

NEUBERGER | BERMAN

# NB Private Equity Partners: Overview Presentation

Financial Information as of 31 March 2019, Unless Otherwise Noted

MAY 2019



# NBPE Overview

NBPE invests in private equity backed companies

## Key Highlights

**Listing Date:** 2007

**Market Capitalisation (9/5/19):** £515.4m

**Net Asset Value (NAV):** \$861.9m

**NAV per Share:** \$17.71 (£13.59)

### NAV Total Return USD / GBP

**1 year:** 6.6% / 14.9%

**3 year:** 39.1% / 53.8%

### Share Price Total Return USD / GBP

**1 year:** 9.0% / 17.4%

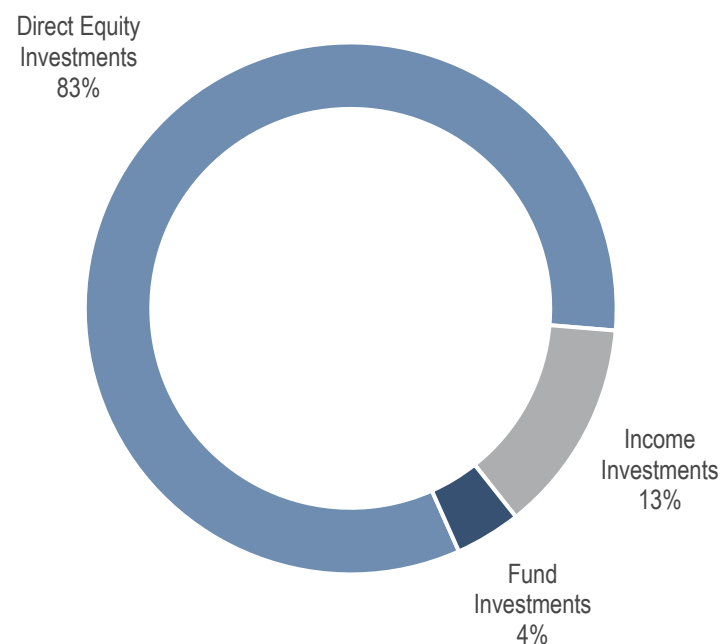
**3 year:** 50.9% / 66.8%

**2019 Avg. Daily Trading Volume:** ~52k shares per day

**Current Share Price (9/5/19):** £10.90 (~20% discount)

**Dividend Yield (on Current Share Price):** 3.9%

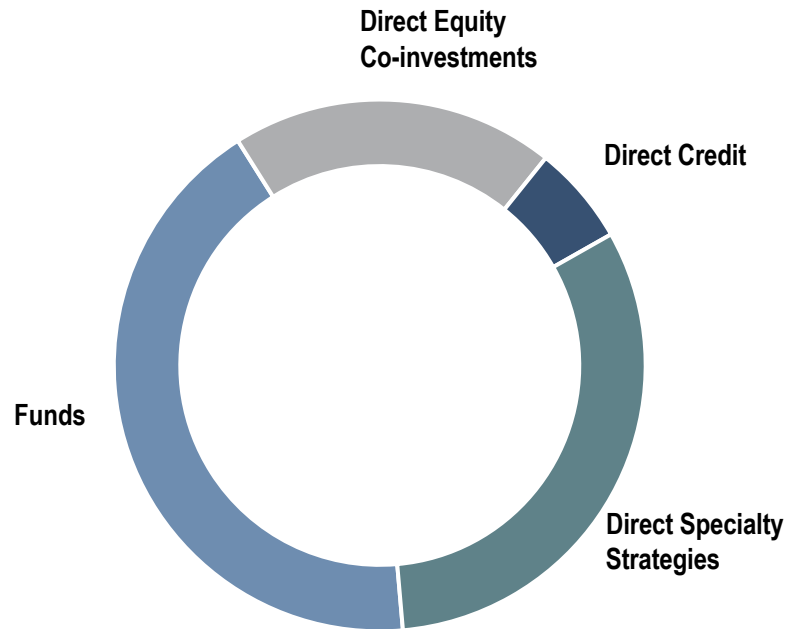
## Investment Type by Fair Value



Note: NBPE data as of 31 March 2019; GBP share price returns converted at daily GBP/USD close FX rates. Numbers may not sum due to rounding. All performance figures assume re-investment of dividends at NAV or closing share price on the ex-dividend date and reflect cumulative returns over the relevant time periods shown and are not annualised returns; share price return data based on the London Stock Exchange. Average trading volume represents daily average across London Stock Exchange, Euronext Amsterdam (de-listing effective on 20 December 2018) and over-the-counter trading platforms.

# NBPE's Manager: Neuberger Berman

Neuberger Berman manages over \$70 billion in Private Equity commitments



## Key Highlights

**Industry Leadership:** 30 years as a private equity investor

**Active Fund Relationships:** LP in over 530 active private equity funds

**Experienced Investors:** Expertise across fund investments, direct investments and income investments

**Deep Team:** Over 160 dedicated private equity investment professionals with extensive networks

**Global Presence:** Investment offices in New York, Dallas, Boston, San Francisco, London, Zurich, Milan, Hong Kong and Bogota

## Leading, Global Private Equity Platform

Note: Represents aggregate committed capital since inception as of March 2019, including commitments in the process of documentation.

## NBPE's Value Proposition

NBPE provides exposure to direct private equity and debt investments underwritten alongside a diversified group of high-quality private equity managers

### Investments Alongside High Quality Private Equity Sponsors

**Leverages the strength of the Neuberger Berman Platform:** Neuberger Berman Private Equity has invested ~\$5.3 billion in equity co-investments and ~\$3.0 billion in debt investments over the last three years<sup>1</sup> with ~800 equity and ~900 debt opportunities reviewed during this period

**Well diversified direct investment portfolio:** Portfolio of 128 direct investments with over 50 different private equity sponsors

**Able to invest in all parts of the capital structure** – tactical shifts over time to the most compelling risk / reward opportunities

**Fee efficiency:** Direct investments generally with single layer of fees<sup>2</sup>

### Representative Private Equity Sponsors



Note: as of 31 March 2019. Private equity sponsors shown here are only a representative sample of those which NBPE has invested alongside. For a complete list of sponsors, see the appendix.

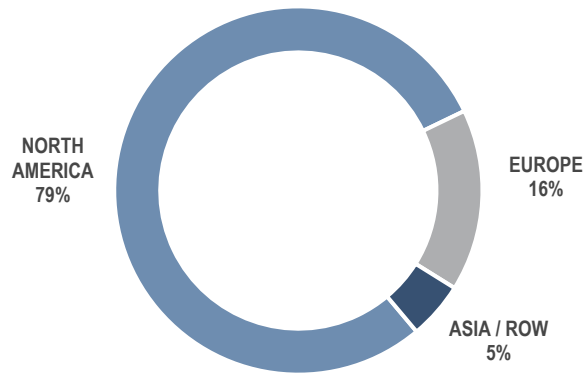
<sup>1</sup> Reflects investments made from 2016 – 2018.

<sup>2</sup> In some cases, private equity sponsors may charge management fees and / or carried interest.

