NEUBERGER BERMAN

NB Private Equity Partners Limited

30 JUNE 2009 INTERIM FINANCIAL REPORT

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COMPANY OVERVIEW

Our investment objective is to produce attractive returns on our capital from our private equity investments while managing investment risk through portfolio diversification. We intend to pursue diversification for our private equity investments across asset class, vintage year, geography, industry and sponsor.

Our Company	**NB Private Equity Partners Limited ("NBPE")** ▪ Guernsey closed-end investment company ▪ 51,059,592 Class A ordinary Shares outstanding ▪ 10,000 Class B ordinary Shares outstanding
Investment Manager	**NB Alternatives** ▪ Over 20 years of private equity investing experience ▪ Investment Committee with an aggregate of more than 200 years of experience with private equity investing ▪ Approximately 50 investment professionals ▪ Approximately 135 administrative and finance professionals ▪ Offices in New York, Dallas, London and Hong Kong

($ in millions, except per share data)	**At 30 June 2009**	**At 31 December 2008**
Net Asset Value	$426.5	$430.5
Net Asset Value per Share	$8.35	$8.20
Fund Investments	$391.9	$359.0
Direct Co-investments	$77.6	$89.3
Total Private Equity Investments	$469.5	$448.3
Private Equity Investment Level	110%	104%
Cash and Cash Equivalents	$86.8	$139.2

DUAL ADMISSION OF SHARES

On 30 June 2009, NBPE announced the successful admission (“Admission”) of its class A ordinary shares (“Shares”) to trading on the Specialist Fund Market ("SFM") of the London Stock Exchange plc (“LSE”). NBPE has retained its current listing on Euronext Amsterdam by NYSE Euronext (“Euronext Amsterdam”), and the Shares are now traded in both London and Amsterdam.

The directors of NBPE believe that a dual-admission to trading on Euronext Amsterdam and the SFM is beneficial for the following reasons:

- Increased investor appeal – The Admission increases NBPE’s global visibility and maximizes NBPE’s target investor base. A number of UK institutions, private client brokers and wealth managers, who are the primary drivers of day-to-day liquidity, have a clear preference for or are mandated to invest only in securities which are traded on the LSE.

- Increased market liquidity – The Admission brings NBPE under the market making regime in place in London and therefore there is a price in the Shares at all times. Having a number of market makers will ensure that liquidity, even if in small volumes, is available at all times.

- Increased broker coverage – The Admission serves to increase the coverage of NBPE by leading research analysts. This provides shareholders and potential investors with more independent information on NBPE.

- Settled on CREST and Euroclear – NBPE’s Shares may be settled through either Euroclear or CREST.

- Achieved simply – There was no need to change the structure, investment objective and policy or corporate governance of NBPE to make it eligible for Admission.

OVERVIEW OF THE INVESTMENT MANAGER

The NB Alternatives group of Neuberger Berman (the “Investment Manager”) has over twenty years of investing experience specializing in private equity funds, co-investments and secondary investments and has built relationships with leading private equity fund managers over that time.

The Investment Manager makes all of our investment decisions, and we have delegated to the Investment Manager the day-to-day management and operations of our business. The Investment Manager’s investment decisions are made by its Fund of Funds Investment Committee (the “Investment Committee”), which currently consists of members with an aggregate of more than 200 years of experience with private equity investing. The sourcing and evaluation of our investments is conducted by the Investment Manager’s team of approximately 50 investment professionals who specialize in private equity fund investments and co-investments. In addition, the Investment Manager’s staff of approximately 135 administrative and finance professionals are responsible for our administrative, financial management and reporting needs. The Investment Manager currently maintains offices in New York, Dallas, London and Hong Kong.

About Neuberger Berman

Established in 1939, Neuberger Berman is one of the world’s largest private, independent employee-controlled asset management companies, managing approximately $158 billion in assets as of 30 June 2009. Neuberger Berman is a leader in providing a broad range of global investment solutions to institutions and individuals through customized separately managed accounts, mutual funds and alternative investment products. For more information please visit Neuberger Berman’s website at www.nb.com.

INVESTMENT RESULTS

As of 30 June 2009, NBPE's unaudited net asset value per Share was $8.35, representing a 7.2% increase compared to the unaudited net asset value per Share of $7.79 at 31 March 2009 and a 1.9% increase compared to the audited net asset value per Share of $8.20 at 31 December 2008. During the second quarter of 2009, NBPE's portfolio value increased primarily due to net unrealized gains related to special situations / distressed funds and public equity securities. In addition, higher public market comparables and stabilizing economic factors resulted in a net increase in the value of certain private fund investments and co-investments.

In the second quarter, we had net realized gains of $1.6 million in our private equity portfolio. The portfolio also experienced net unrealized gains of $20.6 million associated with credit-related fund investments and public equity securities and net unrealized gains of $8.6 million related to privately held investments. Interest and dividend income, foreign exchange translation, operating expenses and treasury stock adjustments in the second quarter resulted in a $2.9 million decrease in net asset value.

For the six month period ended 30 June 2009, our private equity portfolio had net realized losses of $2.2 million. Net unrealized gains for credit-related fund investments and public equity securities were $17.6 million in the first half of 2009, while net unrealized losses for privately held investments were $10.1 million. Net operating expenses and treasury stock adjustments led to a $9.3 million decrease in net asset value during the six month period; however, share repurchases through the Liquidity Enhancement Agreement were accretive to net asset value by $0.16 on a per share basis.

In the first half of 2009, we invested approximately $24.5 million into private equity investments through capital calls. Approximately 58% of the capital invested was directed to buyout funds, 24% was deployed into special situations / distressed funds and 18% was invested in growth equity and venture capital funds.

We received approximately $6.4 million of distributions during the first half of 2009. A majority of the distributions were attributable to our fund investment in Corsair III Financial Services Capital Partners and our co-investment in TPF Genco Holdings, LLC.

LTM SHARE PRICE PERFORMANCE AND NET ASSET VALUE PER SHARE

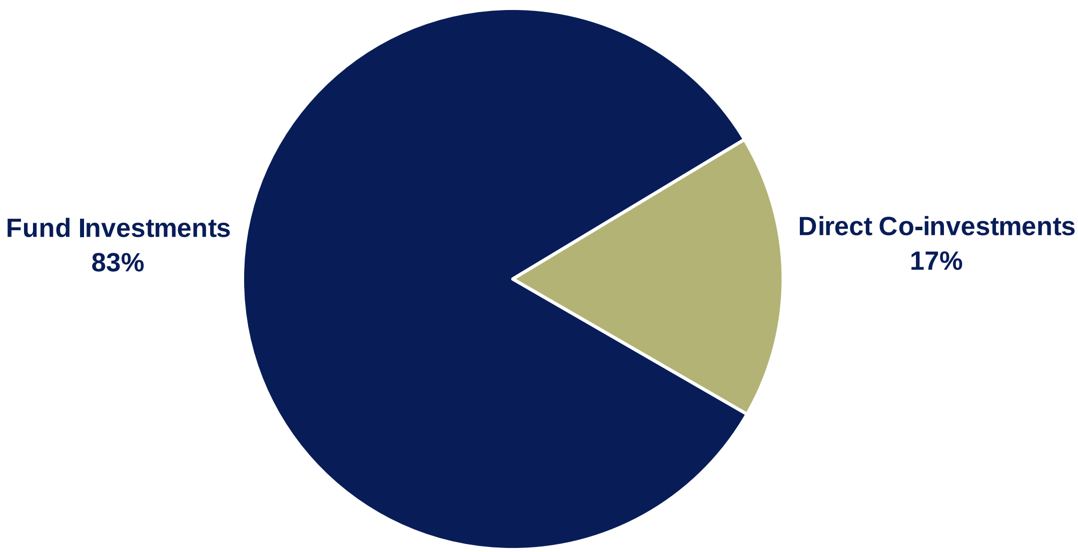
INVESTMENT PORTFOLIO SUMMARY

During the first half of 2009, we did not commit to any new private equity funds or invest in any direct co-investments. As of 30 June 2009, our private equity investment portfolio consisted of 39 fund investments and 18 direct co-investments. The fair value of our private equity portfolio was $469.5 million, and the total exposure, including unfunded commitments, was $632.3 million.

PRIVATE EQUITY INVESTMENT PORTFOLIO – 30 JUNE 2009

($ in millions)	Number of Investments	Fair Value	Unfunded Commitments	Total Exposure
Fund Investments	39	$391.9	$156.5	$548.4
Direct Co-investments	18	77.6	6.4	83.9
Total Private Equity Investments	**57**	**$469.5**	**$162.8**	**$632.3**

PORTFOLIO ALLOCATION BASED ON FAIR VALUE



INVESTMENT STRATEGY AND CAPITAL DEPLOYMENT

We seek to generate attractive returns on our capital by increasing our net asset value over the long term. We strive to implement our strategy by making investments into high quality private equity funds and direct co-investments, while also maintaining a well-diversified portfolio.

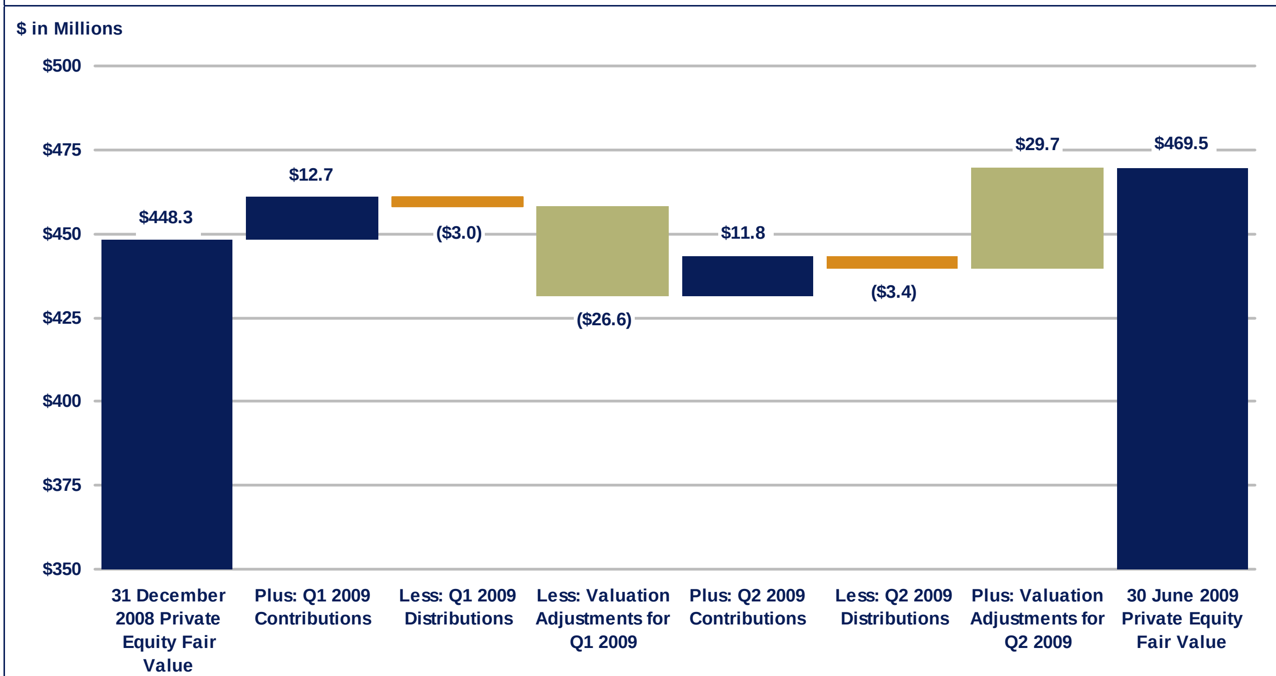
In the second half of 2007 and throughout 2008, we tactically allocated a larger portion of our portfolio to the special situations asset class, including distressed funds. As of 30 June 2009, special situations funds and co-investments represented 25% of our investment portfolio based on private equity fair value.

In the last twelve months, our special situations managers have deployed nearly $57 million to take advantage of potential opportunities to generate value through undervalued credit securities, financial restructurings, reorganizations and operational turnarounds of underperforming businesses.

