NB PRIVATE EQUITY PARTNERS: OPPORTUNITIES FOR INCOME AND CAPITAL APPRECIATION THROUGH PRIVATE EQUITY

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ABOUT NEUBERGER BERMAN & NB PRIVATE EQUITY PARTNERS ("NBPE")

NEUBERGER BERMAN: OVERVIEW

Research-driven, high conviction

94% NUMBER OF 2,155 100% **EMPLOYEE EMPLOYEES** OWNFD1 WORLDWIDE OF CLIENTS' ASSETS MANAGED BY LEAD **PORTFOLIO INVESTED BY NB MANAGERS** 32 **EMPLOYEES AND THEIR** WHO HAVE 20+ YRS **FAMILIES IN NB INDUSTRY** STRATEGIES./ACCOUNTS1 **EXPERIENCE OFFICES** \$251_{BN} 25+ YRS 1,649 18 TOTAL ASSETS **PORTFOLIO** RESEARCH MEETINGS WITH **COUNTRIES UNDER MANAGERS AVERAGE COMPANY MANAGEMENT MANAGEMENT INDUSTRY** TEAMS AT OUR OFFICES IN **EXPERIENCE** 2014



BEST PLACE TO WORK IN MONEY MANAGEMENT (2013, 2014) Among organizations with over 1,000 employees by Pensions & Investments

^{1.} Employee ownership includes current and former employees, directors, consultants and their permitted transferees. Employee assets include current and former employees and their family members. All information is as of June 30, 2015, except as otherwise noted. Firm data reflects the collective data for the various subsidiaries of Neuberger Berman Group LLC.

NEUBERGER BERMAN PRIVATE EQUITY PLATFORM

Integrated private equity platform provides robust deal flow and enhanced due diligence insights

PRIVATE EQUITY PLATFORM

Over \$30 billion of commitments managed⁽¹⁾

Primary Secondary Co-Investments Private Debt Specialty Strategies DEAL FLOW & INFORMATION SHARING

NB PRIVATE EQUITY PARTNERS

NBPE invests in the debt and equity of private equity backed companies

KEY HIGHLIGHTS

Listing Date: 2007

• Market Capitalisation: \$551.9m

Net Asset Value (NAV): \$705.8m

• **NAV per Share:** \$14.46

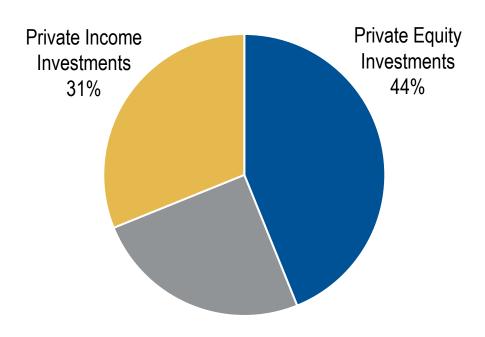
Current share price: \$11.37

Dividend Yield on Share Price: 4.4%

 Clients have option to receive dividend in sterling

NBPE has demonstrated a history of consistent strong investment performance

INVESTMENT TYPE (by fair value)



Fund Investments 25%

NEUBERGER BERMAN

PRIVATE EQUITY AND INCOME

PRIVATE EQUITY AND INCOME

Why invest in private equity-backed companies for income and capital appreciation?

ADVANTAGES OF PRIVATE EQUITY

☑ Less efficient market for acquiring businesses

☑ Sourcing and information advantages through relationships and extensive due diligence

☑ Control investor that can add value and fundamentally improve a company

WHY DEBT OF PRIVATE-EQUITY BACKED FIRMS?