# NBPE Portfolio Diversification

Well diversified portfolio weighted to North American investments

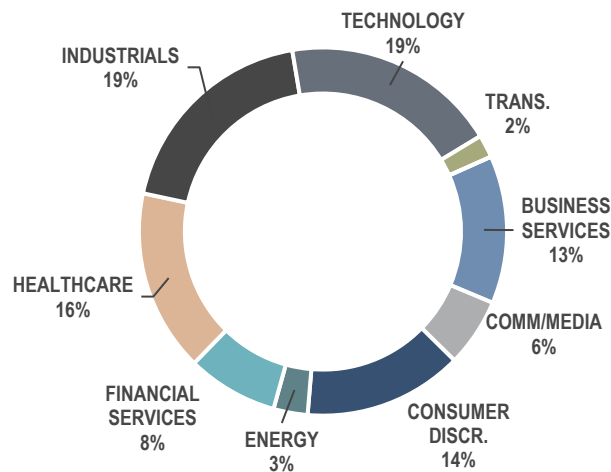
## Geography



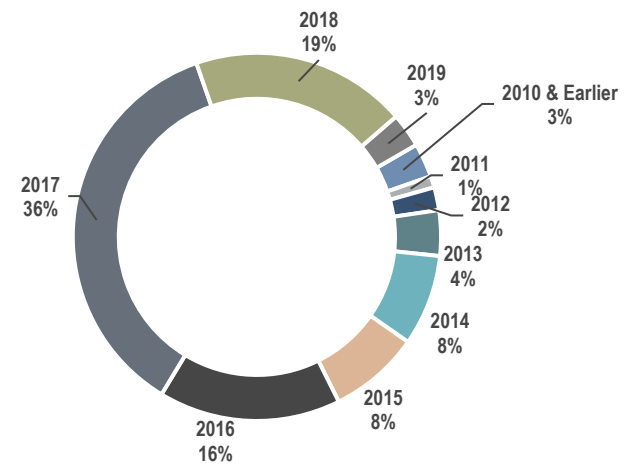
## Investment Type



## Industry



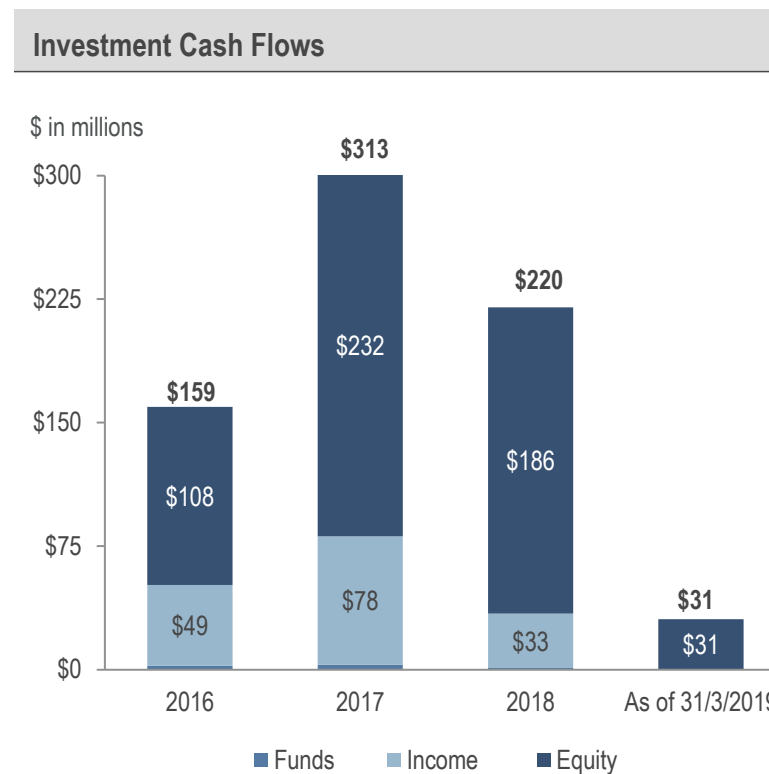
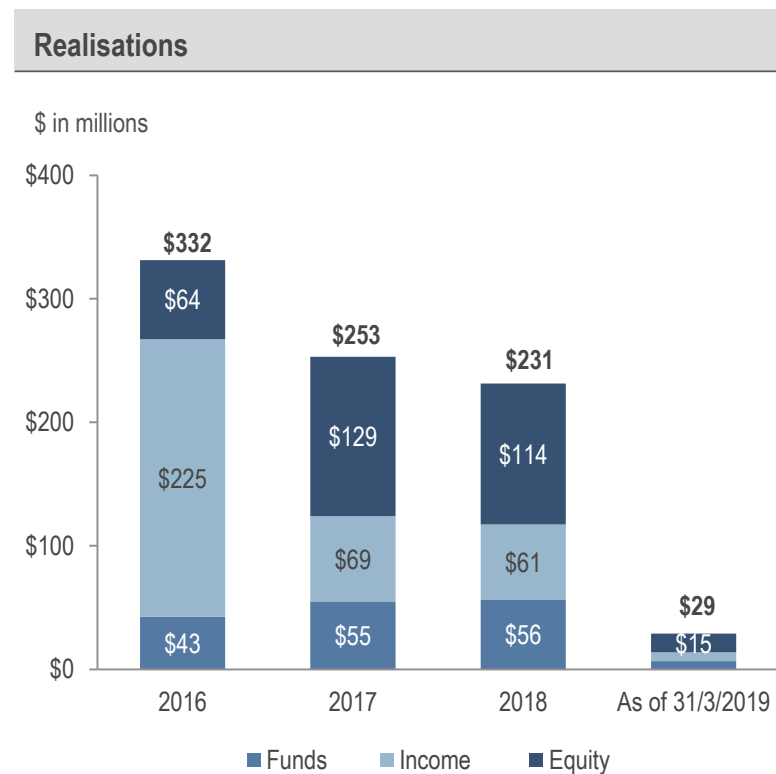
## Vintage Year



Note: As of 31 March 2019. Numbers may not sum due to rounding. Please see endnotes for information on diversification calculations.

## Portfolio Investment Activity & Liquidity

\$845 million of realisations received and over \$720 million of new investments since the beginning of 2016



Note: As of 31 March 2019. Numbers may not sum due to rounding.

## Performance Overview by Investment Type

One, three year, five and ten year investment performance summary

NBPE Performance Measured by Gross IRR					
Investment Type	% of Fair Value	One Year	Three Year	Five Year	Ten Year
Direct Equity Investments	83%	11.9%	17.8%	18.3%	15.5%
Income Investments	13%	8.8%	9.9%	8.8%	12.6%
Funds	4%	5.8%	7.3%	4.5%	11.8%
<b>Total Portfolio</b>	<b>100%</b>	<b>11.0%</b>	<b>14.6%</b>	<b>12.7%</b>	<b>13.3%</b>

### Key Takeaways:

Aggregate Returns Have Been Strong Across Time Periods

Direct Equity Investments Have Performed Well Across Time Periods

Funds Are Now de-minimis, “Tail-end” And Winding Down Over Time

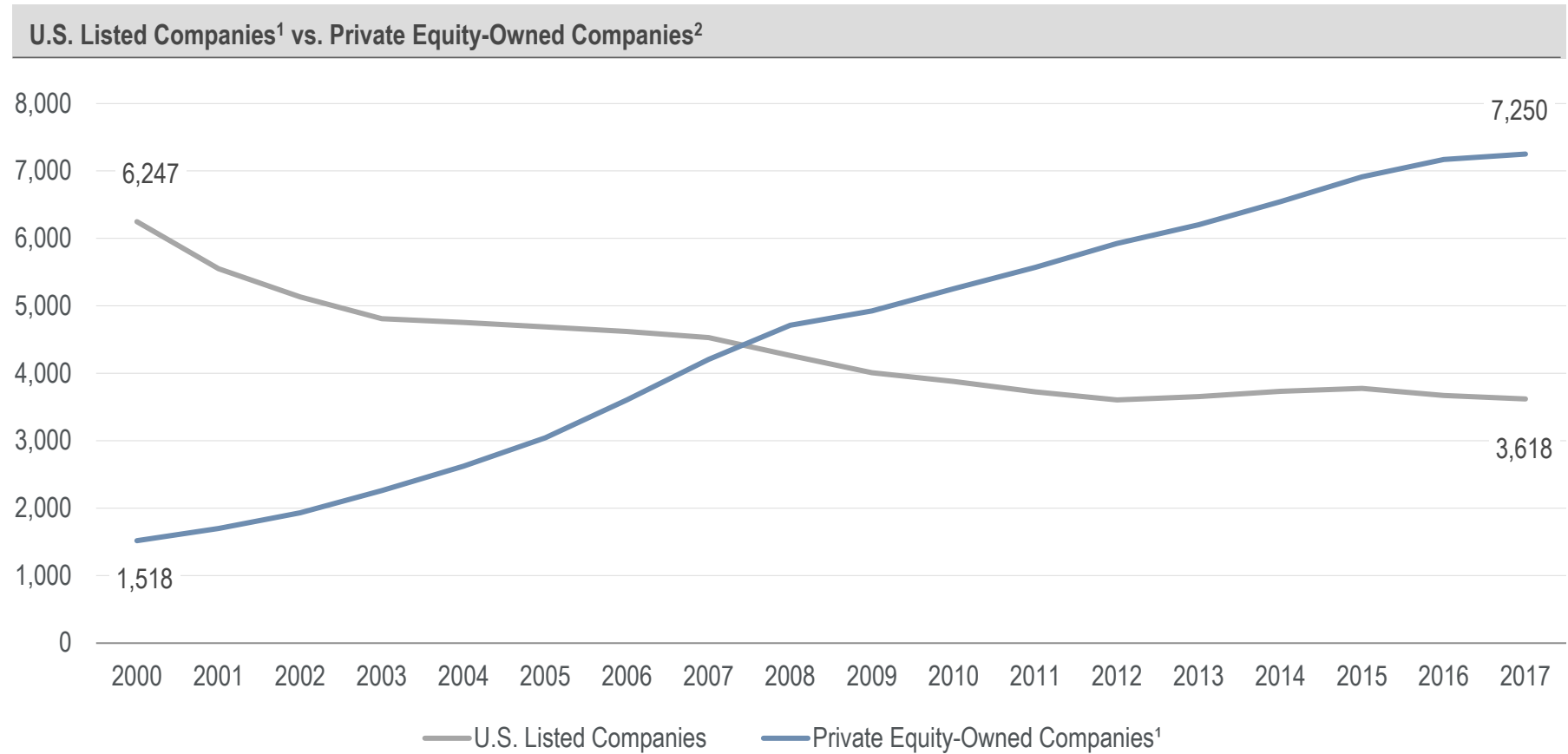
Note: As of 31 March 2019. Numbers may not sum due to rounding.