Although severe dislocations in the credit markets caused valuations to decline in the second half of 2008 and the first quarter of 2009, the credit markets have since experienced a relative increase in liquidity and new issue activity. Loan and bond prices have increased considerably since the end of the first quarter and a significant amount of restructuring and refinancing activity is beginning to take place. During the second quarter, our special situations / distressed fund investments increased in fair value by over 19% as market prices increased in the secondary market. We believe this activity will persist throughout 2009 and into 2010, and thus we continue to believe our special situations managers will be well-positioned to generate attractive returns.

As of 30 June 2009, our private equity investment level was 110% and our remaining unfunded commitments were $162.8 million. In order to maintain a conservative capital structure, we expect to be cautious regarding new investments during the remainder of 2009.

YTD 2009 CAPITAL DEPLOYMENT



PORTFOLIO AND INVESTMENT ACTIVITY

Portfolio and investment activity in the first six months of 2009 was as follows:

($ in millions)

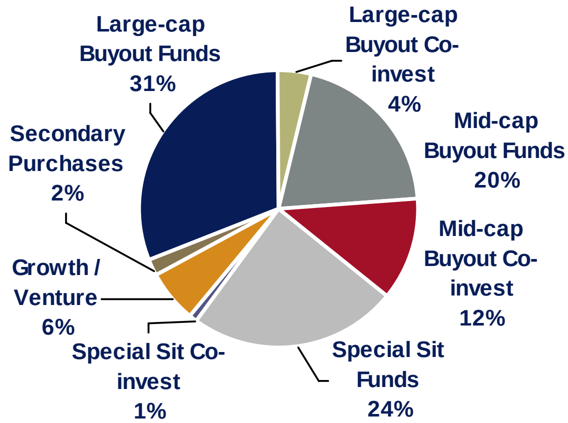
	Fund Investments	Direct Co-investments	Total
Capital Calls / Co-investments Funded	$24.5	$0.0	$24.5
Distributions Received	$4.7	$1.7	$6.4
Net Realized Gains (Losses)	($1.8)	$0.1	($1.7)
Net Unrealized Appreciation (Depreciation)	$16.1	($10.2)	$5.9
New Commitments	0	0	0
Amount Committed	$0.0	$0.0	$0.0

PORTFOLIO DIVERSIFICATION

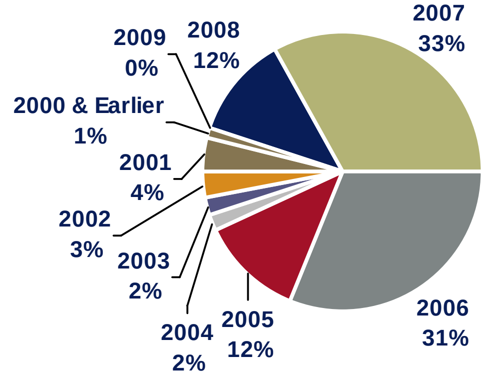
Consistent with our investment objective, we strive to manage investment risk through appropriate diversification within our private equity portfolio. The graphs below illustrate the breakdown of our private equity investment portfolio based on fair value as of 30 June 2009.

DIVERSIFICATION BASED ON PRIVATE EQUITY FAIR VALUE [1]

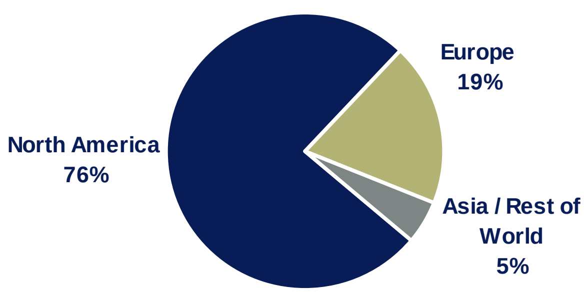
Asset Class and Investment Type



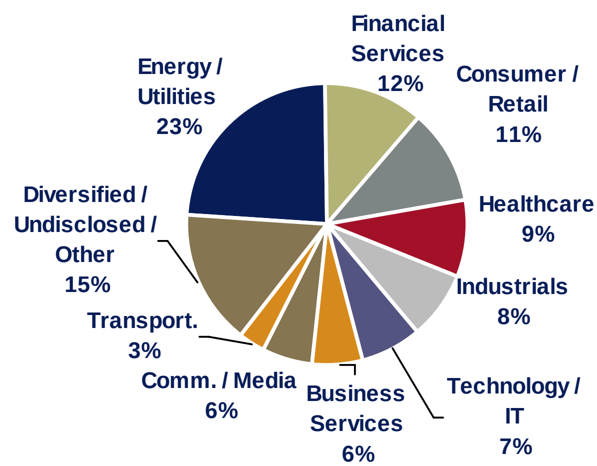
Vintage Year of Fund or Co-investment [2]



Geography



Industry



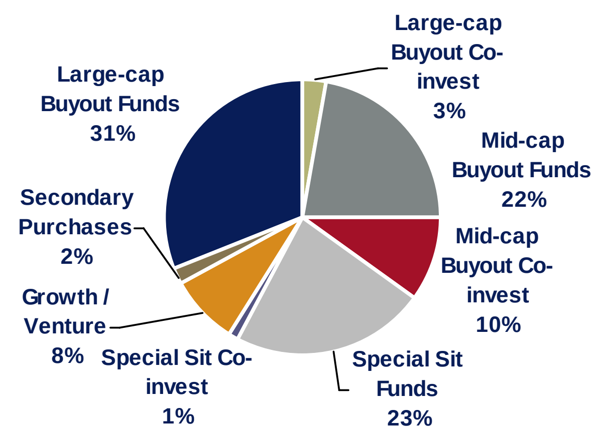
1. *The diversification analysis by asset class and investment type is based on the net asset value of underlying fund investments and co-investments. The diversification analysis by vintage year, geography and industry is based on the diversification of underlying portfolio company investments at fair value as estimated by the Investment Manager. The vintage year diversification also includes an allocation of net cash flows and valuation adjustments made since financial statements were last received from the investment sponsor. Determinations regarding asset class, geography and industry also represent the Investment Manager's estimates. Accordingly, the actual diversification of our investment portfolio and the diversification of our investment portfolio on an ongoing basis may vary from the foregoing information.*

2. *Vintage year is the date of the first portfolio investment made by a private equity fund or the date of the co-investment.*

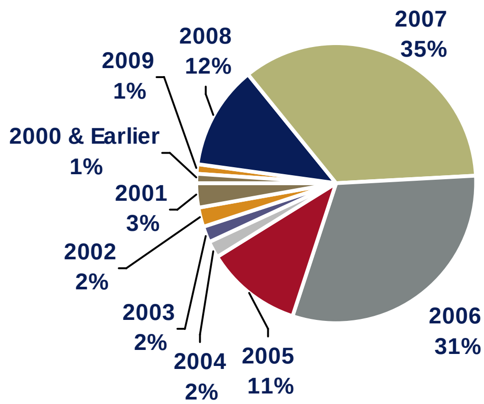
The graphs below depict the diversification of our private equity investment portfolio as of 30 June 2009 based on total private equity exposure, defined as the fair value of private equity investments plus related unfunded commitments.

DIVERSIFICATION BASED ON PRIVATE EQUITY TOTAL EXPOSURE [1]

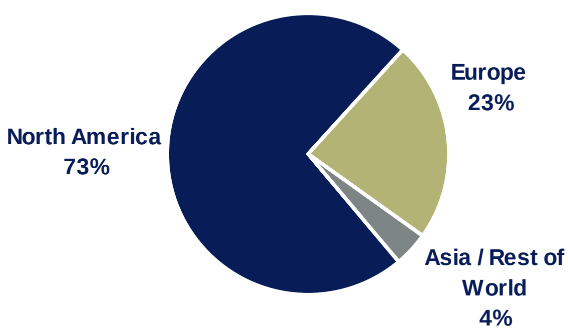
Asset Class and Investment Type



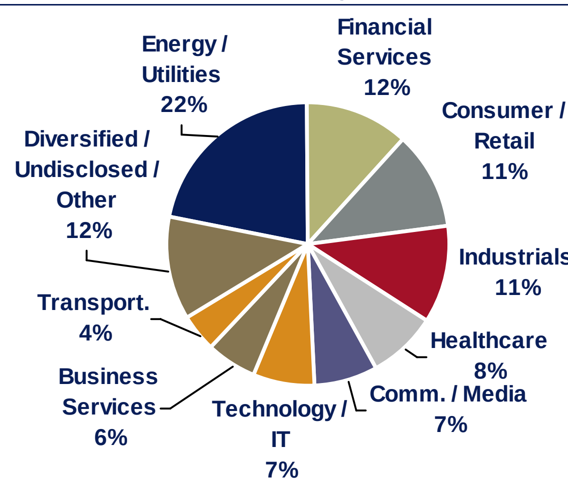
Vintage Year of Fund or Co-investment [2]



Geography



Industry



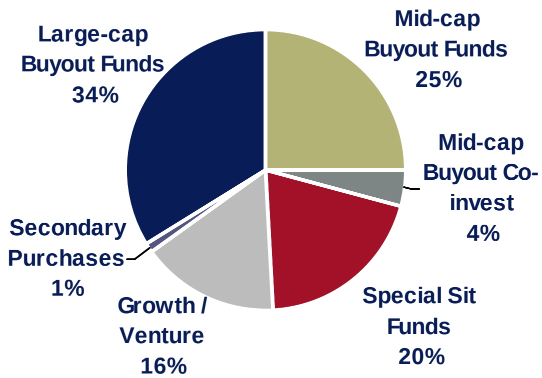
1. *The diversification analysis by asset class and investment type is based on the net asset value of underlying fund investments and co-investments plus related unfunded commitments. The diversification analysis by vintage year, geography and industry is based on the diversification of underlying portfolio company investments at fair value as estimated by the Investment Manager. The vintage year diversification also includes an allocation of net cash flows and valuation adjustments made since financial statements were last received from the investment sponsor. Determinations regarding asset class, geography and industry, as well as the allocation of unfunded commitments, also represent the Investment Manager's estimates. Accordingly, the actual diversification of our investment portfolio and the diversification of our investment portfolio on an ongoing basis may vary from the foregoing information.*
2. *Vintage year is the date of the first portfolio investment made by a private equity fund or the date of the co-investment.*

DIVERSIFICATION OF UNFUNDED COMMITMENTS

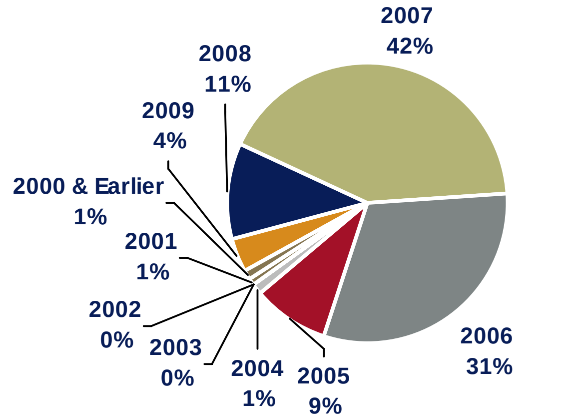
The graphs below depict the diversification of our $162.8 million of unfunded private equity commitments as of 30 June 2009.

DIVERSIFICATION BASED ON UNFUNDED COMMITMENTS [1]

Asset Class and Investment Type



Vintage Year of Fund or Co-investment [2]



1. *Determinations regarding asset class represent the Investment Manager's estimates.*
2. *Vintage year is the date of the first portfolio investment made by a private equity fund or the date of the co-investment.*

VINTAGE YEAR DIVERSIFICATION

In the second half of 2007 and throughout 2008, we tactically allocated a larger amount of capital to special situations funds and co-investments in order to take advantage of distressed investment opportunities. As a result, based on the fair value of our private equity investments at the end of the second quarter, 33% of our 2007 vintage year investments and 93% of our 2008 vintage year investments were invested in special situations / distressed.

