' acquisition price, credit metrics, historical and projected operational and 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 the Company is invested in and securities senior to the Company's position.

If the principal repayment of debt and any accrued interest is supported by the enterprise value analysis described above, the Manager will next consider current market conditions including pricing quotations for the same security and yields for similar investments.

For investments made on a secondary basis, to the extent market quotations for the security are available, the Manager 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 the Manager believes market yields for similar investments have changed substantially since the pricing of the security, the Manager will perform a discounted cash flow analysis, based on the expected future cash flows of the debt securities and current market rates. The Manager will also consider the maturity of the investment, compliance with covenants and ability to pay cash interest when estimating the fair value of debt investments.

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:

- future operating results;
- business prospects and the prospects of the Company's investments;
- the impact of investments the Company expects to make;
- the dependence of future success on the general economy and its impact on the industries in which the Company invests;
- the ability of the investments to achieve their objectives;
- differences between the investment objective and the investment objectives of the private equity funds in which the Company invests;
- the rate at which capital is deployed in private equity investments, co-investments and opportunistic investments;
- expected financings and investments;
- the continuation of the Investment Manager as the service provider and the continued affiliation with the Investment Manager of its key investment professionals;
- the adequacy of the Company's cash resources and working capital; and
- the timing of cash flows, if any, from the operations of the underlying private equity funds and the 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 the beliefs, assumptions and expectations of the future performance, taking into account all information currently available to the Manager. 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 the Manager or are within the Manager's control. If a change occurs, the business, financial condition, liquidity and results of operations may vary materially from those expressed in the forward-looking statements. Factors and events that could cause the 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 the prospectus relating to the Company's IPO and the Company's prospectus relating to the ZDP Shares.

The foregoing is not a comprehensive list of the risks and uncertainties to which the Company is subject. Except as required by applicable law, the Manager undertakes no obligation to update or revise any forward-looking statements to reflect any change in The Manager's 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 the Company's forward-looking statements might not occur. The Manager qualifies any and all of the forward-looking statements by these cautionary factors.

APPENDIX | DIRECTORS, ADVISORS AND CONTACT INFORMATION

Ordinary Share Information
Trading Symbol: NBPE
Exchanges: The Premium Segment of the Main Market of the London Stock Exchange and the regulated market of Euronext Amsterdam N.V. Euronext Amsterdam Listing Date: 25 July 2007
Premium Segment Trading Admission: 2 May 2017
Traded Currency: GBP (LSE); USD (Euronext)
Bloomberg: NBPE NA, NBPE LN
Reuters: NBPE.AS, NBPE.L
ISIN: GG00B1ZBD492
COMMON: 030991001
Amsterdam Security Code: 600737
LEI: 2138000JH93NH810FQ77

ZDP Share Information
Trading Symbol: NBPP
Exchanges: Specialist Fund Segment of the London Stock Exchange
Date: 16 September 2016
Base Currency: GBP
Bloomberg: NBPP: LN
Reuters: NBPEO.L
ISIN: GG00BD0FRW63
SEDOL: BD0FRW6

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