## Private Equity Market Overview





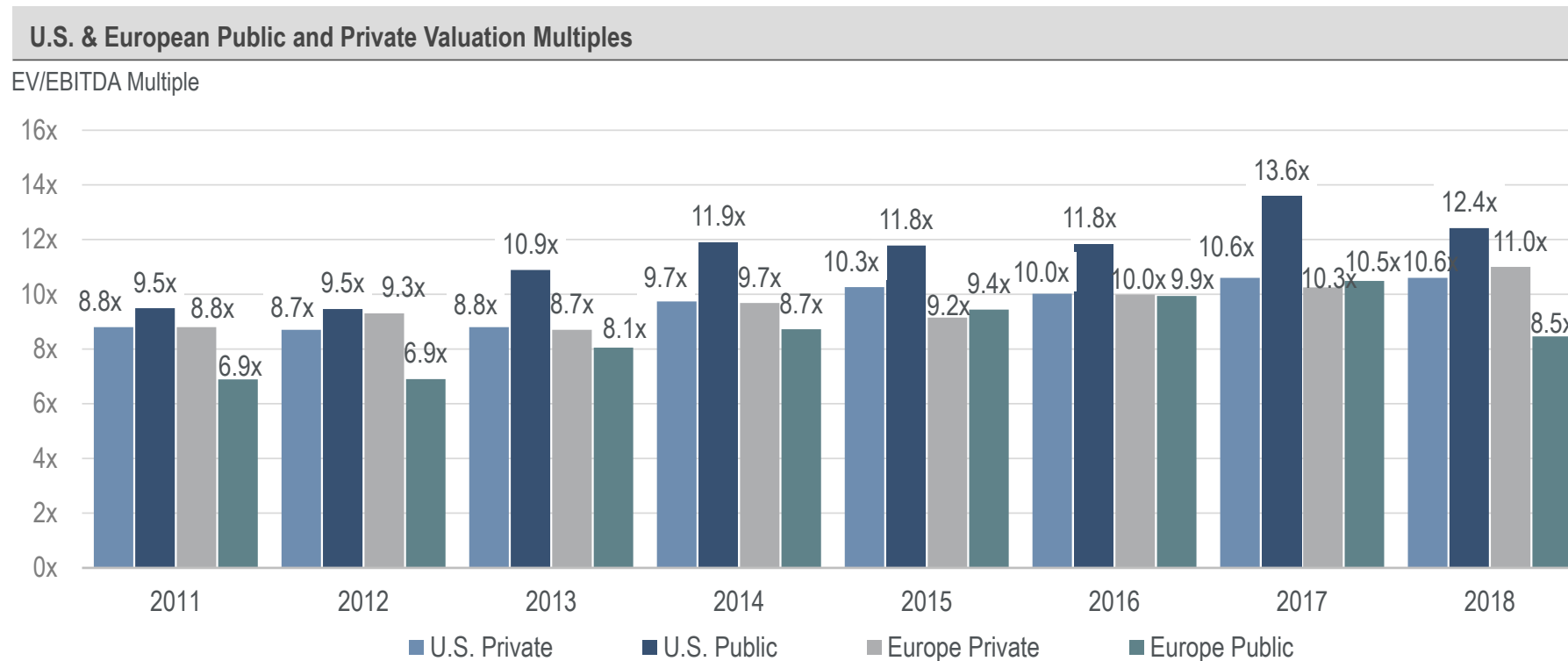
# Steady Decline in the Number of Public Companies



<sup>1</sup> Source: Jay R. Ritter, Warrington College of Business Administration, University of Florida; University of Chicago Center for Research in Security Prices. As of 31 December 2017.

<sup>2</sup> Source: Pitchbook: "2017 Annual US PE Breakdown."

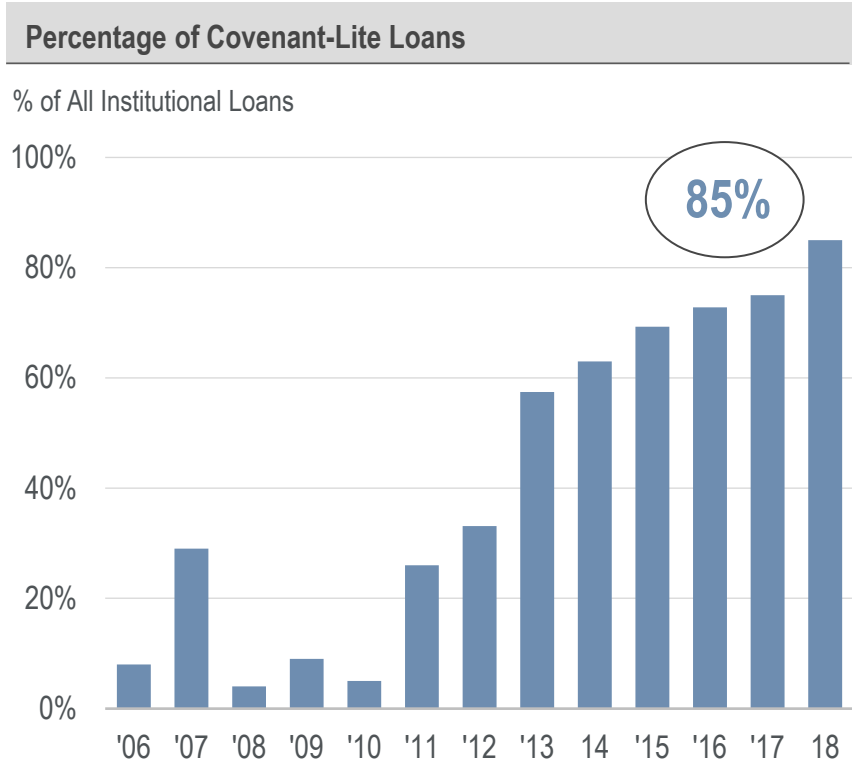
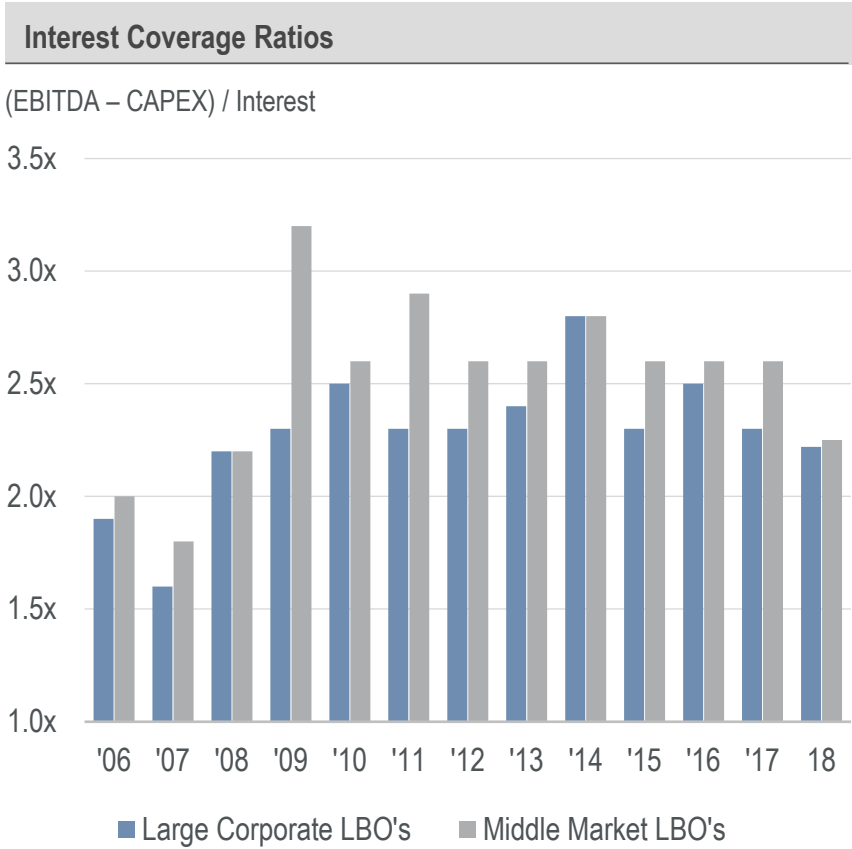
# U.S. & European Public and Private Valuation Multiples