The table below illustrates the diversification of our private equity portfolio by vintage year and investment type based on fair value as of 30 June 2009. For the purposes of this analysis, and throughout this Interim Financial Report, vintage year is defined as the date of the first portfolio investment made by a private equity fund or the date of a co-investment.

DIVERSIFICATION BY VINTAGE YEAR AND INVESTMENT TYPE

($ in millions)	Vintage Year					
	<=2004	**2005**	**2006**	**2007**	**2008**	**Total**
Large-cap Buyout Funds	$40.6	$37.6	$59.8	$6.3	-	$144.4
Large-cap Buyout Co-investments	-	-	1.9	15.3	-	17.2
Mid-cap Buyout Funds	10.0	7.9	46.4	31.3	0.3	95.9
Mid-cap Buyout Co-investments	-	0.8	16.0	39.5	2.3	58.6
Special Situations Funds	0.1	1.8	15.6	50.1	46.9	114.5
Special Situations Co-investments	-	-	-	-	5.7	5.7
Growth / Venture	3.0	4.4	6.1	11.0	1.6	26.2
Secondary Purchases	1.6	4.9	0.6	0.0	-	7.1
Total	$55.5	$57.4	$146.4	$153.5	$56.8	$469.5

	Vintage Year					
	<=2004	**2005**	**2006**	**2007**	**2008**	**Total**
Large-cap Buyout Funds	73%	66%	41%	4%	0%	31%
Large-cap Buyout Co-investments	0%	0%	1%	10%	0%	4%
Mid-cap Buyout Funds	18%	14%	32%	20%	1%	20%
Mid-cap Buyout Co-investments	0%	1%	11%	26%	4%	12%
Special Situations Funds	0%	3%	11%	33%	83%	24%
Special Situations Co-investments	0%	0%	0%	0%	10%	1%
Growth / Venture	5%	8%	4%	7%	3%	6%
Secondary Purchases	3%	8%	0%	0%	0%	2%
Total	100%	100%	100%	100%	100%	100%

PRIVATE EQUITY INVESTMENT PORTFOLIO

The following is a list of our private equity investments as of 30 June 2009:

($ in millions)	Asset Class	Principal Geography	Vintage Year	Estimated Fair Value	Unfunded Commitments	Total Exposure
Fund Investments						
AIG Highstar Capital II	Mid-cap Buyout	U.S.	2004	$3.5	$0.1	$3.6
American Capital Equity II	Mid-cap Buyout	U.S.	2005	4.4	1.5	5.8
Apollo Investment Fund V	Large-cap Buyout	U.S.	2001	12.0	1.5	13.5
Aquiline Financial Services Fund	Mid-cap Buyout	U.S.	2005	2.2	2.3	4.5
ArcLight Energy Partners Fund IV	Mid-cap Buyout	U.S.	2007	11.1	8.4	19.5
Avista Capital Partners	Mid-cap Buyout	U.S.	2006	15.8	2.1	17.8
Bertram Growth Capital I	Growth Equity	U.S.	2007	9.0	7.9	16.9
Carlyle Europe Partners II	Large-cap Buyout	Europe	2003	5.5	0.4	5.9
Centerbridge Credit Partners	Special Situations	U.S.	2008	21.4	-	21.4
Clayton, Dubilier & Rice Fund VII	Large-cap Buyout	U.S.	2005	19.8	2.0	21.9
Clessidra Capital Partners	Mid-cap Buyout	Europe	2004	3.9	0.7	4.6
Corsair III Financial Services Capital Partners	Mid-cap Buyout	Global	2007	6.0	2.8	8.7
CVI Global Value Fund	Special Situations	Global	2006	12.0	0.8	12.8
Doughty Hanson & Co IV	Large-cap Buyout	Europe	2003	3.5	0.3	3.7
First Reserve Fund XI	Large-cap Buyout	U.S.	2006	17.1	6.0	23.1
Investitori Associati III	Mid-cap Buyout	Europe	2000	2.0	0.6	2.7
J.C. Flowers II	Large-cap Buyout	Global	2006	3.5	0.4	3.9
KKR 2006 Fund	Large-cap Buyout	Global	2006	17.4	8.1	25.6
KKR Millennium Fund	Large-cap Buyout	Global	2002	10.5	0.0	10.5
NB Crossroads Fund XVII	Diversified	U.S.	2002 - 2006	29.4	9.3	38.7
NB Crossroads Fund XVIII Large-cap Buyout	Large-cap Buyout	Global	2005 - 2009	6.8	4.2	11.0
NB Crossroads Fund XVIII Mid-cap Buyout	Mid-cap Buyout	Global	2005 - 2009	19.7	17.4	37.1
NB Crossroads Fund XVIII Special Situations	Special Situations	Global	2005 - 2009	6.2	2.4	8.6
NB Crossroads Fund XVIII Venture Capital	Venture / Growth	U.S.	2006 - 2009	5.6	4.2	9.8
Lightyear Fund II	Mid-cap Buyout	U.S.	2006	4.4	4.2	8.6
Madison Dearborn Capital Partners V	Large-cap Buyout	U.S.	2006	5.1	2.0	7.1
OCM Opportunities Fund VIIb	Special Situations	U.S.	2008	25.5	7.5	33.0
OCM Principal Opportunities Fund IV	Mid-cap Buyout	U.S.	2007	18.3	-	18.3
Platinum Equity Capital Partners II	Special Situations	U.S.	2007	5.3	10.9	16.2
Prospect Harbor Credit Partners	Special Situations	U.S.	2007	7.5	-	7.5
Sankaty Credit Opportunities III	Special Situations	U.S.	2007	16.4	-	16.4
Summit Partners Europe Private Equity Fund	Growth Equity	Europe	2009	-	7.1	7.1
Sun Capital Partners V	Special Situations	U.S.	2007	1.4	8.4	9.8
Terra Firma Capital Partners III	Large-cap Buyout	Europe	2007	5.4	13.5	19.0
Thomas H. Lee Equity Fund VI	Large-cap Buyout	U.S.	2006	10.1	12.8	22.9
Trident IV	Mid-cap Buyout	U.S.	2007	3.6	1.5	5.2
Warburg Pincus Private Equity VIII (1)	Large-cap Buyout	Global	2001	7.7	-	7.7
Wayzata Opportunities Fund II	Special Situations	U.S.	2007	17.8	2.1	19.9
Welsh, Carson, Anderson & Stowe X	Large-cap Buyout	U.S.	2005	15.0	3.2	18.2
Total Fund Investments				**$391.9**	**$156.5**	**$548.4**
Direct Co-investments (2)						
Avaya, Inc.	Large-cap Buyout	U.S.	2007			
Dresser Holdings, Inc.	Mid-cap Buyout	U.S.	2007			
Edgen Murray Corporation	Mid-cap Buyout	U.S.	2007			
Energy Future Holdings Corp. (TXU Corp.)	Large-cap Buyout	U.S.	2007			
First Data Corporation	Large-cap Buyout	U.S.	2007			
Firth Rixson, plc (Equity)	Mid-cap Buyout	Europe	2007 / 2008			
Firth Rixson, plc (Mezzanine)	Special Situations	Europe	2008			
Freescale Semiconductor, Inc.	Large-cap Buyout	U.S.	2006			
GazTransport & Technigaz S.A.S.	Mid-cap Buyout	Europe	2008			
Group Ark Insurance Holdings Limited	Mid-cap Buyout	Global	2007			
Kyobo Life Insurance Co., Ltd.	Mid-cap Buyout	Asia	2007			
Linn Energy, LLC	Mid-cap Buyout	U.S.	2007			
Press Ganey Associates, Inc.	Mid-cap Buyout	U.S.	2008			
Sabre Holdings Corporation	Large-cap Buyout	U.S.	2007			
Seventh Generation, Inc.	Growth Equity	U.S.	2008			
TPF Genco Holdings, LLC	Mid-cap Buyout	U.S.	2006			
Unión Radio	Mid-cap Buyout	Global	2008			
Total Direct Co-investments				**$77.6**	**$6.4**	**$83.9**
Total Private Equity Investment Portfolio				**$469.5**	**$162.8**	**$632.3**

1. *Estimated fair value and total exposure includes $0.03 million of distributed marketable securities.*
2. *Co-investment values are given on an aggregate-only basis. No single co-investment comprised more than 4.0% of total net asset value.*

VALUATION METHODOLOGY

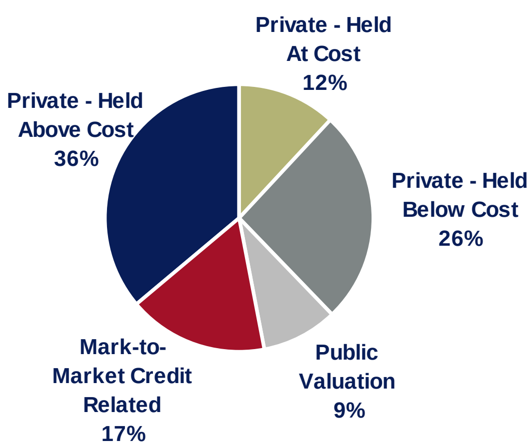
We carry our private equity investments on our books at fair value using the best information we have reasonably available to determine or estimate fair value. Publicly traded securities are valued based on quoted prices as of the last day of the relevant period less discounts to reflect legal restrictions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

Our net asset value of $8.35 per share as of 30 June 2009 was $0.22 higher than previously reported in our June 2009 Monthly Report principally due to the receipt of additional portfolio valuation information. Between the release date of our June 2009 Monthly Report and the date of this Interim Financial Report, our Investment Manager received second quarter 2009 financial statements and other valuation estimates that resulted in write-ups within our private equity portfolio, particularly related to our special situations and mid-cap buyout investments. Furthermore, our Investment Manager utilized this valuation information to proactively re-value certain portfolio companies that are in multiple private equity funds using the most conservative valuation multiple across the portfolio.

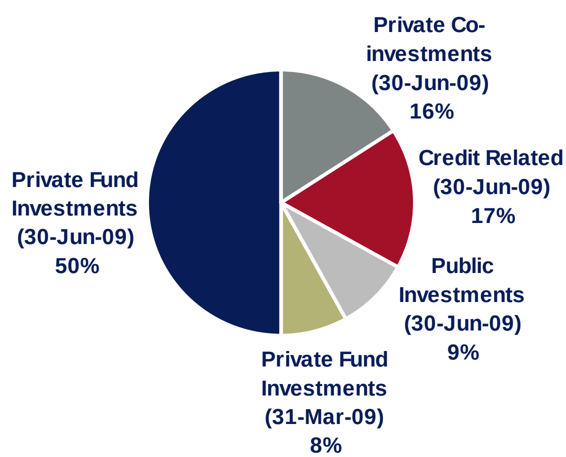
The graphs below illustrate the diversification of our private equity investments by valuation type and the date of most recent available information as of 30 June 2009.

VALUATION METHODOLOGY

Private Equity Fair Value by Valuation Type



Private Equity Fair Value by Date of Most Recent Available Information



PERFORMANCE BY ASSET CLASS

Based on the multiple of total value to paid-in capital ("TVPI"), our private equity portfolio increased in value from 0.80x at 31 March 2009 to 0.85x at 30 June 2009.

