

NB Private Equity Partners Publishes 2018 Annual Financial Report

15 April 2019

NB Private Equity Partners Limited (“NBPE” or the “Company”), a closed-end private equity investment company, today releases its 2018 Annual Financial Report. Key highlights and commentary are below and the complete Annual Financial Report can be found on the Company’s website at www.nbprivateequitypartners.com.

Talmi Morgan, Chairman, said, “The Company announced multiple initiatives during 2018 including enhancements to governance and board composition, a new target dividend policy and a sale of legacy fund interests. The Company also entered into a new buyback programme, which began in January 2019. In addition, in March 2019, the Company also welcomed William Maltby and Wilken von Hodenberg as new non-executive directors. The directors and I believe the actions to enhance governance and board composition will be a strong positive for the Company over time. The portfolio continues to develop well and produced a total return Net Asset Value increase of 5.5% in 2018.”

Key Highlights

- 31 December 2018 Net Asset Value (“NAV”) per Share of \$17.87 (£14.03) increased \$0.42 (£1.12) from \$17.45 (£12.91) NAV per Share at 31 December 2017
 - 2018 NAV per Share total return of 5.5% and 2018 NAV per Share increase of 2.4%
 - NAV per Share of \$17.87 is a \$0.21 increase relative to the originally published 31 December 2018 monthly NAV estimate of \$17.66
 - NAV per Share increase was driven by realised gains, interest income and dividends
- NBPE’s NAV increase of \$20.7 million during 2018 included:
 - \$59.5 million of realised gains, or \$1.22 per Share, net of tax expense
 - \$17.4 million of yield income and dividends, or \$0.36 per Share
 - (\$0.1) million of losses on foreign exchange related to ZDPs and investments, or (\$0.00) per Share
 - (\$3.0) million of unrealised investment losses, or (\$0.06) per Share, net of tax expense
 - (\$9.3) million of interest and other financing costs, or (\$0.19) per Share
 - (\$17.9) million of management fees, operating expenses, and other expenses, or (\$0.37) per Share
 - (\$25.9) million of dividends paid, or (\$0.53) per Share

Portfolio Commentary

- **Strong cash flow:** \$236.4 million of realisations during 2018 (including proceeds received from the sale of 14 legacy fund interests)
- **2018 realisations:** NBPE fully exited five direct equity investments which generated a 1.9x gross multiple of invested capital in aggregate (inclusive of prior realisations). The average holding period of the five investments was 3.6 years and the uplift at exit averaged 41% relative to the valuation one quarter prior to the announcement
- **IPO Activity:** four IPOs, Aster DM Healthcare (NSE:ASTERDM), BrightView (NYSE:BV), Solarwinds (NYSE: SWI) and Shelf Drilling (SHLF.OL), in the direct equity portfolio during 2018
- **New investments:** 23 new direct equity investments completed in 2018 totalling \$152.3 million

Portfolio Valuation

The value of NBPE's private equity portfolio as at 31 December 2018 was based on the following information¹:

- 100% of the private equity fair value was valued as of 31 December 2018
 - 94% in private direct investments and fund investments
 - 6% in public securities

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ABOUT NB PRIVATE EQUITY PARTNERS LIMITED

NBPE is a closed-end private equity investment company with class A ordinary shares admitted to trading on the Premium Segment of the Main Market of the London Stock Exchange. NBPE has 2022 and 2024 ZDP Shares admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. NBPE holds a diversified portfolio of direct equity investments, direct income investments and fund investments selected by the NB Alternatives group of Neuberger Berman, diversified across private equity asset class, geography, industry, vintage year, and sponsor.

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ABOUT NEUBERGER BERMAN

Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager. The firm manages a range of strategies—including equity, fixed income, quantitative and multi-asset class, private equity and hedge funds—on behalf of institutions, advisors and individual investors globally. With offices in 22 countries, Neuberger Berman's team is more than 2,000 professionals. For five consecutive years, the company has been named first or second in Pensions & Investments Best Places to Work in Money Management survey (among those with 1,000 employees or more). Tenured, stable and long-term in focus, the firm fosters an investment culture of fundamental research and independent thinking. It manages \$304 billion in client assets as of December 31, 2018. For more information, please visit our website at www.nb.com.

This press release appears as a matter of record only and does not constitute an offer to sell or a solicitation of an offer to purchase any security.

NBPE is established as a closed-end investment company domiciled in Guernsey. NBPE has received the necessary consent of the Guernsey Financial Services Commission. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results. This document is not intended to constitute legal, tax or accounting advice or investment recommendations. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of NBPE's investment manager. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Additionally, this document contains "forward-looking statements." Actual events or results or the actual performance of NBPE may differ materially from those reflected or contemplated in such targets or forward-looking statements.

¹ Please refer to the valuation methodology section of the Annual Report.