Source: S&P Capital IQ LCD. As of 4Q, 2018.

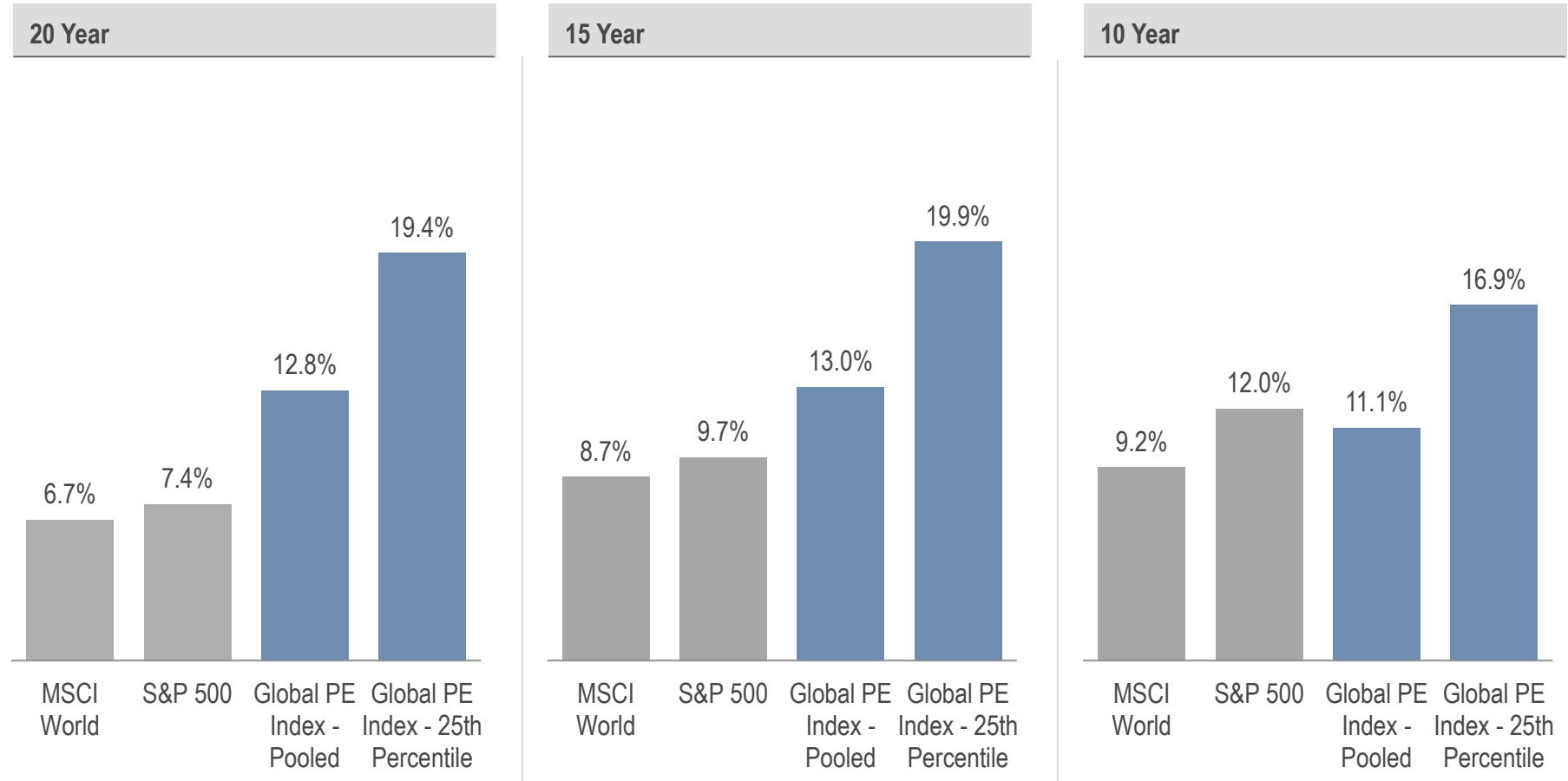
Note: Valuations represent EV / EBITDA multiples. Public multiples based on Russell 2000 for the US and FTSE All-World Developed Europe Index for Europe.

# Debt Terms



Source: S&P Leveraged Commentary Data.

# Annualised Performance: Public vs. Private



For illustrative purposes only.

Source: Cambridge Associates. Represents pooled horizon net IRR and first quartile net return for the Global Private Equity Index from Cambridge Associates as of September 30, 2018, which is the latest data available. Past performance is not indicative of future results. MSCI World, S&P 500, & Cambridge PE index are unmanaged and not available for direct investment.

# Navigating the Current Environment

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## Company Characteristics

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- Strong free cashflow
- Sustainable capital structure
- Less cyclical
- Industries with strong secular trends

## Strategy

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- Focus on execution risk over market risk
- Identify opportunities to create value through operational improvements and growth (e.g. margin improvement, geographic expansion, etc.)



Direct Equity Investments

# Neuberger Berman Private Equity Platform

## Leverages the Neuberger Berman Private Equity Platform

Seeks co-investments sourced from high-quality private equity managers across multiple transaction types

Across the NB Platform, Reviewed over 1,700 Co-Investment Opportunities<sup>1</sup> since 2009

Across the NB Platform, invest between <\$10m - \$400m in each company

## NBPE makes Direct Equity Investments by Co-investing alongside Private Equity Managers

NBPE typically invests between \$2m – \$25m in companies

Over the last five years, NBPE invested \$710 million in 99 direct equity investments<sup>2</sup> and generated a 19% IRR

Typically pay no management fee / carry to underlying GP (~95% of NBPE Deals by fair value)

All information is as of 31 March 2019 unless otherwise noted.

<sup>1</sup> Metrics since 2009, which is when Neuberger Berman returned to independence as an employee-controlled asset management firm. The co-investment transactions completed since 2009 are most reflective of NB's current co-investment strategy and team as well as firm resources.

<sup>2</sup> 2014 - 2018 vintage investments, based on fair value as of 31 December 2018.

# NBPE Invests Alongside Leading GPs



As of March 2019. \*Due to confidentiality provisions, GP name cannot be disclosed. Represents private equity sponsors of investments made over the last two years.



