Lehman Brothers Private Equity Partners Limited

29 February 2008 [1]

Company Overview

Lehman Brothers Private Equity Partners Limited ("LBPE" or "the Company") is a closed-end investment company registered under the laws of Guernsey managed by Lehman Brothers' Private Fund Investments Group and its affiliates (together, the "Investment Manager"). We invest in private equity funds managed by leading sponsors, including funds of funds managed by the Investment Manager, and make direct private equity investments alongside leading sponsors ("co-investments"). Our investment objective is to produce attractive returns on our capital from our private equity investments while managing investment risk through portfolio diversification across asset class, vintage year, geography, industry and sponsor.

Investment Manager Commentary

LBPE did not commit to any new private equity funds or invest in any direct co-investments in February. Throughout the month, the Company invested an aggregate $12.0 million in private equity through capital calls from funds and received an aggregate $9.7 million of distributions from its private equity investments. As a result, LBPE's private equity investment level increased to 77.1% of total net asset value at 29 February 2008. Approximately 56% of the capital that was deployed in February was invested in the special situations / distressed portfolio, with much of the remaining capital invested in the buyout portfolio. Nearly all of the distributions received during the month were from two meaningful realizations that occurred in the seasoned portfolio of buyout fund investments.

During February, a number of investments in LBPE's portfolio experienced increases or decreases in value, which in aggregate mostly offset each other. LBPE recognized gains associated with two meaningful realization events as well as positive foreign exchange adjustments. This appreciation was partially offset by a net write down of certain unrealized privately held companies, offset in part by write-ups of other companies. In addition, mark-to-market adjustments on the publicly traded equity securities and on credit-related investments that LBPE is exposed to through private equity funds and co-investments reflected a net decrease in value. Including the revaluation of public securities and all other valuation adjustments, LBPE's unaudited net asset value per share was $10.37 at 29 February 2008, representing a decrease of 0.1% compared to the unaudited 31 January 2008 net asset value per share of $10.38 and no change compared to the audited 31 December 2007 net asset value per share of $10.37.

Net Asset Value Development

Private Equity Performance *($ in millions)*	**29 February 2008**	**31 January 2008**
Estimated Net Asset Value of Private Equity Investments	$433.3	$432.3
Unfunded Private Equity Commitments	280.3	292.0
Total Private Equity Exposure	**$713.6**	**$724.3**
Number of Underlying Investments	51	51

As of 29 February 2008, the private equity investment portfolio included exposure to over 1,900 underlying portfolio companies.

Summary of Net Asset Value *($ in millions, except per share data)*	**29 February 2008**	**31 January 2008**
Direct Fund Investments and Fund of Funds Investments	$339.6	$339.2
Co-investments	93.7	93.2
Total Private Equity Investments	$433.3	$432.3
Cash and Cash Equivalents	132.4	138.2
Net Other Assets (Liabilities), including Minority Interest	(3.5)	(7.7)
Net Asset Value	**$562.2**	**$562.9**
Net Asset Value per Share *	**$10.37**	**$10.38**
Closing Share Price	**$8.10**	**$7.46**
Premium (Discount)	**(21.9%)**	**(28.1%)**

* As of 29 February 2008, there were 54,210,000 Class A shares and 10,000 Class B ordinary shares outstanding.

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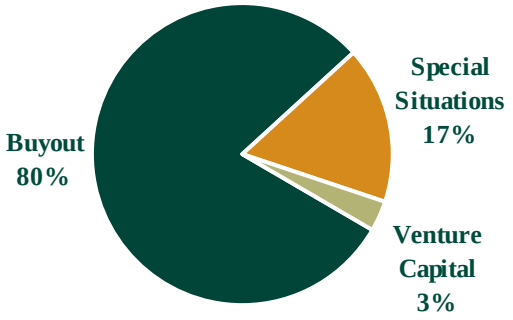
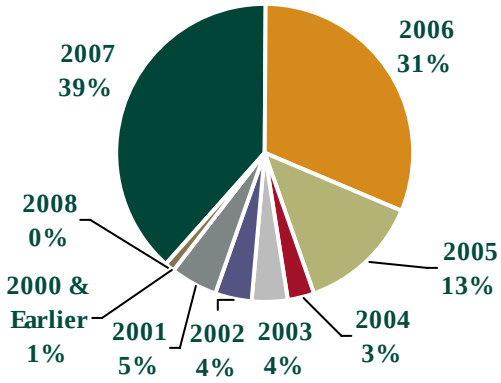
Private Equity Portfolio Diversification