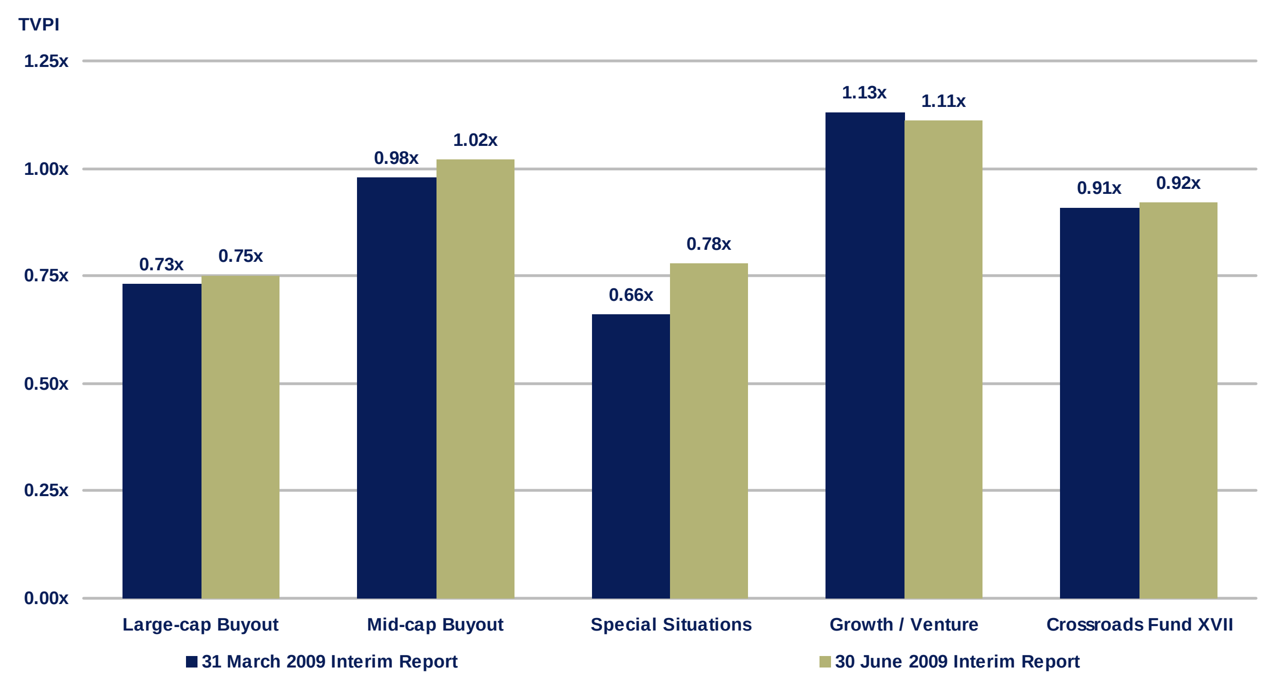
The increase in value during the second quarter was primarily caused by unrealized gains in our special situations portfolio, which increased in value from 0.66x at 31 March 2009 to 0.78x at the end of the second quarter. This positive performance was largely attributable to a recovery in the credit markets, which led to higher mark-to-market valuations for the trading and restructuring funds in our special situations portfolio.

The large-cap buyout and mid-cap buyout portfolios experienced unrealized gains during the second quarter, principally due to higher public market comparables. The TVPI multiple of our large-cap buyout portfolio increased from 0.73x to 0.75x during the quarter, while our mid-cap buyout portfolio increased from 0.98x to 1.02x.

The valuations of our growth equity and venture capital portfolio and our investment in NB Crossroads Fund XVII were relatively flat during the second quarter of 2009.

The graph below illustrates a summary of our portfolio performance by asset class during the second quarter.

Q2 2009 PORTFOLIO PERFORMANCE BY ASSET CLASS



CO-INVESTMENT PERFORMANCE

As of 30 June 2009, the TVPI multiple of our co-investment portfolio was 0.89x. Overall, the valuation of our co-investment portfolio was relatively unchanged during the second quarter. Certain companies recognized unrealized gains generated by higher public market prices and comparable valuations; however, these gains were offset by unrealized losses related to certain companies with weaker operating performance.

The table below outlines the performance of our co-investment portfolio from inception through 30 June 2009 by asset class and valuation range.

CO-INVESTMENT PERFORMANCE BY ASSET CLASS AND VALUATION RANGE

Asset Class	# Co-investments	30-June-2009 Fair Value ($mm)	Total Value to Paid-in Capital	% of Fair Value
Large-cap Buyout	5	$16.4	0.47x	21.2%
Mid-cap Buyout	13	54.1	1.15x	69.7%
Other Co-investments	2	7.1	0.70x	9.1%
Total Co-investments	**20**	**$77.6**	**0.89x**	**100.0%**

Multiple Range	# Co-investments	30-June-2009 Fair Value ($mm)	Total Value to Paid-in Capital	% of Fair Value
< 0.5x	4	$2.9	0.17x	3.8%
0.5x - 1.0x	6	26.9	0.64x	34.6%
Held at Cost	2	1.0	1.00x	1.3%
1.0x - 2.0x	7	35.8	1.28x	46.1%
2.0x +	1	11.0	2.41x	14.2%
Total Co-investments	**20**	**$77.6**	**0.89x**	**100.0%**

LARGEST UNDERLYING INVESTMENTS

At 30 June 2009, our private equity investment portfolio included exposure to over 2,300 separate companies, with our allocable portion of approximately 900 companies valued at greater than $20,000. Our 10 largest portfolio company investments totaled approximately $88 million in fair value, or 19% of our private equity fair value and 21% of our total net asset value. Our 20 largest portfolio company investments totaled approximately $127 million in fair value, or 27% of our private equity fair value and 30% of our total net asset value. No individual company accounted for more than 4.0% of total net asset value at quarter end. Listed below are the 20 largest portfolio company investments in alphabetical order.

Company Name	Status	Business Description	Partnership
Affinion Group Holdings Inc.	Privately Held	Marketing solutions	Apollo V
California Highwind Power	Privately Held	Wind generated power plants	Arclight IV, Fund XVIII
Dresser Holdings, Inc.	Privately Held	Energy infrastructure and oilfield equipment and services	Direct, First Reserve XI, Fund XVII, Fund XVIII
Edgen Murray Corporation	Privately Held	Distributor and marketer of steel and alloy products	Direct, Fund XVII, Fund XVIII
First Data Corporation **	Privately Held	Global payment processing services	Direct, KKR 2006, Fund XVIII
Firth Rixson, plc **	Privately Held	Supplier of specialist metal products primarily for the aerospace industry	Direct, Fund XVIII
Group Ark Insurance Holdings Limited	Privately Held	Lloyd's based specialty P&C insurer	Direct, Aquiline, Fund XVIII
HD Supply Company **	Privately Held	Diversified wholesale distributor	CD&R VII, OCM Principal Opps IV, OCM Opps VIIb, Fund XVIII
Hertz Global Holdings, Inc.	Publicly-Traded	Car rental service	Carlyle Europe II, Clayton, Dubilier & Rice VII, Fund XVII
Kyobo Life Insurance Co., Ltd.	Privately Held	South Korean life insurance provider	Corsair III, Direct, Fund XVIII
Linn Energy, LLC	Publicly-Traded	Independent oil and gas company	Direct
Nielsen Company	Privately Held	Global information and media products and services	Carlyle Europe II, KKR Millennium, THL Fund VI, Fund XVII, Fund XVIII
Power Holdings Inc.	Privately Held	Manufacturer of full spectrum power distribution and monitoring equipment	Bertram Growth Capital, Fund XVIII
Sabre Holdings Corporation	Privately Held	Travel services	Direct, Fund XVII, Fund XVIII
Sally Beauty Holdings, Inc.	Publicly-Traded	International specialty retailer of professional beauty supplies	Clayton, Dubilier & Rice VII
ServiceMaster Company **	Privately Held	Maintenance services, including lawn care, house cleaning and pest control	Clayton, Dubilier & Rice VII, Fund XVIII
Terra-Gen Power, LLC	Privately Held	Geothermal, wind and solar power generation	Arclight IV, Fund XVIII
Energy Future Holdings Corp. (f/k/a TXU Corp.) **	Privately Held	Power generation, transmission and distribution, and retail electricity services	Direct, KKR 2006, Fund XVIII
TPF Genco Holdings, LLC	Privately Held	Natural gas fired power plants	Direct, Fund XVII, Fund XVIII
U.S. Foodservice Inc **	Privately Held	Foodservice distributor	Clayton, Dubilier & Rice VII, KKR 2006, Fund XVIII

At 30 June 2009, approximately $39 million of our private equity investment portfolio was comprised of investments directly or indirectly in publicly-traded securities. This amount represented 8% of our private equity fair value and 9% of our total net asset value.

*** Indicates exposure to both equity and debt securities.*

INVESTMENT PORTFOLIO PERFORMANCE METRICS

In connection with our portfolio monitoring process, our Investment Manager analyzed the operational performance and valuation metrics of our 50 largest portfolio company investments, which also includes 14 co-investments. The 50 largest portfolio company investments include the 20 companies listed on the previous page plus the next 30 largest portfolio company investments.

As of 30 June 2009, these 50 companies represented an aggregate fair value of $186 million, or 40% of our private equity portfolio. The graph on the next page illustrates the valuation metrics and LTM revenue and EBITDA growth for 30 of the 50 largest investments by industry sector. These 30 traditional buyout investments represented $109 million of fair value, or 23% of our portfolio, at the end of the second quarter. All of the performance metrics represent weighted averages based on each company's fair value at 30 June 2009.

A total of 20 companies in the 50 largest holdings were not included in the graph on the next page because their performance is typically benchmarked against other metrics or because sufficient data was not available. The 20 companies excluded from the graph consist of:

- 6 power generation companies ($32.6 million of fair value, 7% of private equity fair value)
- 5 investments in public equities ($16.0 million, 3%)
- 2 privately-held insurance companies ($12.4 million, 3%)
- 3 growth equity investments ($9.4 million, 2%)
- 4 other companies that do not have sufficient data to be included in the chart ($7.0 million, 2%)

By industry sector, the power generation companies represent the largest aggregate fair value in the top 50 investments and include a broad range of development, generation and transmission assets. Based on the most recent available data, the power and utility companies in our portfolio had weighted average LTM revenue growth of 8% and weighted average EBITDA decline of 1%. These power investments are excluded from the graph on the next page because they are typically valued using a variety of factors, including plant capacity, energy source (e.g. gas, coal, wind, etc.), technology, location in relation to the power grid, regional demand, and the method of power sale. Furthermore, the debt capacity of these investments is typically based on operational leverage and the quality and type of power assets that serve as collateral.

In the three months since 31 March 2009, the five publicly traded investments experienced a weighted average total return of 46%. Since 31 December 2008, these investments generated a weighted average total return of 38%.

Based on weighted averages, the two privately-held insurance companies were valued at 1.31x book value and 10.1x LTM earnings at the end of the second quarter. The growth equity investments in our portfolio grew LTM revenue by 6% on a weighted average basis.

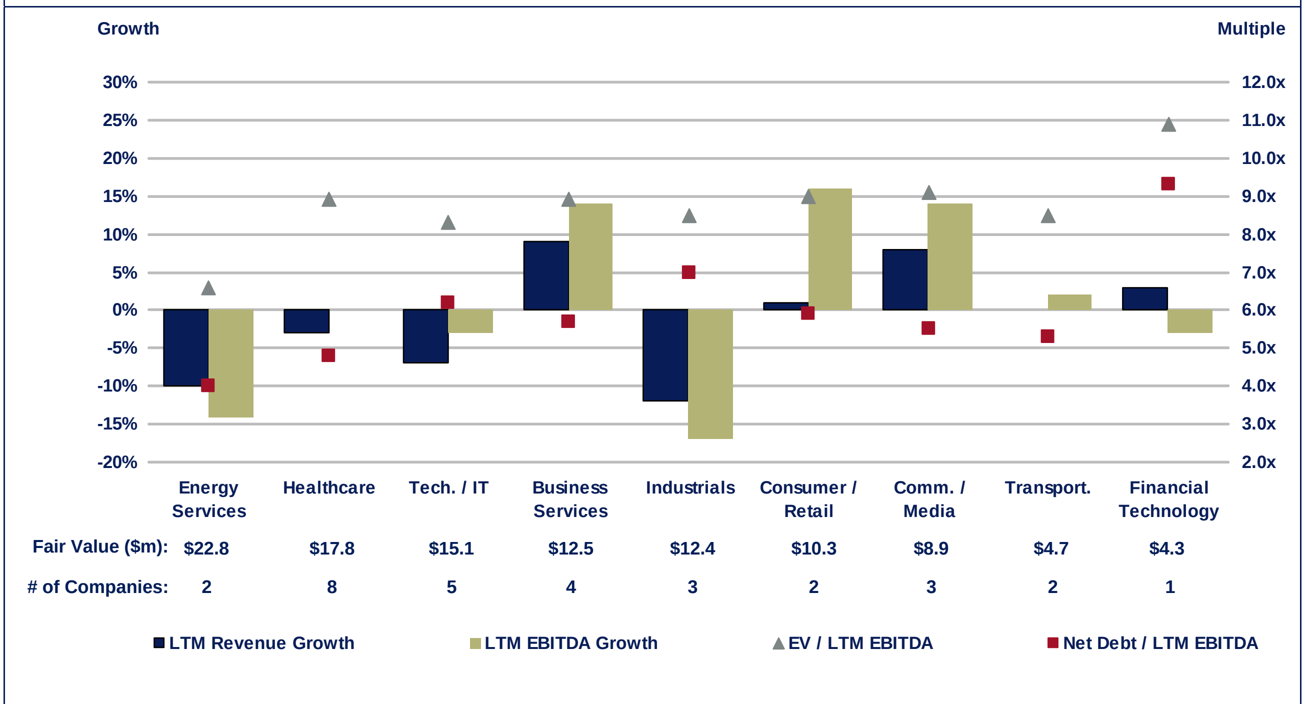
As described on the previous page, the graph below illustrates the valuation metrics and the most recent LTM revenue and EBITDA growth for 30 of our 50 largest investments by industry sector.