# NBPE Direct Equity Portfolio

NBPE has a well diversified direct equity portfolio, giving access to growing companies alongside high quality PE sponsors

## NBPE Direct Equity Investments

103 direct equity investments with \$860.2 million of fair value

## Diversified Portfolio

Diversified by industry, geography, vintage year and sponsor

## LTM Growth<sup>1</sup>

6.4% LTM Revenue growth / 14.0% LTM EBITDA growth

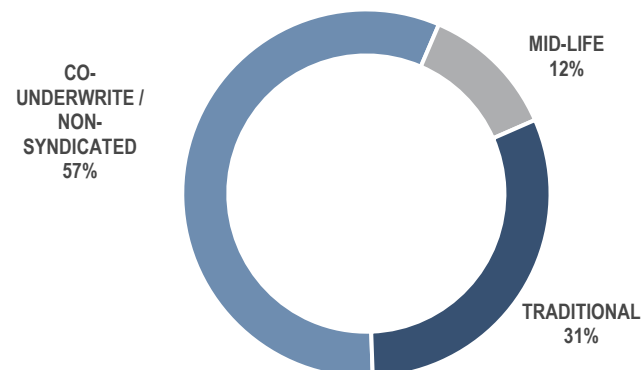
## Valuation & Leverage<sup>1</sup>

11.6x EV / EBITDA & 4.5x Net Debt / EBITDA

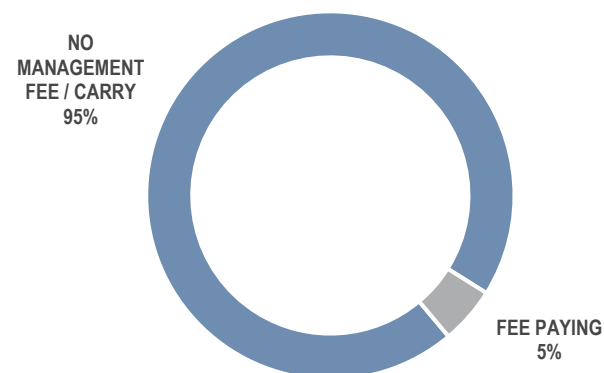
## 2018 Exits<sup>2</sup>

5 Full exits generating a 1.9x gross multiple and 25% IRR

## Co-investment Type<sup>3</sup>



## Direct Equity Portfolio Fee Breakdown



Note: As of 31 March 2019. \*Undisclosed company.

<sup>1</sup> Analysis based on 76 private companies, representing 82% of direct equity fair value and excludes public companies, equity invested alongside healthcare credits, financial services companies valued on a multiple of book value or other income metrics, E&P companies valued on acreage or reserves and escrow value (ie companies valued on metrics other than EBITDA). Revenue and EBITDA of companies denominated in foreign currency are converted to US Dollars at the average US Dollar exchange rate for the 12 month period from 31/12/17 through 31/12/18; leverage and enterprise value is converted to US Dollars at the year end exchange rate. Companies valued on a revenue multiple are excluded from EV/EBITDA metrics; one carve-out transaction is excluded due to not meaningful financial data comparisons year over year. Portfolio company operating and valuation metrics are based on the most recently available (unaudited) financial information for each company. Where necessary, estimates were used, which include pro forma adjusted EBITDA and revenue, annualised quarterly operating metrics and LTM periods as of 30/9/18 and 31/12/18. Data weighted by private equity fair value as of 31 December 2018.










<sup>2</sup> Returns are presented on a "gross" basis (i.e. they do not reflect the management fees, carried interest, transaction costs and other expenses that may be paid by investors, which may be significant and may lower returns).

<sup>3</sup> Based on fair value as of 31 March 2019 of co-investments made by NBPE directly or indirectly. Excludes Marquee Brands, the Italian buyout portfolio and equity made alongside debt in mezzanine transactions..

## Largest Direct Equity Investments

Ten direct equity investments represent \$254.8 million of value, or 29.6% of the direct equity portfolio fair value











### Top 10 Largest Direct Equity Investments

Investment	Vintage	Sponsor	Description	Thesis	FV (\$m)
 MHS	2017	THL	Material handling systems for the courier industry	Secular industry growth trends	\$37.4
 STAPLES	2017	Sycamore Partners	Provider of office supplies through B2B platform & retail	Market leading, stable cash flow business	30.1
 ENGINEERING	2016	NB Renaissance	Information technology company in Italy	Large, blue-chip customer base; M&A opportunities in highly fragmented Italian IT services market	28.4
Business Services Co.*	2017	Not Disclosed	Business Services Company	High quality business; economically resilient demand drivers	27.6
 USI	2017	KKR	Insurance brokerage	Buy & Build. Defensive sector; strong cash generation	26.0
 ProAmpac	2016	Pritzker Group	Leading global flexible packaging company	High quality asset; experienced team and sponsor with strong growth prospects	24.9
 TELXIUS	2017	KKR	Telecommunications infrastructure	Strong cash flow generation; growth in mobile traffic	21.4
 QPARK	2017	KKR	European parking services provider	Leader in space, high quality assets with strong cash flow visibility	19.9
 MARQUEE BRANDS	2014	Marquee Brands	Portfolio of consumer branded IP assets, licensed to third parties	Strong cash flow through royalty income streams from well-known brands	19.7
 agiliti	2019	THL	Provider of medical equipment solutions, clinical engineering / consulting and on-site managed services	Leading provider of end-to-end services, diversified customer base, attractive business model	19.2
<b>Total</b>					<b>\$254.8</b>





Note: As of 31 March 2019. \*Due to confidentiality provisions, company name cannot be disclosed.

## Equity Realisations and IPOs in 2018 in 2019 YTD

NBPE has continued to produce strong liquidity from its equity investments in 2018 and 2019

Investment	Year of Investment	Description	Outcome
 Financial Services Company*	2016	• Global financial advisory and investment banking firm	• Not disclosed
 Consilio	2015	• Leader in eDiscovery and legal consulting	• Sold to financial sponsor
 Pro Mach	2014	• Packaging machinery for consumer goods	• Sold to financial sponsor
 the warranty group	2014	• Underwriter and administrator of extended warranties	• Sold to strategic
 Counsyl	2014	• Genetic testing and services	• Sold to strategic
 BLACK KNIGHT FINANCIAL SERVICES	2013	• Mortgage servicing technology and services	• IPO (NYSE: BKI) in 2015; partial secondary sale of public shares
 Gardner Denver	2013	• Maker of industrial equipment	• IPO (NYSE: GDI) in 2017; partial secondary sale of public shares
 perspecta	2010	• High-end systems engineering / IT for defense, intelligence and civilian markets	• Merger with public company
 ARUHI	2014	• Japanese mortgage company	• IPO in 2017 (TYO: 7198); partial secondary sale of public shares
 StandardAero	2015	• Provider of aircraft maintenance, repair and overhaul	• Sold to financial sponsor <sup>1</sup>
 berlin	2014	• Packaging materials and value-added services	• Exited as a result of a re-capitalisation