LOWER DEFAULT RATES

ILLIQUIDITY PREMIUM

SHORTER DURATION

USE OF FLOATING RATES

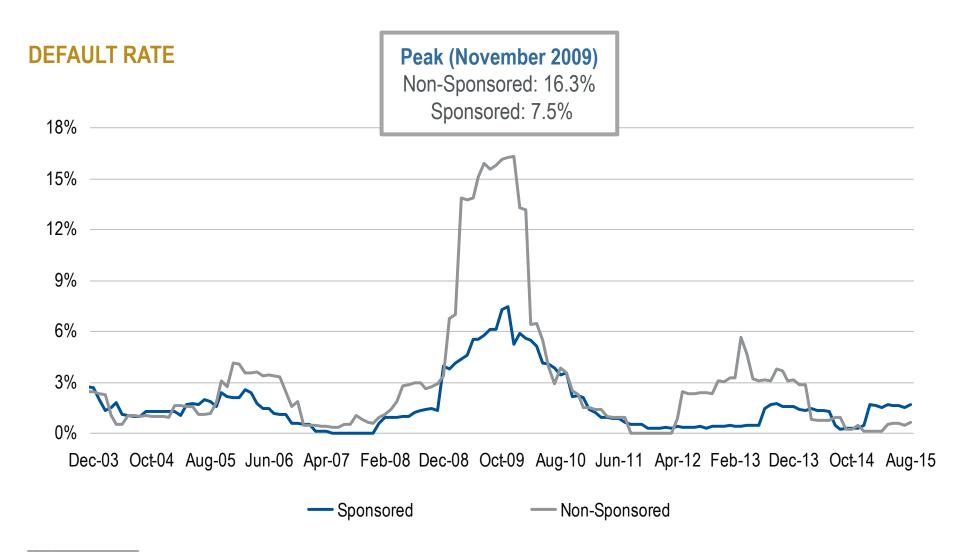
Sponsored leverage loans have typically had historically lower default rates

Barriers to entry in junior debt markets create an attractive illiquidity premium

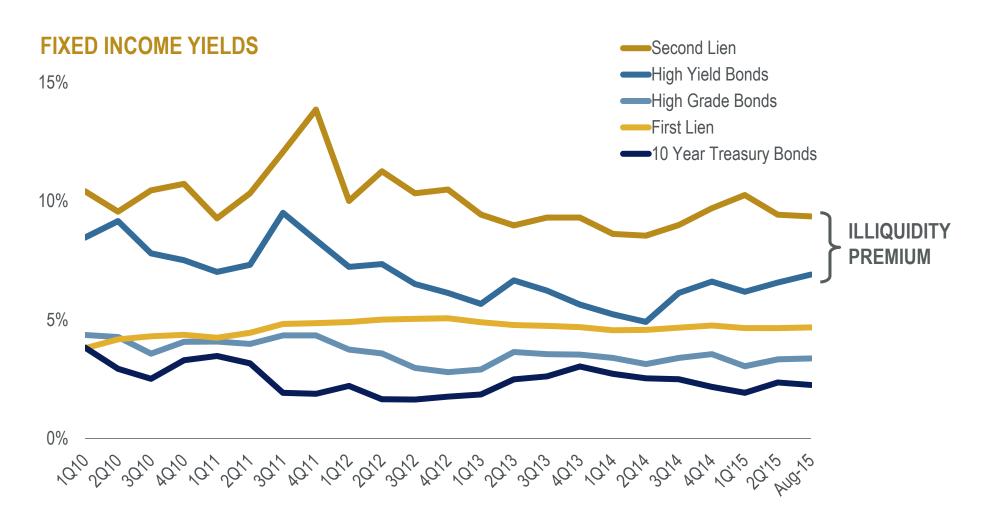
Private equity firms generally motivated to exit prior to maturity (via refinancing or company sale)

Private debt often offers floating rates, reducing interest rate risk

SPONSORED LEVERAGED LOANS HAVE TYPICALLY HAD LOWER DEFAULT RATES



ILLIQUIDITY PREMIUM REMAINS STABLE, DESPITE VOLATILITY IN LIQUID MARKETS



Source: Bloomberg, Credit Suisse, Barclays, S&P LCD. Data as of August 31, 2015.