Based on weighted averages, the traditional buyout investments included in the graph below experienced an LTM revenue decline of 3% and an LTM EBITDA decline of 1%. These companies were valued at a weighted average of 8.4x LTM EBITDA and had a weighted average net leverage multiple of 5.6x LTM EBITDA.

Out of the largest investments included below, 15 companies representing $49 million of fair value grew LTM revenue, while 15 companies representing $60 million of fair value had negative or flat LTM revenue growth. In addition, 17 companies representing $58 million of fair value grew LTM EBITDA, while 13 companies representing $51 million of fair value experienced negative or flat LTM EBITDA growth.

By industry sector, business services generated relatively strong performance with weighted average LTM revenue and EBITDA growth of 9% and 14%, respectively. Consumer / retail and communications / media also had positive performance with weighted average LTM EBITDA growth of 16% and 14%, respectively. On the other hand, energy services and industrials had negative growth during the most recent LTM period as the economic recession had a greater impact on cyclical businesses. Based on weighted averages, energy services had LTM revenue and EBITDA declines of 10% and 14%, respectively, while industrials had LTM revenue and EBITDA declines of 12% and 17%, respectively.

WEIGHTED AVERAGE PERFORMANCE AND VALUATION METRICS BY INDUSTRY SECTOR [1]



1. *For certain portfolio companies, we have exposure to both equity and debt securities, in some cases through the same fund or co-investment and in other cases through multiple funds. The valuation multiples and leverage multiples for these investments are calculated based on the investment's position in the capital structure.*

NB CROSSROADS FUND OF FUNDS INVESTMENTS

NB Crossroads Fund XVII ("Fund XVII") and NB Crossroads Fund XVIII ("Fund XVIII") are diversified private equity funds of funds comprised of private equity fund investments, secondary investments and co-investments. Our exposure to Fund XVII is through a single commitment to Fund XVII's asset allocation fund while our exposure to Fund XVIII is through separate commitments to each of the asset class funds within Fund XVIII: Large-cap Buyout; Mid-cap Buyout; Special Situations / Distressed; and Growth Equity / Venture Capital.

As of 30 June 2009, the fair value of our investment in Fund XVII was $29.4 million, representing 6% of private equity fair value and 7% of total net asset value. The asset class diversification of our investment in Fund XVII based on private equity net asset value at quarter end was as follows[1]: Large-cap Buyout – 26%; Mid-cap Buyout – 29%; Growth / Venture – 40%; and Special Situations – 5%. As of 30 June 2009, Fund XVII consisted of 62 primary fund investments, nine co-investments and five secondary purchases and included exposure to over 1,000 separate companies, with the ten largest companies totaling approximately $2.8 million in fair value to NBPE, or less than 1% of our total net asset value. At the end of the second quarter, we had unfunded commitments of $9.3 million to Fund XVII.

As of 30 June 2009, the aggregate fair value of our investments in Fund XVIII was $38.4 million, representing 8% of our total private equity investments and 9% of our total net asset value. The asset class diversification of our investments in Fund XVIII based on private equity net asset value at quarter end was as follows[1]: Large-cap Buyout – 14%; Mid-cap Buyout – 59%; Special Situations – 15%; and Growth / Venture – 12%. As of 30 June 2009, Fund XVIII consisted of 71 primary fund investments, 28 co-investments and seven secondary purchases and included exposure to over 1,100 separate companies, with the ten largest companies totaling approximately $5.7 million in fair value to NBPE, or approximately 1% of our total net asset value. At the end of the second quarter, we had unfunded commitments of $28.2 million to Fund XVIII.

The table below lists our ten largest investments in Fund XVII and Fund XVIII in alphabetical order as of 30 June 2009. At 30 June 2009, the ten largest investments in Fund XVII had a fair value of approximately $8.2 million to NBPE, or 2% of our total private equity investments and 2% of our total net asset value. The ten largest investments in Fund XVIII had a fair value of approximately $10.1 million, or 2% of our total private equity investments and 2% of our total net asset value.

Ten Largest Investments in Fund XVII		Ten Largest Investments in Fund XVIII	
Partnership	**Asset Class**	**Partnership**	**Asset Class**
Apollo Investment Fund VI	Large-cap Buyout	Aquiline Financial Services Fund	Mid-cap Buyout
Battery Ventures VII	Growth / Venture	Court Square Capital Partners II	Mid-cap Buyout
Carlyle/Riverstone Global E&P Fund III	Large-cap Buyout	Doughty Hanson & Co V	Mid-cap Buyout
CVC European Equity Partners IV	Large-cap Buyout	Edgen Murray Corporation	Mid-cap Co-invest
LS Power Equity Partners	Mid-cap Buyout	LS Power Equity Partners II	Mid-cap Buyout
Oak Investment Partners XI	Growth / Venture	Newbridge Asia IV	Large-cap Buyout
ONSET V	Growth / Venture	TowerBrook Investors II	Mid-cap Buyout
Thoma Cressey Fund VIII	Mid-cap Buyout	TPF Genco Holdings	Mid-cap Co-invest
Trinity Ventures IX	Growth / Venture	Tenaska Power Fund II	Mid-cap Buyout
Warburg Pincus Private Equity IX	Special Situations	Veritas Capital Fund III	Mid-cap Buyout

1. *The asset class diversification analysis is based on our allocable portion of the net asset value of the underlying fund investments and direct co-investments held by Fund XVII and Fund XVIII, respectively.*

LIQUIDITY AND CAPITAL RESOURCES

The principal sources of our liquidity consist of the net proceeds of cash distributions from prior investments, cash distributions from existing investments, sales of investments, interest and dividends earned on invested cash and existing investments and borrowings under our credit facility (further detail provided below and in Note 5 of the Consolidated Financial Statements).

As of 30 June 2009, we had outstanding borrowings of $126.7 million from our $250.0 million credit facility in order to fund ongoing investment activities. As a result, we had cash and cash equivalents of $86.8 million and $123.3 million of undrawn capacity on our credit facility, resulting in total capital resources of $210.2 million. Given that our unfunded private equity commitments were $162.8 million at quarter end, we continued to maintain a conservative capital structure with over 100% of our unfunded commitments backstopped by cash and the undrawn credit facility.

The table below outlines our liquidity and capital position as of 30 June 2009.

CAPITAL POSITION AT 30 JUNE 2009

($ in millions)	30 June 2009
Net Asset Value	$426.5
Total Private Equity Investments	$469.5
Private Equity Investment Level	110%
Unfunded Private Equity Commitments	$162.8
Total Private Equity Exposure	$632.3
Over-commitment Level	48%
Cash and Cash Equivalents	$86.8
Undrawn Credit Facility	$123.3
Total Capital Resources	$210.2
Excess of Capital Resources Over Unfunded Commitments	**$47.3**

In August 2007, we entered into an agreement with The Bank of Scotland regarding a senior secured revolving credit facility of up to $250.0 million. Under the terms of the agreement, we may borrow, repay and re-borrow to fund private equity contributions and working capital requirements throughout the seven year term expiring in August 2014. All borrowings under the credit facility bear interest at a floating rate, calculated as LIBOR or Euribor, as appropriate, plus 1.35% per annum. At 30 June 2009, the interest rate on outstanding borrowings ranged from approximately 1.80% to 1.94%. We are also required to pay a non-utilization fee calculated as 40 basis points per annum on the daily balance of the unused amount of the credit facility. Although we do not presently pay dividends, we have the ability to pay dividends subject to compliance with the terms of the agreement.

The key financial covenant for our credit facility is a maximum debt to value ratio of 50.0%. The debt to value ratio is calculated as total debt and current liabilities divided by Restricted NAV, with Restricted NAV defined as the fair value of all private equity investments (less any restricted value) plus cash and cash equivalents. At 30 June 2009, the debt to value ratio was 23.9%.

The two other covenants are a secured asset ratio and a commitment ratio. The secured asset ratio is not to exceed 80.0% and is defined as total debt and current liabilities divided by Secured Assets, with Secured Assets defined as the value of secured private equity investments plus cash and cash equivalents. At 30 June 2009, the secured asset ratio was 33.5%.

The commitment ratio is defined as Restricted Total Exposure divided by the aggregate of shareholder's equity and the total amount of the credit facility, with Restricted Total Exposure defined as the value of private equity investments (less any restricted value) plus unfunded private equity commitments. If the debt to value ratio is greater than 25.0% and the commitment ratio is greater than 130.0%, then we become restricted from making new private equity investments. At 30 June 2009, the commitment ratio was 93.0%.

MARKET COMMENTARY

Since the end of the first quarter, many economic indicators have begun to stabilize and public markets have rebounded from the lows of early 2009. Although the pace of decline of many businesses is slowing, we believe that continued cost-cutting and deleveraging efforts will be of prime importance as revenues remain depressed compared to cyclical highs. We believe that continued increases in unemployment and weak consumer demand may impede economic recovery in the near term.

Leveraged buyout activity during the second quarter of 2009 grew marginally from the record low set during the first quarter of 2009. Leveraged buyout volume (including all financing sources) during the second quarter fell 98% to approximately $0.84 billion compared to $42.65 billion during the second quarter of 2008. However, compared with Q1 2009 which produced a record low of $0.47 billion, total buyout volume increased by 80% in the second quarter. Still, only four leveraged buyouts closed during the second quarter of 2009 compared to 20 buyouts during the second quarter of 2008. [1]

As the economic downturn begins to slow, we believe there will be a large number of highly attractive investment opportunities for experienced buyout and distressed investors. Although credit continues to be scarce, many buyout firms will deploy larger amounts of equity and seek other alternatives in order to capitalize on lower valuations. The secondary market for leveraged loans, high yield bonds and other distressed debt has appreciated since the first quarter of 2009; however, with a rising number of defaults and increases in financial restructuring activity, we believe that special situations / distressed investors will continue to see strong deal flow for the next several years.

As of 30 June 2009, our portfolio had unfunded private equity commitments of $162.8 million, which we expect to be called over the next two to four years. With 20% of our unfunded commitments dedicated to distressed funds and a significant amount of capital remaining to be deployed across multiple asset classes, we continue to believe that our portfolio is well-positioned to generate attractive returns over the long term.

1. *Standard & Poor's 2Q09 Leveraged Buyout Review*

FORWARD-LOOKING STATEMENTS

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

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

In some cases, forward-looking statements may be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will," and "would," or the negative of those terms or other comparable terminology.

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

The foregoing is not a comprehensive list of the risks and uncertainties to which we are subject. Except as required by applicable law, we undertake no obligation to update or revise any forward-looking statements to reflect any change in our expectations, or any changes in events, conditions or circumstances on which the forward-looking statement is based. In light of these risks, uncertainties and assumptions, the events described by our forward-looking statements might not occur. We qualify any and all of our forward-looking statements by these cautionary factors.