### IPOS During 2018

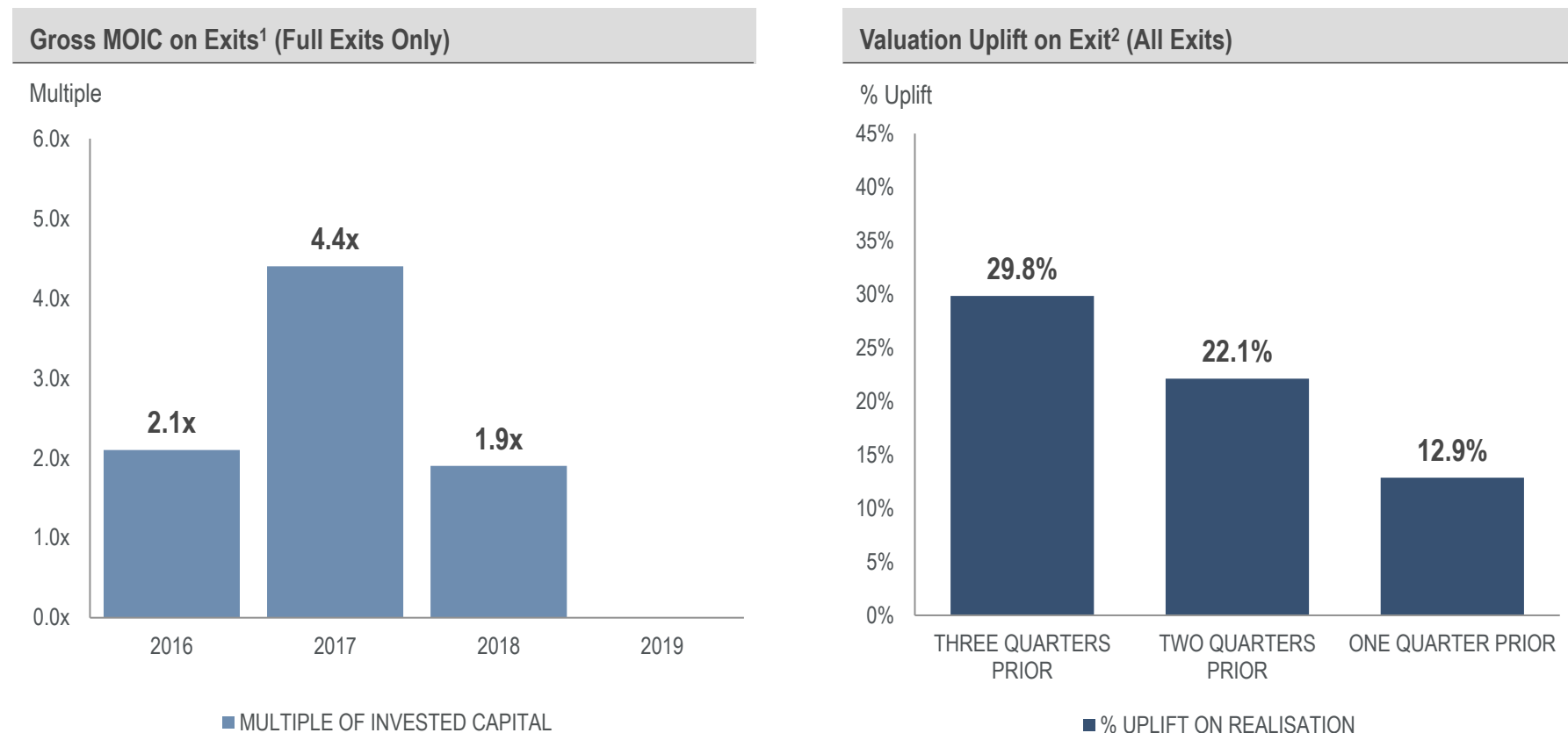
Investment	Year of Investment	Description	Outcome
	2014	• Operator of hospitals, clinics and pharmacies	• IPO in February; partial secondary sale
 BrightView	2013	• Commercial landscape and turf maintenance	• IPO in June
 SHELF DRILLING	2013	• Shallow water offshore drilling contractor	• IPO in June
 solarwinds	2016	• Enterprise-class IT and infrastructure management software	• IPO in October

Note: As of 31 March 2019. \*Due to confidentiality provisions, company name cannot be disclosed.

1. Closed in April 2019.

## Equity Exits & Uplift

NBPE has seen strong exits and valuation uplift relative to carrying values



<sup>1</sup> As of 31 March 2019. Includes full exits only. Excludes partial exits, recapitalisations and IPOs until the stock is fully exited. Year represents the year of final exit. Exit year for public companies determined by the date of the final cash flow. Proceeds include funds that are currently in escrow, but are expected to be received. Returns are presented on a "gross" basis (i.e. they do not reflect the management fees, carried interest, transaction costs and other expenses that may be paid by investors, which may be significant and may lower returns).

<sup>2</sup> As of 31 March 2019. Analysis includes 10 IPOs, two partial exits, and 18 full direct equity investment exits since January 2016. For investments which completed an IPO, the value is based on the closing share price on the IPO date; however NBPE remains subject to customary IPO lockup restrictions. Returns are presented on a "gross" basis (i.e. they do not reflect the management fees, carried interest, transaction costs and other expenses that may be paid by investors, which may be significant and may lower returns).

Income Investments



## NBPE Income Investments

The NBPE income portfolio is well diversified, partially supports the dividend and has a reasonable average level of total leverage

### NBPE Income Portfolio

25 income investments with \$130.3 million of fair value

### Cash Yield & Leverage Statistics<sup>1</sup>

- 6.2% cash yield / 13.6% estimated yield to maturity
- 6.0x total leverage / 5.3x senior leverage
- 51% of fair value in floating rate debt
- 30% dividend coverage from portfolio cash yield

### Key Stats<sup>2</sup>

- 52% are in asset light companies
- 95% are in a market leading position<sup>3</sup>
- 26% are in companies with a >40% equity cushion
- 99% are in companies with a >20% equity cushion
- 49% are in companies with a >25% EBITDA margin

### Top Ten Investments\*

Investment Name	Industry	Cash Yield	FV (\$m)
Verscend – PIK	Healthcare Tech.	-	\$24.9
Avantor – PIK	Life Sciences	-	17.1
Standard Aero – PIK	Aerospace	-	16.4
Schumacher Group	Healthcare	11.2%	9.7
Carestream Dental	Healthcare	10.8%	9.2
Dubois Chemical	Industrials	10.7%	9.0
ProAmpac	Packaging	11.1%	6.0
Central Security Group	Consumer	11.8%	6.0
Galco Industrial	Industrials	9.7%	5.4
OB Hospitalist	Healthcare	11.2%	3.5
<b>TOP TEN INVESTMENTS</b>			<b>\$107.3</b>

Note: As of 31 March 2019. \*Top 10 Investments exclude credit opportunities investments acquired through secondary transactions.

1. Leverage statistics exclude small business loan programs, credit opportunities and healthcare credit investments. Based on portfolio company data as of 31 December 2018. Small business loan programs are excluded from yield calculations but are at an interest rate at least at the rate stated above.

2. Debt key statistics exclude healthcare credit investments and small business loan portfolios.

3. Companies have a leading market position in their industry or niche based on NB's due diligence.

## NAV Update, Dividends, Capital Position & Performance

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## NBPE NAV Update

March 2019 NAV per Share of \$17.71. Including \$0.28 per Share of dividends paid in 2019, NAV per Share was \$17.99

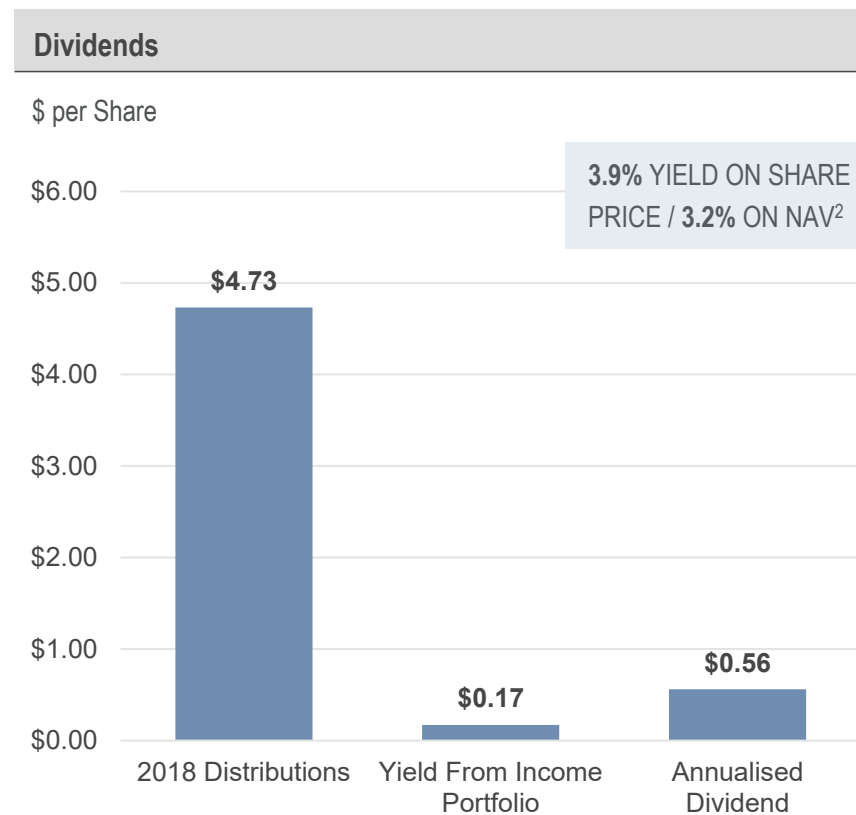
Summary Balance Sheet		
	31 March 2019 (Unaudited)	31 December 2018 (Audited)
<i>(\$ in millions, unless otherwise noted)</i>		
<b>Direct Investments</b>		
Equity Investments	\$860.2	\$831.1
Income Investments	130.3	135.1
Total Direct Investments	990.5	966.2
Legacy Fund Investments	45.7	53.7
Total Private Equity Fair Value	1,036.2	1,019.9
Private Equity Investment Level	120%	117%
Cash and Cash Equivalents	12.6	23.0
Credit Facility Borrowings	(55.0)	(40.0)
ZDP Share Liability - 2024	(67.5)	(65.3)
ZDP Share Liability - 2022	(72.0)	(69.7)
Net Other Assets (Liabilities), including Minority Interest	7.5	4.2
<b>Net Asset Value</b>	<b>\$861.9</b>	<b>\$872.2</b>
<b>Net Asset Value per Share</b>	<b>\$17.71</b>	<b>\$17.87</b>
<b>Net Asset Value per Share (GBP)<sup>1</sup></b>	<b>£13.59</b>	<b>£14.03</b>
<b>Net Asset Value Plus Dividends Paid During Financial Period</b>	<b>\$17.99</b>	<b>-</b>