OUR MANAGER'S ADVANTAGES

NB Alternatives is a global investor with over 30 years¹ of experience, deep relationships and a unique position in the private equity ecosystem

PRIVATE EQUITY MANAGER RELATIONSHIPS

Over 3,000 funds diligenced

LP in over 300 active PE funds

Hold over 90 advisory board seats



PRIVATE EQUITY-BACKED **COMPANIES**

Over 200 direct equity coinvestments and direct debt investments

Information on 14,000+ private equity-owned companies

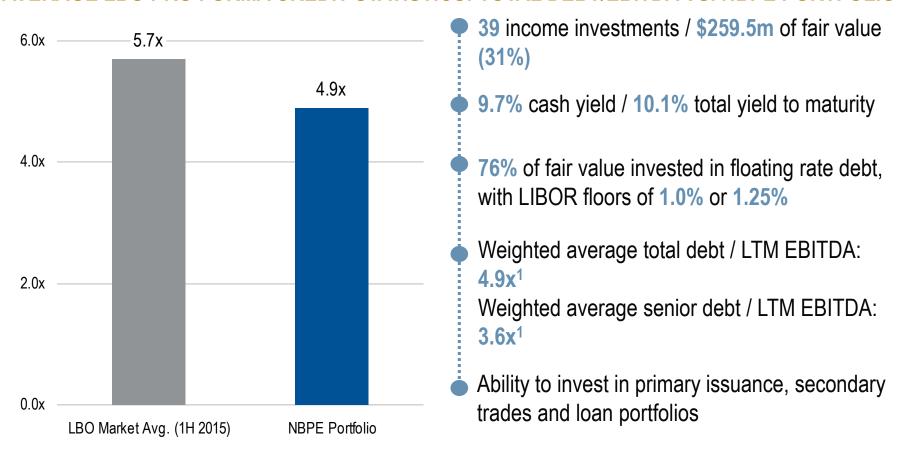
NBPE is able to leverage the position of its manager to access unique private equity opportunities

Source: NB Alternatives Advisers LLC. As of July 2015.

^{1.} This includes funds managed by NB Alternatives and its predecessors-in-interest. Neuberger Berman and its affiliates are the successor to all of the predecessors' operational assets, and employ substantially all of their key personnel, and NB Alternatives became either the advisor or sub-advisor to the fund accounts previously advised by the predecessors. All time periods referenced are through June 1, 2015.

NBPE INCOME INVESTMENT PORTFOLIO

AVERAGE LBO PRO FORMA CREDIT STATISTICS: TOTAL DEBT/EBITDA VS. NBPE PORTFOLIO



Note: As of 31 August 2015. Fair value includes two portfolios of small business loans (\$17.5mm of fair value) at an interest rate at least at the rate stated above but excluded in the yield calculation. Total yield to maturity (inclusive of PIK interest) represents the return (IRR) from this reporting period to the maturity of the investment. Leverage multiple from S&P Leveraged Buyout Quarterly Review.

Weighted by fair value as of 31 August 2015 but based on portfolio company valuation data as of 30 June 2015. Leverage multiples are based on the corporate debt investments only (excluding loan portfolios) and senior leverage is based on the net leverage that is senior to the security held by NBPE. Excludes healthcare credit investments.