RISK FACTORS

An investment in our company involves substantial risk and investors in our company's shares should carefully consider such risks, including the following. Additional risks and uncertainties that we do not presently know about or that we currently believe are immaterial may also adversely impact our business, financial condition, results of operations or the value of your investment. If any of the following risks actually occur, our business, financial condition, results of operations and the value of your investment would likely suffer.

Our company may experience fluctuations in its monthly net asset value.

Our company may experience fluctuations in our net asset value from month to month due to a number of factors, including changes in the values of investments, which in turn could be due to changes in values of portfolio companies, changes in the amount of distributions, dividends or interest paid in respect of investments, changes in operating expenses, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition and general economic and market conditions. Such variability may lead to volatility in the trading price of the shares and cause our company's results for a particular period not to be indicative of our company's performance in a future period.

The shares could continue to trade at a discount to net asset value.

The shares could continue to trade at a discount to net asset value for a variety of reasons, including due to market conditions or to the extent investors undervalue the Investment Manager's investment management activities. Also, since there is generally a period of years before a new private equity fund has completed making its investments, return on our investments in such funds is not likely to be realized for a substantial time period, if at all, which could negatively impact the value of the shares. Additionally, unlike traditional private equity funds, we intend to continuously reinvest the cash we receive, except in limited circumstances. Therefore, the only way for investors to realize upon their investment is to sell their shares for cash. Accordingly, in the event that a holder of shares requires immediate liquidity, or otherwise seeks to realize the value of its investment in our company, through a sale of shares, the amount received by the holder upon such sale may be less than the underlying net asset value of the shares sold.

The trading markets of Euronext Amsterdam and the Specialist Fund Market ("SFM") of the London Stock Exchange are less liquid than certain other major exchanges, which could affect the price of our shares.

The principal trading markets for the shares are the Euronext Amsterdam and the SFM, which are less liquid than certain other major exchanges in the United States and certain other parts of Europe. Because Euronext Amsterdam and the SFM are less liquid than major exchanges in the United States and certain other parts of Europe, our shareholders may face difficulty when disposing of their shares, especially in large blocks. To date the company's shares have actively traded, but with generally low daily volumes. Our company cannot predict the effects on the price of the shares if a more liquid trading market for them does not develop. In addition, if such a market does not develop, relatively small sales may have a significant negative impact on the price of the shares. For example, sales of a significant number of shares may be difficult to execute at a stable price.

There is no guarantee that we will achieve any benefit by virtue of our dual admission to trading on Euronext Amsterdam and the SFM.

There is no guarantee that we will achieve any benefit by virtue of our dual-admission to trading on Euronext Amsterdam and the SFM. The directors of NBPE's expectations, beliefs and forecast benefits of the dual admission are based their opinions only and are based on the information available to them at the time of admission to the SFM. Any forecast that admission to trading on the SFM will increase the liquidity of our shares is a forecast only and no guarantee is given to that effect.

Failure to continue to meet the financial covenants in our credit facility could have an adverse impact on our liquidity.

We are currently in compliance with all of the covenants of our credit facility; however, certain events, including further reductions in the net asset value of our investments, could result in an event of default under the credit facility agreement. Under the terms of the credit facility, if an event of default occurs the lender may cancel the undrawn portion of the credit facility and declare the entire outstanding principal and interest immediately due. As a result, the company may not have access to sufficient capital to meet its obligations and could be forced to sell assets in order to cure the event of default or to repay the credit facility.

STATEMENT OF RESPONSIBILITY AND CERTAIN INFORMATION

Statement of Responsibility

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with applicable Guernsey law, of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing these financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for the fairness of the management review included in the report and for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Regarding independent auditors and disclosure of information to auditors, there is no relevant audit information of which the directors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Certain Information

We prepare consolidated financial statements for our Company on an annual and quarterly basis in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). Our fiscal year ends on 31 December.

We are subject to the Netherlands Financial Supervision Act *(Wet op het financieel toezicht, "Wft")*, and we are registered with the Netherlands Authority for the Financial Markets *(Autoriteit Financiële Markten, "AFM")* as a collective investment scheme as meant in section 1:107 of the Wft. We are subject to certain ongoing requirements under the Netherlands Financial Supervision Act, the Decree on Supervision of Conduct by Financial Enterprises *(Besluit Gedragstoezicht financiële ondernemingen Wft)* and the Decree on the Implementation Directive Transparency Issuing Entities *(Besluit uitvoeringsrichtlijn transparantie uitgevende instellingen Wft)* relating to the disclosure of certain information to investors, including the publication of our financial statements.

DIRECTORS, ADVISORS AND CONTACT INFORMATION

Key Information
Trading Symbol: NBPE
Trading Exchanges: Euronext Amsterdam and London Stock Exchange Specialist Fund Market
Euronext Amsterdam Listing Date: 25 July 2007
Specialist Fund Market Admission: 30 June 2009
Base Currency: USD
Bloomberg: NBPE NA, NBPE LN
Reuters: NBPE.AS, NBPE.L
ISIN: GG00B1ZBD492
COMMON: 030991001
Amsterdam Security Code: 600737

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Talmai Morgan (Chairman)
John Buser
John Hallam
Christopher Sherwell
Peter Von Lehe

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The website address for NB Private Equity Partners Limited is www.nbprivateequitypartners.com.

NB PRIVATE EQUITY PARTNERS LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

For the Six Month Period Ended 30 June 2009

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers CI LLP
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Le Truchot St Peter Port
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Report of Independent Accountants

To the Board of Directors and Shareholders of
NB Private Equity Partners Limited:

We have reviewed the accompanying consolidated balance sheet of NB Private Equity Partners Limited and its subsidiaries (the "Company"), including the consolidated condensed schedule of private equity investments as of 30 June 2009, and the related consolidated statements of operations, of changes in net assets, and of cash flows for the six month period ended 30 June 2009, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the responsibility of management and the directors of the Company.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit conducted in accordance with the auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

This report has been prepared for and only for the directors and shareholders of NB Private Equity Partners Limited as a body, and for no other purpose. We do not accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers CI LLP

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands
25 August 2009

NB Private Equity Partners Limited
(f/k/a Lehman Brothers Private Equity Partners Limited)
Consolidated Balance Sheets

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Assets		
Private equity investments		
(cost of $548,095,188 for 2009 and $532,808,845 for 2008)	$ 469,512,755	$ 448,281,203
Cash and cash equivalents		
Denominated in U.S. dollars	86,846,879	138,776,304
Denominated in Euros (cost of $424,421 for 2008)	-	427,715
	86,846,879	139,204,019
Other assets	2,736,481	2,598,495
Total assets	**$ 559,096,115**	**$ 590,083,717**
Liabilities		
Loan payable	$ 126,679,123	$ 151,402,038
Payables to Investment Manager and affiliates	1,672,538	3,405,466
Accrued expenses and other liabilities	1,704,311	541,101
Net deferred tax liability	2,040,374	3,581,532
Current taxes payable	126,042	252,874
Total liabilities	**$ 132,222,388**	**$ 159,183,011**
Net assets		
Net assets of the controlling interest		
Class A shares, $0.01 par value, 500,000,000 shares authorized, 54,210,000 shares issued, and 51,059,592 shares outstanding for 2009 (52,497,863 for 2008)	$ 542,100	$ 542,100
Class B shares, $0.01 par value, 100,000 shares authorized and 10,000 shares issued and outstanding	100	100
Additional paid-in capital	541,657,800	541,657,800
Retained earnings (deficit)	(106,493,677)	(105,918,332)
Less cost of treasury stock, 3,150,408 shares for 2009 (1,712,137 for 2008)	(9,248,460)	(5,797,402)
Total net assets of the controlling interest	426,457,863	430,484,266
Net assets of the non-controlling interest	415,864	416,440
Total net assets	**$ 426,873,727**	**$ 430,900,706**
Total liabilities and net assets	**$ 559,096,115**	**$ 590,083,717**
Net asset value per share for Class A and Class B shares of the controlling interest	**$ 8.35**	**$ 8.20**

The accounts were approved by the board of directors on 25 August 2009 and signed on its behalf by

Talmai Morgan **John Hallam**

The accompanying notes are an integral part of the consolidated financial statements.

NB Private Equity Partners Limited
(f/k/a Lehman Brothers Private Equity Partners Limited)
Consolidated Condensed Schedules of Private Equity Investments

Private equity investments	Cost	Fair Value	Unfunded Commitment	Private Equity Exposure
30 June 2009 (Unaudited)				
Fund investments	$ 454,864,730	$ 391,914,505	$ 156,461,053	$ 548,375,558
Direct co-investments-equity	82,457,076	71,918,141	6,361,771	78,279,912
Direct co-investments-mezzanine debt	10,752,982	5,651,873	N/A	5,651,873
Marketable securities	20,400	28,236	N/A	28,236
Total private equity investments	**$ 548,095,188**	**$ 469,512,755**	**$ 162,822,824**	**$ 632,335,579**
31 December 2008 (Audited)				
Fund investments	$ 438,081,022	$ 359,026,989	$ 175,186,196	$ 534,213,185
Direct co-investments-equity	83,910,918	81,080,456	6,361,771	87,442,227
Direct co-investments-mezzanine debt	10,816,905	8,173,758	N/A	8,173,758
Total private equity investments	**$ 532,808,845**	**$ 448,281,203**	**$ 181,547,967**	**$ 629,829,170**

Private equity investments in excess of 5% of net asset value	Cost	Fair Value
30 June 2009 (Unaudited)		
NB Crossroads Fund XVII	$ 33,617,358	$ 29,447,180
NB Crossroads Fund XVIII		
Large-cap Buyout	9,483,290	6,830,051
Mid-cap Buyout	20,246,937	19,670,273
Special Situations	7,853,722	6,212,320
Venture	5,601,790	5,643,524
	43,185,739	38,356,168
Centerbridge Credit Partners Fund, L.P.	20,260,238	21,365,482
OCM Opportunities Fund VIIb, L.P.	24,572,138	25,513,341
Total	**$ 121,635,473**	**$ 114,682,171**
31 December 2008 (Audited)		
NB Crossroads Fund XVII	$ 32,790,091	$ 28,708,065
NB Crossroads Fund XVIII		
Large-cap Buyout	9,515,384	6,898,647
Mid-cap Buyout	20,691,438	20,322,741
Special Situations	7,916,738	6,087,534
Venture	5,204,646	5,138,533
	43,328,206	38,447,455
Total	**$ 76,118,297**	**$ 67,155,520**

The accompanying notes are an integral part of the consolidated financial statements.

Geographic diversity of private equity investments[1]		Fair Value 30 June 2009 (Unaudited)		Fair Value 31 December 2008 (Audited)
North America	$	311,693,146	$	315,261,853
Europe		79,373,319		77,983,849
Asia / Rest of World		18,382,815		10,580,352
Not classified		60,063,475		44,455,149
Total	**$**	**469,512,755**	**$**	**448,281,203**

Industry diversity of private equity investments[2]	Fair Value 30 June 2009 (Unaudited)	Fair Value 31 December 2008 (Audited)
Energy / Utilities	23.9%	24.6%
Diversified / Undisclosed / Other	15.7%	15.7%
Financial Services	11.6%	11.2%
Consumer / Retail	10.6%	9.0%
Healthcare	8.6%	7.6%
Industrials	7.9%	9.8%
Technology / IT	6.8%	7.7%
Business Services	5.9%	6.2%
Communications / Media	5.6%	5.6%
Transportation	3.4%	2.6%
Total	**100.0%**	**100.0%**

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

(2): *Industry diversity is based on underlying portfolio companies and direct co-investments.*

The accompanying notes are an integral part of the consolidated financial statements.