Note: NBPE data as of 31 March 2019. Numbers may not sum due to rounding.  
<sup>1</sup> GBP/USD FX rate of \$1.303 on 31 March 2019 and \$1.351 on 31 December 2018.



## Dividends and Capital Position

Dividends strongly covered by cash distributions and yield from the income portfolio



### Capital Position<sup>1</sup>

#### Cash Position

**\$107.6** million of cash & available credit facility

#### Unfunded Commitments

**\$87.1** million of adjusted unfunded commitments

#### Commitment Coverage

**124%** adjusted commitment coverage

Note: See endnote #2 for important information related to the dividend. Total yield (inclusive of PIK interest) represents the return (IRR) from this reporting period to the maturity of the investment. As of 31 March 2019.

<sup>1</sup> Unfunded commitments are adjusted for funds past their investment period (except for reserves which may be called) and amounts which NBPE has the right to terminate if it so chooses.

<sup>2</sup> Based on the company's most recent dividend and the London Stock Exchange closing share price of £10.95 on 31 March 2019 and the 31 March 2019 NAV per share of \$17.71 (£13.59).

## Historic Performance

Strong NAV and share price performance over the short, medium and long term

### Cumulative Returns Over Time<sup>1</sup>

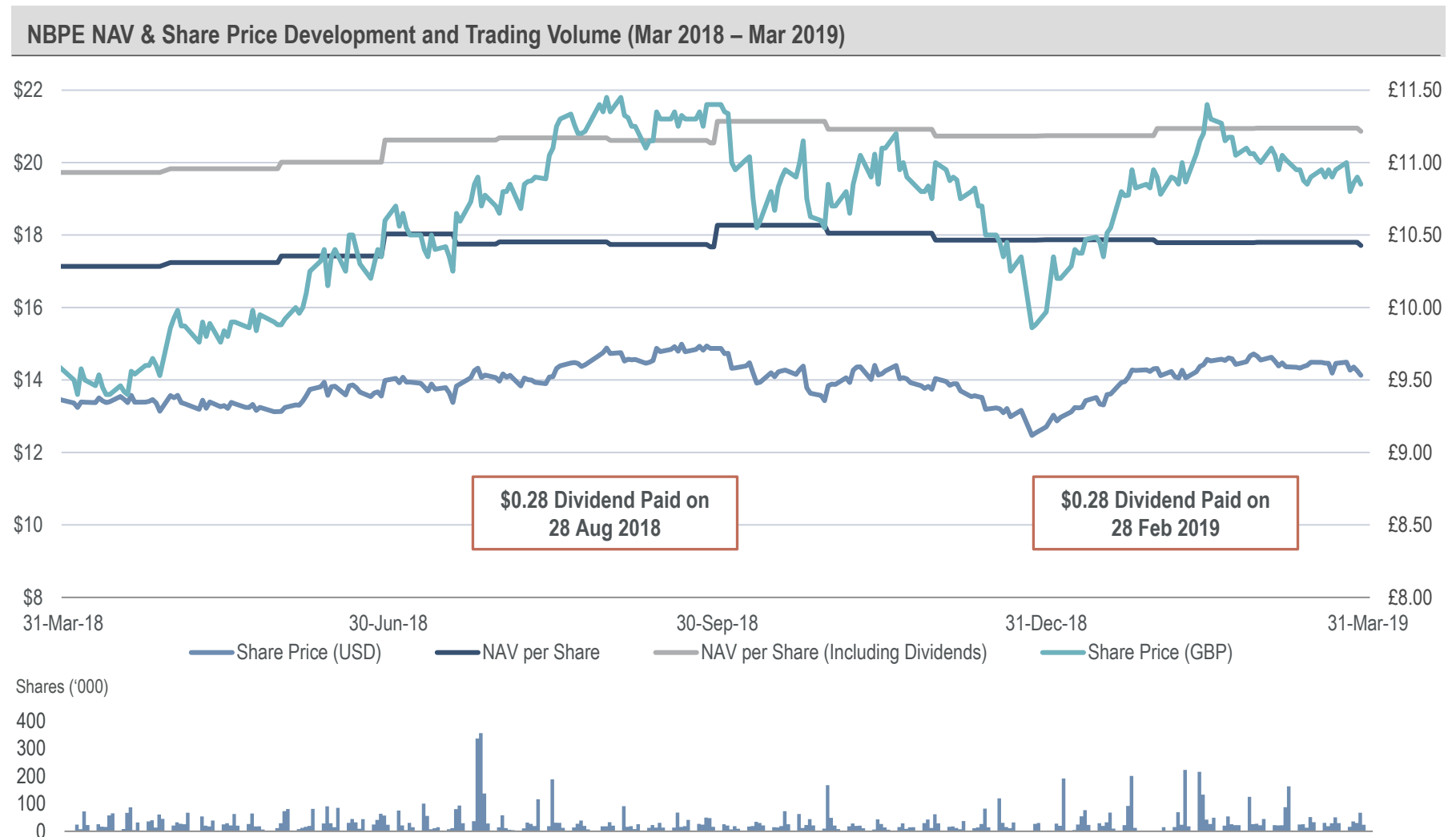
TOTAL RETURN	ONE YEAR	THREE YEAR	FIVE YEAR	TEN YEAR
NET ASSET VALUE <i>USD / GBP</i>	6.6% / 14.9%	39.1% / 53.8%	60.7% / 105.7%	181.7% / 210.6%
SHARE PRICE <i>USD / GBP</i>	9.0% / 17.4%	50.9% / 66.8%	62.9% / 108.6%	931.3% / 1,037.1%

Note: NAV data as of 31 March 2019. NBPE share price data based on the London Stock Exchange as of 31 March 2019. Prior to 30 June 2009, NBPE was only listed on the Euronext Amsterdam exchange; the Euronext Amsterdam exchange share price has been substituted for performance calculations prior to this date. GBP share price returns converted at daily GBP/USD close FX rates.

<sup>1</sup> All performance figures assume re-investment of dividends at NAV or closing share price on the ex-dividend date and reflect cumulative returns over the relevant time periods shown and are not annualised returns.