Key information about LBPE's portfolio of private equity investments based upon fair value at 29 February 2008 was as follows: [2]

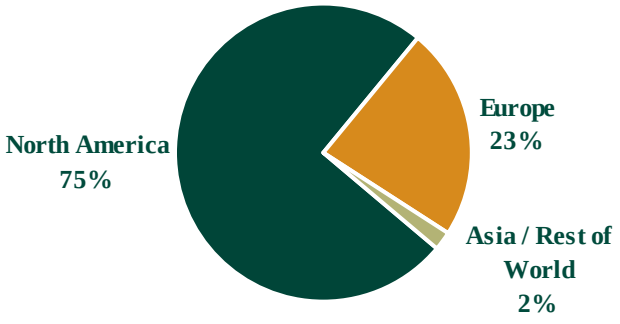
Private Equity Asset Class



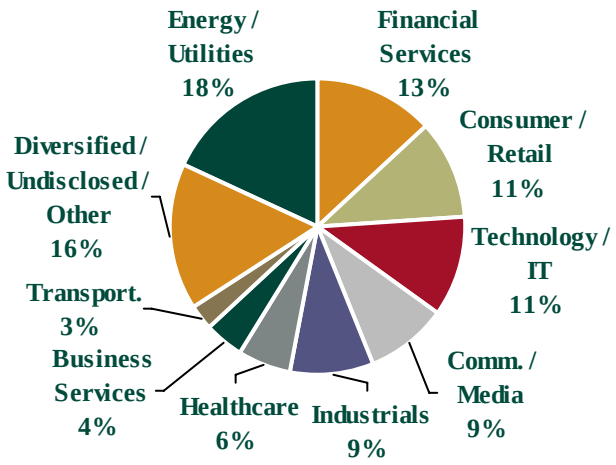
Vintage Year of Fund or Co-investment



Geography



Industry



Based on total private equity exposure, which includes unfunded commitments, the diversification of LBPE's portfolio of private equity investments at 29 February 2008 was as follows: [2]

- Private equity asset class – buyout: 76%; special situations: 20%; venture capital: 4%
- Vintage year of fund or co-investment – 2000 & earlier: 1%; 2001: 4%; 2002: 2%; 2003: 3%; 2004: 2%; 2005: 12%; 2006: 32%; 2007: 41%; 2008: 3%
- Geography – North America: 72%; Europe: 24%; Asia / rest of world: 4%
- Industry – energy / utilities: 18%; financial services: 14%; industrials: 12%; consumer / retail: 11%; technology / IT: 9%; communications / media: 8%; healthcare: 6%; business services: 6%; transportation: 5%; diversified / undisclosed / other: 11%

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Valuation Methodology

The Company carries its investments on its books at fair value in accordance with accounting principles generally accepted in the United States. The Company uses the best information it has 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, if any, that affect marketability. The Company determines such values for publicly traded securities held directly as well as known public positions held in the underlying funds or funds of funds, on a look-through basis. The Company estimates 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.

Contact Information

For questions about the Company, please contact the Investor Relations department of the Investment Manager at the phone number or email address listed below:

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Key Information

Trading Symbol: LBPE
Exchange: Euronext
Listing Date: 25 July 2007
Base Currency: USD
Bloomberg: LBPE NA
Reuters: LBPE.AS
ISIN: GG00B1ZBD492
COMMON: 030991001
Amsterdam Security Code: 600737

1. Figures provided are unaudited and subject to change. Certain numbers may not total due to rounding.

2. The diversification analysis is based on the diversification of underlying portfolio companies at fair value as estimated by the Investment Manager. The diversification by private equity asset class and vintage year also includes an allocation of net cash flows and valuation adjustments made since financial statements were last received from the investment sponsor. Determinations regarding private equity asset class, geography and industry diversification, as well as the allocation of unfunded commitments (on a total exposure basis), also represent the Investment Manager's estimates. Accordingly, actual diversification of the Company's investment portfolio and the diversification of the Company's investment portfolio on an ongoing basis may vary from the foregoing information.

This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the securities described herein. This report was prepared using financial information contained in LBPE's books and records as of the reporting date. This information is believed to be accurate but has not been audited by a third party. This report describes past performance, which may not be indicative of future results. LBPE does not accept any liability for actions taken on the basis of the information provided.