NB Private Equity Partners Limited
(f/k/a Lehman Brothers Private Equity Partners Limited)
Consolidated Statements of Operations and Changes in Net Assets
(Unaudited)

	For the Six Month Periods Ended 30 June	
	2009	2008
Interest and dividend income	$ 935,399	$ 2,400,621
Expenses		
Carried interest	-	1,980,132
Investment management and services	3,105,164	3,328,894
Administration and professional	1,562,989	1,453,603
Debt facility	2,117,710	703,521
	6,785,863	7,466,150
Net investment income (loss)	(5,850,464)	(5,065,529)
Realized and unrealized gain (loss) on investments, including transactions in currencies other than U.S. dollars		
Net realized gain (loss) on investments, including transactions in currencies other than U.S. dollars, net of tax expense of $521,253 for 2009 and $150,522 for 2008	(2,190,788)	8,938,042
Net change in unrealized gain (loss) on investments, including transactions in currencies other than U.S. dollars, net of tax expense (benefit) of ($1,541,158) for 2009 and $4,532,689 for 2008	7,465,331	22,191,660
Net realized and unrealized gain (loss) on investments and transactions in currencies other than U.S. dollars	5,274,543	31,129,702
Net increase (decrease) in net assets resulting from operations	$ (575,921)	$ 26,064,173
Less net increase (decrease) in net assets resulting from operations attributable to the non-controlling interest	(576)	26,064
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	**$ (575,345)**	**$ 26,038,109**
Net assets at beginning of period attributable to the controlling interest	430,484,266	562,458,084
Less cost of 1,438,271 shares of treasury stock for 2009	3,451,058	-
Net assets at end of period attributable to the controlling interest	**$ 426,457,863**	**$ 588,496,193**
Earnings (loss) per share for Class A and Class B shares of the controlling interest	***$ (0.01)***	***$ 0.48***

The accompanying notes are an integral part of the consolidated financial statements.

NB Private Equity Partners Limited
(f/k/a Lehman Brothers Private Equity Partners Limited)
Consolidated Statements of Cash Flows
(Unaudited)

	For the Six Month Periods Ended 30 June	
	2009	**2008**
Cash flows from operating activities		
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	$ (575,345)	$ 26,038,109
Net increase (decrease) in net assets resulting from operations attributable to the non-controlling interest	(576)	26,064
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to cash and cash equivalents used in operating activities:		
Net realized (gain) loss on investments and transactions in currencies other than U.S. dollars, net of taxes	2,190,788	(8,938,042)
Net change in unrealized (gain) loss on investments and transactions in currencies other than U.S. dollars, net of taxes	(7,465,331)	(22,191,660)
Amortization	285,475	278,953
Change in other assets	53,116	(209,044)
Change in payables to Investment Manager and affiliates	(212,265)	(934,733)
Change in accrued expenses and other liabilities	(407,244)	(132,522)
Net cash provided by (used in) operating activities	(6,131,382)	(6,062,875)
Cash flows from investing activities		
Distributions from private equity investments	6,422,220	34,690,419
Proceeds from sale of investments	123,669	1,151,398
Contributions to private equity investments	(24,546,592)	(75,761,802)
Purchases of investments	-	(14,646,705)
Net cash provided by (used in) investing activities	(18,000,703)	(54,566,690)
Cash flows from financing activities:		
Loan payments	(24,722,915)	-
Treasury stock purchased	(3,487,112)	-
Net cash provided by (used in) financing activities	(28,210,027)	-
Effect of exchange rates on cash balances	(15,028)	3,382,263
Net increase (decrease) in cash and cash equivalents	**(52,357,140)**	**(57,247,302)**
Cash and cash equivalents at beginning of period	139,204,019	145,348,777
Cash and cash equivalents at end of period	**$ 86,846,879**	**$ 88,101,475**

The accompanying notes are an integral part of the consolidated financial statements.

Note 1 – Organization

NB Private Equity Partners Limited and its subsidiaries (the "Company", "We", or "Our") is a closed-end investment company incorporated and registered with Her Majesty's Greffier in Guernsey under the Companies (Guernsey) Law, 1994, as amended. We changed our name effective 27 March 2009 from Lehman Brothers Private Equity Partners Limited. Our registered office is Heritage Hall, Le Marchant Street, St. Peter Port, Guernsey GY1 4HY. We invest in private equity through private equity funds and co-investments. We may also make opportunistic investments. Our Class A shares are listed on Euronext Amsterdam N.V.'s Eurolist by Euronext and, beginning 30 June 2009, on the Specialist Fund Market of the London Stock Exchange plc under the symbol "NBPE". We commenced operations on 25 July 2007, following the initial global offering of our Class A shares.

Our Class B shares were contributed by an affiliate of Lehman Brothers Holdings, Inc. (collectively with its affiliates, "Lehman Brothers") to a Guernsey charitable trust whose trustee is Heritage Corporate Services Limited ("Trustee"). Class B shares have the right to elect all of our directors and make most other decisions usually made by shareholders. The voting rights of Class A shares are limited to special consent rights involving specified events including merger, change in investment manager or investment policy, certain additional share issuances and certain material related party transactions as well as other events as described in our memorandum and articles of association. Each Class A and B share participates equally in profits and losses.

The Company is managed by NB Alternatives Advisers LLC ("NB Alternatives") which, effective 4 May 2009, became the successor entity to Lehman Brothers Private Fund Advisers, LP, a unit of Lehman Brothers Private Fund Investments Group ("PFIG") and its affiliates (collectively, the "Investment Manager") pursuant to an investment management and services agreement. NB Alternatives is a subsidiary of Neuberger Berman Group LLC ("NBG"). The same key individuals of the Investment Manager are providing services to the Company before and after the NBG acquisition.

Prior to 4 May 2009, Lehman Brothers Holdings Inc. ("LBHI") was the ultimate parent of the Investment Manager. LBHI filed for bankruptcy protection in September 2008. The Company and the Investment Manager were not subject to the bankruptcy filing. NBG was formed by certain members of the senior management team of Lehman Brothers Investment Management Division ("IMD") to acquire from LBHI a majority interest in certain businesses that have historically operated under the Neuberger Berman name and the fixed income and alternative asset management businesses of IMD, which includes certain assets of PFIG and other business units of IMD. Effective with the closing of the acquisition on 4 May 2009, 51% of NBG's common equity was issued, or reserved for issuance, to a group consisting of portfolio managers, members of the senior management team and other senior professionals of NBG and 49% of NBG's common equity was issued to LBHI and/or its affiliates. Certain of the assets of the Investment Manager, including the investment advisory agreement between the Investment Manager and the Company, were sold to NB Alternatives, a subsidiary of NBG. In addition, a portion of LBHI's Special Limited Partner interest in a consolidated partnership subsidiary was transferred to NBG. The board of directors of the Company has consented to the transaction on behalf of the Company.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation
These consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), as allowed by rules published in the Netherlands to effect implementation of the EU Transparency Directive, and are presented in United States dollars. The Company prepares its financial statements in accordance with the Companies Law (Guernsey) 2008.

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

Cash and Cash Equivalents

Cash and cash equivalents are valued at cost plus accrued interest, which approximates fair value. These investments represent amounts held with financial institutions that are readily accessible to pay expenses or fund investments as well as money market mutual funds. As of 30 June 2009 and 31 December 2008, \$86,846,879 and \$138,776,304 are held with JPMorgan Chase, respectively.

Valuation of Investments

The Company carries private equity investments on its books at fair value in accordance with U.S. GAAP. We use the best information we have reasonably available to determine or estimate fair value. Publicly traded securities are valued based on quoted prices as of the last day of the relevant period less discounts to reflect legal restrictions associated with the securities, if any, that affect marketability. We determine such values for publicly traded securities held directly as well as known public positions held in the underlying private equity investments on a look-through basis. We estimate fair value for private interests based on a methodology that begins with the most recent information available from the general partner of the underlying fund or the lead investor of a direct co-investment, and considers subsequent transactions, such as drawdowns or distributions, as well as other information judged to be reliable that reports or indicates valuation changes, including realizations and other portfolio company events.

Because of their inherent uncertainty, the fair values we use may differ significantly from the values that would have been used had a ready market for these investments existed, and such differences could be material to the consolidated financial statements.

Generally, our private equity fund investments have a defined term and no right to withdraw.

Market Risk

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

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

Investment Income

We earn interest and dividends from our direct investments in private equity, from the underlying portfolio companies of investments in private equity funds, and from our cash and cash equivalents. We record dividends when they are declared and interest when earned, provided we know the information or are able to reliably estimate it. Otherwise, we record the investment income when it is reported to us by our private equity investments.

Operating Expenses

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

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

Net Change in Unrealized Appreciation and Depreciation of Investments
Gains and losses arising from changes in value are recorded as an increase or decrease in the unrealized appreciation or depreciation of investments based on the methodology described above.

Carried Interest
Carried interest amounts due the Investment Manager (see Note 3) are computed and accrued at each period end based on period-to-date results in accordance with the terms of the agreements.

Currency Translation
Investments denominated in a currency other than U.S. dollars are translated into U.S. dollar equivalents using spot rates as of the valuation date. The Company does not separate the changes relating to currency exchange rates from those relating to changes in the fair value of the investments held. These fluctuations are combined and included in the net change in unrealized gain (loss) on investments and transactions in currencies other than U.S. dollars in the Consolidated Statements of Operations and Changes in Net Assets. For the six month periods ended 30 June 2009 and 2008, the effect of translation to U.S. dollars increased valuations of foreign investments by approximately $125,053 and $2,850,597, respectively. In addition, cash equivalents denominated in Euros decreased in value due to translation to U.S. dollars by a net of $15,028 and increased in value by a net of $3,382,263, respectively.

The Company has unfunded commitments denominated in a currency other than U.S. dollars. These unfunded commitments are in Euros and amounted to €13,054,631 at 30 June 2009 and €15,457,856 at 31 December 2008; they have been included in the Consolidated Condensed Schedules of Private Equity Investments at the U.S. dollar exchange rate in effect at 30 June 2009 and 31 December 2008. For the six month periods ended 30 June 2009 and 2008, the effect on the unfunded commitment of the change in the exchange rate between Euros and U.S. dollars was a decrease in the U.S. dollar obligation of $13,113 and an increase in the U.S. dollar obligation of $2,042,200, respectively.

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

With effect from 1 January 2008, Guernsey abolished the exempt company regime for some entities. At the same time the standard rate of Guernsey income tax for companies declined from 20% to 0%. Therefore some entities previously exempt from tax under the provision of the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 are now subject to tax, but at a 0% rate. However, the States of Guernsey Income Tax Authority has confirmed that collective investment schemes such as the Company can continue to apply for exempt status.

Generally, income that we derive may be subject to withholding taxes imposed by the U.S. or other countries and will impact the Company's effective tax rate.

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

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

The Company recognizes a tax benefit in the financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. Although we believe we have adequately assessed for our uncertain tax position, no assurance can be given that the final tax outcome of these matters will not be different.

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

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

Use of Estimates

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

Note 3 – Agreements, including related party transactions

We have the following significant agreements and transactions with the Investment Manager or its affiliates:

Management and Administration

We pay the Investment Manager a management fee calculated at the end of each calendar quarter equal to 37.5 basis points (150 basis points per annum) of the net asset value of our private equity and opportunistic investments. For purposes of this computation, the net asset value is reduced by the net asset value of any investment for which the Investment Manager also serves as investment manager. For the six month periods ended 30 June 2009 and 2008, the management fee expense were $2,879,944 and $3,088,357, respectively.

We also pay the Investment Manager for certain accounting and administrative services at the rate of 2.5 basis points per quarter (10 basis points per annum) applied to our net asset value at the end of each calendar quarter, computed as described above. The amount incurred by the Company for the six month periods ended 30 June 2009 and 2008 for these services were $225,220 and $240,537, respectively.

We pay to Heritage International Fund Managers Limited ("Heritage"), an affiliate of the Trustee, a fee for providing certain administrative functions relating to certain corporate services and Guernsey regulatory matters affecting the Company. Fees for these services are paid as invoiced by Heritage.

Special Limited Partner's Noncontrolling Interest in Subsidiary and Carried Interest
An affiliate of the Investment Manager is a Special Limited Partner in a consolidated partnership subsidiary. At 30 June 2009 and 31 December 2008, the noncontrolling interest of $415,864 and $416,440 represented the Special Limited Partner's capital contribution to the partnership subsidiary and income allocation, respectively. The amount of the noncontrolling ownership interest in the subsidiary was agreed between the General Partner and Special Limited Partner of the subsidiary.

