

## NBPE Announces the First 2019 Semi-annual Dividend and Update on Strategic Actions

8 January 2019

NB Private Equity Partners Limited (“NBPE” or the “Company”) today announces:

- A first 2019 dividend of \$0.28 per share
- Entry into new share buyback agreement, to be managed by Jefferies International
- The sale of 14 of its legacy third-party private equity funds totalling \$19.4 million of proceeds, taking ongoing fund investments to below 5% of private equity fair value

### First 2019 Dividend

NBPE today declares its first 2019 semi-annual dividend payment on the Company's Ordinary Shares of \$0.28 per Ordinary Share, to be paid on 28 February 2019. On an annualised basis, this dividend payment represents a dividend yield of 4.3% based on the London Stock Exchange closing price of £10.20 (\$12.98 at GBP/USD exchange rate of \$1.273) on 4 January 2019. In line with its long term dividend policy of targeting an annualised dividend yield of 3.0% or greater on NAV, this payment represents a yield on 30 November 2018 estimated NAV, of 3.1%.

While the Company declares dividends in US Dollars, Shareholders will receive Sterling at the prevailing rate at the time of currency conversion, unless an election to receive dividends in US Dollars is made on forms which are available on NBPE's website prior to the currency election date listed below. If an investor has previously elected to receive US Dollars, that election will be used unless changed. Investors may also participate in a dividend re-investment plan (forms for which are available on NBPE's website) if they wish to increase their shareholdings as against receiving dividends.

Distribution amount:	\$0.28 cents per Share
Ex-dividend date:	31 January 2019
Dividend record date:	1 February 2019
Final day for Currency Election:	1 February 2019
Final day for Dividend Re-investment Plan Election:	8 February 2019
Payment date:	28 February 2019

### Entry into New Share Buyback Agreement

NBPE has a long history of returning capital to shareholders. Since it began paying dividends in 2013, NBPE has returned \$140 million to shareholders (not including the first 2019 dividend detailed above). In addition, between November 2010 and October 2012, NBPE repurchased 2,269,028 Class A Shares. These Class A Shares were repurchased at a weighted average discount to NAV of 32% and a total cost of \$16.5 million. From July 2008 to May 2009, under the liquidity enhancement program, NBPE repurchased 3,150,408 Class A Shares at a weighted average discount to NAV of 69% and a total cost of \$9.2 million. Class A Shares repurchased under the liquidity enhancement program are held in treasury. Over the course of the buybacks, total NAV per share accretion was \$0.71 per share.

Continuing this principle, the board of directors of NBPE has approved a new share buyback policy. In addition, a new share buyback agreement with Jefferies International Limited (“Jefferies”) has been finalised and signed. These actions will allow Jefferies at its discretion to repurchase NBPE Class A Shares on behalf of NBPE based on multiple factors in the buyback policy, including the absolute level of discount, NBPE's discount compared with peers and broader equity market movements, among other factors. The board believes that under the criteria it has set, any share buybacks will be an optimal use of NBPE's capital for the benefit of shareholders, as well as being immediately accretive to net asset value.

Purchases of Class A Shares may be made only in accordance with Guernsey law, the Disclosure Guidance and Transparency Rules and the authority granted by Shareholders at the Company's Annual General Meeting on 5 November 2018. Under the FCA Listing Rules, the maximum price that may be paid by the

Company on the repurchase of any Class A Shares pursuant to a general authority is 105 per cent. of the average of the middle market quotations for the Class A Shares for the five business days immediately preceding the date of purchase or, if higher, that stipulated by regulatory technical standards adopted by the European Commission pursuant to Article 5(6) of the Market Abuse Regulation (EU) No. 596/2014.

A buy-back of Class A Shares pursuant to the buyback policy on any trading day may represent a significant proportion of the daily trading volume in the Class A Shares on the Main Market of the London Stock Exchange plc (and could exceed the 25% limit of the average daily trading volume of the preceding 20 business days as referred to in the Commission Delegated Regulation (EU) No. 2016/1052 on buy-back programmes).

Any purchase of Class A Shares by the Company will be notified by an announcement through a Regulatory Information Service by no later than 7.30 a.m. on the following business day. Class A Shares repurchased by the Company will be cancelled.

Shareholders should note that the purchase of Class A Shares by the Company is based on a number of factors and subject to the satisfaction of certain conditions set out in the buyback policy. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

### **Sale of Legacy Fund Positions**

As announced on 3 September 2018, NBPE has been engaged in a review and sales process of its legacy fund interests. The sales process was focused on maximising value to NBPE shareholders measured through both absolute value and the opportunity cost of holding vs. selling. All fund investments were analysed and a decision was made on a case by case basis as to the best way to maximise value. Following this process, NBPE formally engaged a leading secondary private equity broker to explore the sale of the portion of its third party legacy fund positions which it is believed were most favourable to divest. Today we are pleased to announce the sale of 14 of NBPE's legacy fund interests. In aggregate, the 14 fund interests were sold at 86% of their reported 30 June 2018 net asset value, and the sale will generate a total of approximately \$19.4 million of proceeds on a cash flow adjusted basis. At closing, NBPE received proceeds of approximately \$9.7 million, with the remaining 50% of the proceeds subject to a 12 month deferral. The sales value of these funds is reflected in the most recent NAV update, as of 30 November 2018 and hence there is not expected to be any further NAV adjustment from these sales in the 31 December NAV statements.

We are pleased with the outcome of this process, the continuing reduction in the size of the funds portfolio and the fact that over 95% of the portfolio is now in direct investments. Based on the November monthly NAV update, adjusted for the sale of the 14 legacy funds, NBPE's reported fair value in remaining funds was \$49.7 million, representing approximately 5% of the adjusted total private equity fair value. This compares to the 31st December 2017 reported fair value in legacy funds of \$107.6 million (11% of private equity fair value).

Following the sale, NBPE has 19 remaining legacy fund interests (of which the largest five represent 73% of the total legacy fund fair value) which we expect to continue to liquidate over the next 12 – 24 months.

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### **ABOUT NB PRIVATE EQUITY PARTNERS LIMITED**

NBPE is a closed-end private equity investment company with class A ordinary shares admitted to trading on the Premium Segment of the Main Market of the London Stock Exchange. NBPE has 2022 and 2024 ZDP Shares admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. NBPE holds a diversified portfolio of direct equity investments, direct income investments and

fund investments selected by the NB Alternatives group of Neuberger Berman, diversified across private equity asset class, geography, industry, vintage year, and sponsor.

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### **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 more than 2,000 professionals. For four consecutive years, the company has been named first or second 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 \$315 billion in client assets as of September 30, 2018. For more information, please visit our website at [www.nb.com](http://www.nb.com).

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