REPRESENTATIVE NBPE INCOME INVESTMENTS

15 largest income investments – all private equity backed

























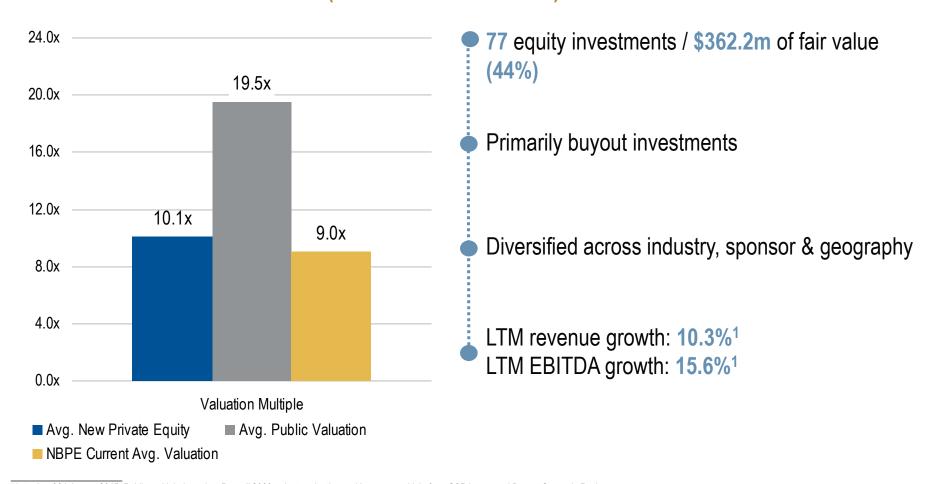






NBPE EQUITY INVESTMENT PORTFOLIO

PUBLIC & PRIVATE VALUATIONS (EV/EBITDA MULTIPLES) VS. NBPE CURRENT



Note: As of 31 August 2015. Public multiple based on Russell 2000; private valuation and leverage multiple from S&P Leveraged Buyout Quarterly Review.

1. Weighted average multiples and growth rates weighted by fair value as of 31 August 2015 but based on 30 June 2015 portfolio company valuation data (unaudited). Excludes public securities and companies valued on revenue, book value or other valuation metrics. Metrics based on companies which represent approximately 54% of equity investment fair value.

REPRESENTATIVE EQUITY INVESTMENTS

15 largest equity investments – all private equity backed

















Oil & Gas Company*





Genetic Testing Company*







STRONG PERFORMANCE¹

NBPE has performed well over the short, medium and long-term

NBPE PERFORMANCE OVER TIME (as of 31 Aug 2015)

Cumulative Returns Over Time	Year to Date	One Year	Three Year	Five Year	Since NBPE Inception (July 2007)
TOTAL RETURN NAV INCL. DIVIDENDS ²	5.7%	10.3%	46.2%	73.1%	64.6%
SHARE PRICE TOTAL RETURN ³	4.5%	7.6%	68.6%	130.4%	25.0%

Note: NAV data as of 31 August 2015. NBPE share price data as of 31 August 2015.

^{1.} All performance figures assume re-investment of dividends on the ex-dividend date and reflect cumulative returns over the relevant time periods shown and are not annualized returns.

P. Based on 31 August 2015 monthly estimated NAV of \$14.46 per share.

Based on the Euronext closing price of \$11.47 on 31 August 2015 and cumulative dividends.

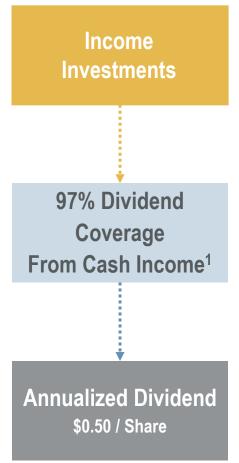
NBPE DIVIDEND

4.4% annualized dividend yield on share price

Yield income:

9.7% cash yield /

10.1% total yield



Annualized Dividend Yield²:

- 4.4% on share price
- 3.5% on NAV

Option to receive payments in Sterling for UK investors & dividend re-investment plan

Note: Guidance regarding NBPE's future portfolio and performance is a target only and not a profit forecast. There can be no assurance that this target will be met or that the Company will make any future distributions whatsoever. Any such changes will be notified to shareholders through a regulatory information service. NBPE's Board of Directors will continue to evaluate the Company's financial position, annual dividend target and the timing of future dividends. Future dividend payments will be announced by NBPE after the Board of Directors have completed such evaluation. Total yield (inclusive of PIK interest) represents the return (IRR) from this reporting period to the maturity of the investment. As of 31 August 2015.

Dividend coverage is gross of fees, expenses and financing costs.

^{2.} Based on the NYSE Euronext closing share price of \$11.37 on 22 September 2015 and the 31 August 2015 monthly NAV of \$14.46 per share.

NBPE KEY HIGHLIGHTS

Fully invested with strong historical performance and conservative capital structure

Investing in less efficient market where NBPE has an information advantage

Significant private debt exposure provides strong cash yield and covered dividend

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