The Company adopted Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB No. 51* ("FAS 160") on 1 January 2009. The Statement amends ARB No. 51 to establish accounting and reporting standards for the noncontrolling interest (also called a minority interest) in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. In conjunction with the adoption of FAS 160, all prior period balances have been presented to conform to current period presentation.

The following table reconciles the carrying amount of net assets, net assets attributable to the controlling interest and nets assets attributable to the noncontrolling interest for the six month period ended 30 June 2009:

	Controlling Interest	Noncontrolling Interest	Total
Net assets balance, 31 December 2008	$ 430,484,266	$ 416,440	$ 430,900,706
Net increase (decrease) in net assets resulting from operations	(575,345)	(576)	(575,921)
Purchase of Treasury Stock	(3,451,058)	-	(3,451,058)
Net assets balance, 30 June 2009	**$ 426,457,863**	**$ 415,864**	**$ 426,873,727**

The Special Limited Partner is entitled to a carried interest in an amount that is, in general, equal to 7.5 percent of our consolidated net increase in net assets resulting from operations for a fiscal year in the event that our internal rate of return for such period, based on our net asset value, exceeds 7.5 percent. If losses are incurred for a period, no carried interest is earned and such loss amounts are carried forward to be included in the internal rate of return calculations for future periods. Carried interest is reduced by the amount of carried interest that we paid during the period to any investment for which the Investment Manager serves as investment manager. Carried interest is also accrued and paid on any economic gain that we realize on treasury stock transactions. (See note 9). Carried interest is accrued periodically and paid at the conclusion of the fiscal year. As of 30 June 2009, no carried interest was accrued.

Shares Owned by Lehman Brothers
Simultaneously with the closing of the initial offering of the Company and related transactions, affiliates of Lehman Brothers, which are not party to the bankruptcy filing of LBHI, purchased $145 million of Class A shares, in the form of restricted depositary shares applicable to investors in the United States, at the offering price. These shares are subject to a restriction on re-sale through 18 July 2010. The restriction can be removed only with the agreement of a majority of the Company's independent directors.

Pursuant to a trading plan commenced in November 2007 and terminated in November 2008, affiliates of Lehman Brothers acquired an additional 802,319 shares. Such shares were acquired on the open market and are not subject to any restrictions on re-sale.

Investments Acquired from Lehman Brothers
During 2008 the Company bought Mezzanine debt with a par value of $10,009,711 at $9,909,614 from an affiliate of LBHI. The Company believes that the purchase price was at fair value at the date of the transaction.

Investments in NB Crossroads Funds
The Company holds limited partner interests in private equity funds of funds managed and sponsored by the Investment Manager. The net asset value of these investments is excluded for purposes of calculating any management fee. As of 30 June 2009 and 31 December 2008, the aggregate net asset value of these funds was approximately $67.8 million and $67.2 million, respectively, and associated unfunded commitments were $37.5 million and $39.6 million, respectively.

Other
In addition to the amounts discussed above for carried interest and management and administration fees, as of 30 June 2009 and 31 December 2008, amounts payable to Investment Manager and affiliates related to various matters totaled $48,750 and $343,512, respectively.

Note 4 – Fair Value of Financial Instruments

We categorize our investments as follows based on inputs to valuation techniques.

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
Level 2	Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.
Level 3	Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).

The following tables detail the Company's financial assets and liabilities that were accounted for at fair value as of 30 June 2009 and 31 December 2008 by level. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Assets at Fair Value as of 30 June 2009			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 86,846,879	$ -	$ -	$ 86,846,879
Private equity investments	6,290,245	-	463,222,510	469,512,755
Total assets that are accounted for at fair value	**$ 93,137,124**	**$ -**	**$ 463,222,510**	**$ 556,359,634**

	Assets at Fair Value as of 31 December 2008			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	$ 139,204,019	$ -	$ -	$ 139,204,019
Private equity investments	4,790,101		443,491,102	448,281,203
Total assets that are accounted for at fair value	**$ 143,994,120**	**$ -**	**$ 443,491,102**	**$ 587,485,222**

The Company has assessed its positions and concluded that all of its private equity investments are classified as level 3 with the following exceptions. As of 30 June 2009, marketable securities which were distributed from a private equity investment and one co-investment that is publicly traded are classified as level 1. As of 31 December 2008, one co-investment that is publicly traded is classified as level 1.

The following table summarizes the changes in the fair value of the Company's level 3 financial assets and liabilities:

Level 3 Financial Assets
For the Six Month Period Ended 30 June 2009

		Private Equity Investments
Balance, 31 December 2008	$	443,491,102
Total net realized gains (losses)		(1,749,047)
Total net unrealized gains (losses)		4,263,877
Purchases, issuances and settlements		17,551,085
Transfers in and/or (out) of level 3		(334,507)
Balance, 30 June 2009	**$**	**463,222,510**

Level 3 Financial Assets
For the Year Ended 31 December 2008

		Private Equity Investments
Balance, 31 December 2007	$	412,230,796
Total net realized gains (losses)		(13,765,482)
Total net unrealized gains (losses)		(100,843,833)
Purchases, issuances and settlements		146,648,205
Transfers in and/or (out) of level 3		(778,584)
Balance, 31 December 2008	**$**	**443,491,102**

Note 5 – Debt Facility

A subsidiary of the Company has entered into an agreement with The Bank of Scotland regarding a senior secured revolving credit facility ("Facility") of up to $250 million. The term of the Facility is seven years and expires in August 2014. At 30 June 2009, $126.7 million is outstanding and substantially all assets have been pledged pursuant to the following:

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

The Company is required to meet certain portfolio diversification tests, a minimum fund/co-investment threshold, maximum exposure limitations, a maximum debt to value ratio, a maximum debt to secured assets ratio and a maximum over-commitment test. In addition, the Facility limits the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers, repurchase of shares, liens or other matters customarily restricted in such agreements. At 30 June 2009 and 31 December 2008, the Company met all requirements under the Facility.

All borrowings under the Facility bear interest at a floating rate, calculated as LIBOR or Euribor, as appropriate, plus 1.35% per annum. At 30 June 2009, interest rates on the outstanding balance range from 1.79813% to 1.93625% per annum.

In addition, we are required to pay a non-utilization fee calculated as 40 basis points per annum on the daily balance of the unused Facility amount. For the six month period ended 30 June 2009, we incurred and expensed $1,696,430 for interest and $224,402 for commitment fees related to the Facility. For the six month period ended 30 June 2008, we incurred and expensed $505,556 for commitment fees. As of 30 June 2009 and 31 December 2008, unamortized capitalized debt issuance costs included in other assets were $1,994,886 and $2,191,764, respectively. Capitalized amounts are being amortized on a straight-line basis over the term of the Facility. Amortized capitalized debt issuance costs were $196,878 and $197,965 for the six month periods ended 30 June 2009 and 2008, respectively.

An active market for the debt that is similar to that of the Facility does not exist. Management estimates the fair value of the Facility, which qualifies as financial instruments under SFAS No. 107, Disclosure about Fair Value of Financial Instruments, based on comparison to debt instruments with comparable characteristics. Management has estimated that the fair values of the Facility, based on the balance outstanding, are approximately $110.4 million at 30 June 2009 and $103.8 million at December 31, 2008. However, these estimates are affected by and are subject to significant variability due to the disruptions in the current market for such debt.

In the first quarter of 2009, the Company amended the terms of the Facility to ensure that the change in ownership of the Investment Manager (see Note 1) does not cause an event of default.

Note 6 – Income Taxes

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

	30 June 2009	30 June 2008
Current tax expense	$ 521,253	$ 150,522
Deferred tax expense (benefit)	(1,541,158)	4,532,689
Total tax expense (benefit)	$ (1,019,905)	$ 4,683,211

	30 June 2009	31 December 2008
Gross deferred tax assets	$ 3,304,604	$ 2,626,069
Less valuation allowance	3,060,567	2,382,032
Net deferred tax assets	244,037	244,037
Gross deferred tax liabilities	2,284,411	3,825,569
Net deferred tax liabilities	**$ 2,040,374**	**$ 3,581,532**

Current tax expense is reflected in net realized gains and deferred tax expense (benefit) is reflected in net changes in unrealized gains on the consolidated statement of operations. Net deferred tax liabilities are related to net unrealized gains and gross deferred tax assets, offset by a valuation allowance, are related to unrealized losses on investments held in entities that file separate tax returns.

The Company has no gross unrecognized tax benefits. The Company has been audited by the IRS for the tax year ended November 30, 2007; the audit resulted in no change to the tax the Company reported.

Note 7 – Earnings (Loss) per Share in Net Assets Resulting from Operations

The computations for earnings per share in net assets resulting from operations for the six month periods ended 30 June 2009 and 2008 are as follows:

	For the Six Month Periods Ended 30 June	
	2009	2008
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	$ (575,345)	$ 26,038,109
Divided by weighted average shares outstanding for Class A and Class B shares of the controlling interest	51,370,976	54,220,000
Earnings (loss) per share for Class A and Class B shares of the controlling interest	**$ (0.01)**	**$ 0.48**

Note 8 – Treasury Stock

The Company has adopted a liquidity enhancement policy that is intended to enhance and strengthen the liquidity in the trading of the Company's class A shares. The Company entered into a liquidity enhancement agreement on 21 July 2008 with ABN AMRO Bank N.V. London Branch ("ABN") which was amended on 9 January 2009, 14 April 2009 and 29 June 2009. Such agreement provides the parameters and requirements for the Company's liquidity enhancement policy.

Under the agreement, ABN has sole discretion, in the name and for the account of the Company and subject to all applicable legal and regulatory requirements, to effect class A share repurchases and sales of class A shares held in treasury on Euronext Amsterdam within the parameters set out in the agreement. Shares repurchased by the Company will either be cancelled or held in treasury (provided that the Company shall not at any time hold class A shares in treasury representing more than 10 percent of its issued class A shares). Shares will not be sold out of treasury at a price which is lower than the last published net asset value per share.

The aggregate number of class A shares which may be purchased in accordance with the agreement is subject to a maximum of 12.5 percent of the total number of class A shares outstanding as of 21 July 2008, or 6,776,250 shares, unless the Company elects to increase such maximum, subject to any limits to the authority granted to the Company by its shareholders to effect share repurchases. The Company currently has shareholder authority to repurchase in the market up to 14.99 percent of its issued shares. The Company intends to seek annual renewal of this authority from shareholders.

The maximum price which may be paid for a share is an amount equal to the higher of (i) the price of the last independent trade and (ii) the highest current independent bid price for shares on Euronext Amsterdam.

The agreement shall remain in force until 25 June 2010 subject to extension at the election of the Company. The agreement may, however, be terminated at any time by either the Company or ABN.

As of 30 June 2009, there were 51,059,592 Class A ordinary shares and 10,000 Class B ordinary shares outstanding, with 3,150,408 Class A ordinary shares held in treasury at a cost of $9,248,460.

Note 9 – Commitments and Contingencies

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

Note 10 – Financial Highlights

Per share operating performance (based on average shares outstanding during the period)	30 June 2009	31 December 2008
Beginning net asset value	$ 8.20	$ 10.37
Treasury stock	0.16	0.19
Net increase in net assets resulting from operations:		
Net investment income (loss)	(0.11)	(0.16)
Net realized and unrealized gain (loss) on investments, including transactions in currencies other than U.S. dollars	0.10	(2.20)
Ending net asset value	**$ 8.35**	**$ 8.20**

Total return (based on change in net asset value per share)	30 June 2009	30 June 2008
Total return before carried interest	1.84%	4.98%
Carried interest	-	(0.35%)
Total return after carried interest	**1.84%**	**4.63%**

Net investment income (loss) and expense ratios (based on weighted average net assets)	30 June 2009	30 June 2008
Net investment income (loss)	(2.74%)	(1.81%)
Expense ratios:		
Expenses before interest and carried interest	2.38%	1.96%
Interest expense	0.79%	-
Carried interest	-	0.71%
Total	**3.17%**	**2.67%**

Individual shareholder returns may differ from the ratios presented based on differing entry dates into the Company. Total return was for the periods stated and was not annualized. Ratios for periods shorter than a year were annualized.