# NAV & Share Price Development

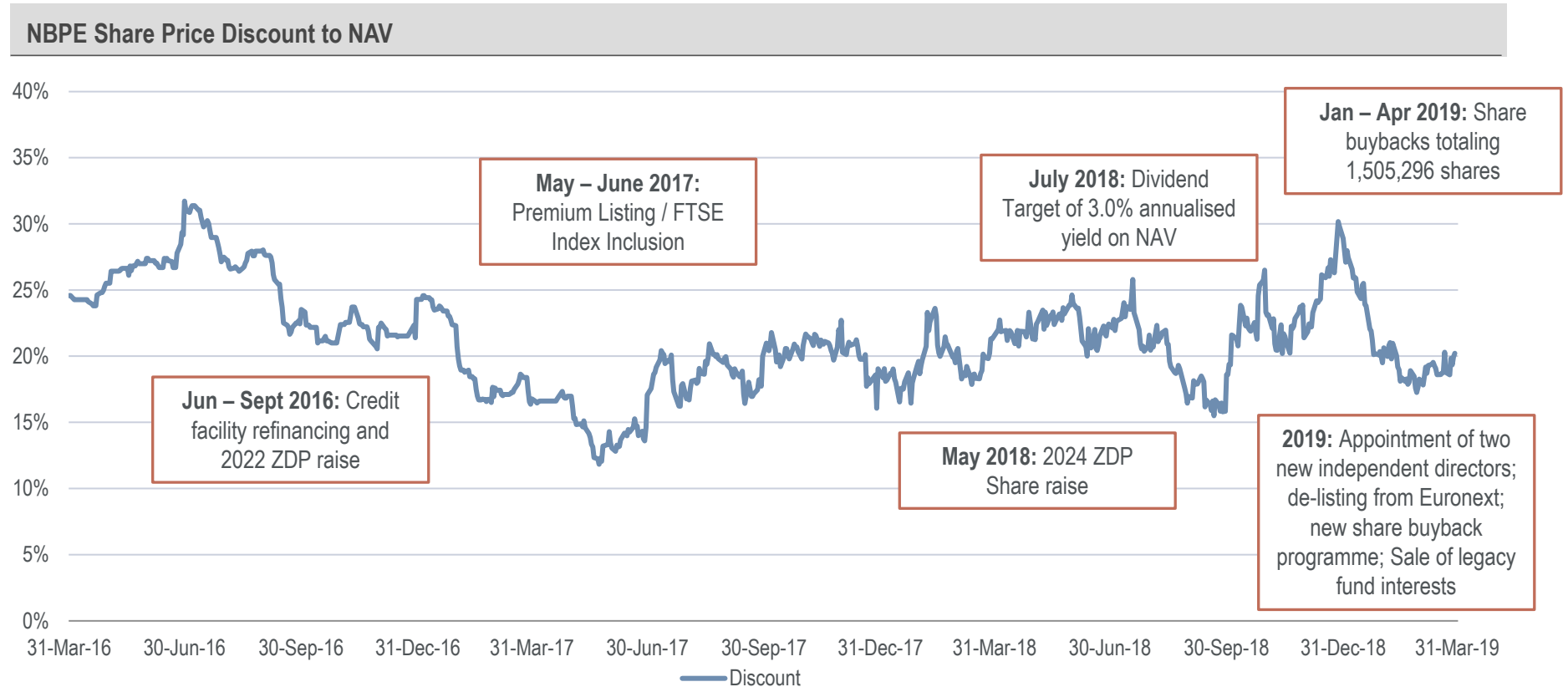
On a total return basis, including dividends, NAV per Share increased 6.6% on an LTM basis as of 31 March 2019



Note: Based on London Stock Exchange price and volume data. Share data as of 31 March 2019. USD share price based on daily close GBP/USD FX rate.

## Share Price Discount to NAV Over Time

Since June 2017, NBPE's discount has generally traded between 15%-25%. During 2019, NBPE has repurchased 1,505,296 shares at a weighted average discount of 20%<sup>1</sup>



Note: Based on London Stock Exchange price and volume data. As of 31 March 2019. USD share price based on daily close GBP/USD FX rate.

1. Includes April 2019 share repurchases.

## Attractive Value Proposition

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We believe NBPE offers a compelling investment opportunity

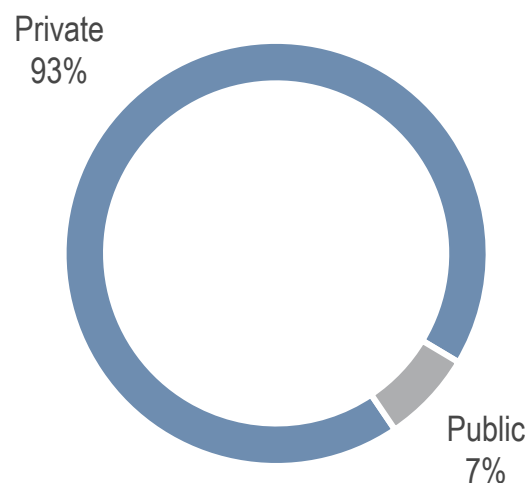
- Capital appreciation and growth from equity investments
- Strong NAV development and portfolio performance
- Income through an attractive dividend
- Direct private equity fund with attractive fee structure



## Public Stock Exposure

Public company shares represent approximately \$71.3 million or 7% of private equity fair value

### Public vs Private Value

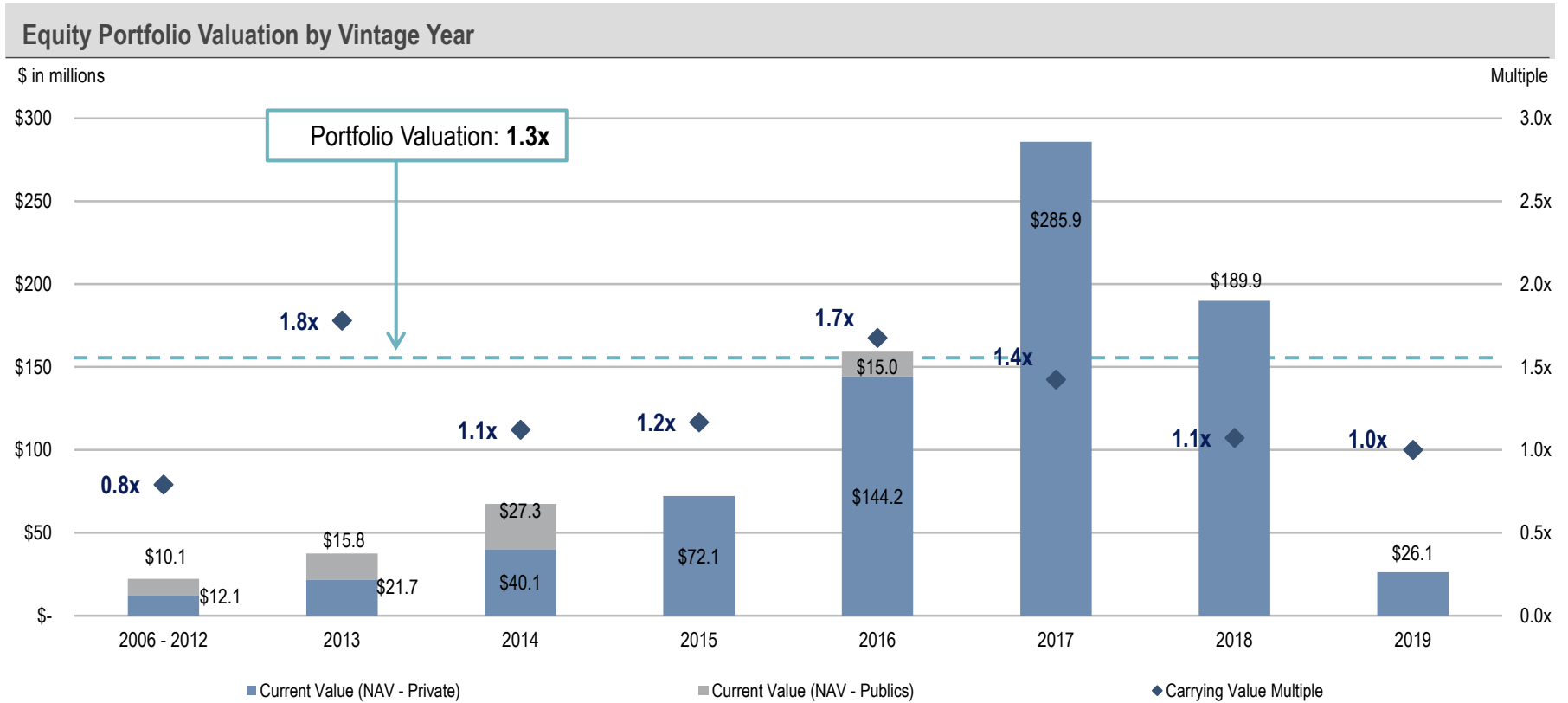


Investment	Industry	IPO / Transaction Date	\$ in millions
Solarwinds (NYSE: SWI)	Technology	Oct 2018	\$15.0
Aruhi (TYO: 7198)	Financials	Dec 2017	8.4
Gardner Denver (NYSE: GDI)	Industrials	May 2017	8.2
Extraction Oil & Gas (NASDAQ: XOG)	Energy	Oct 2016	6.9
Brightview (NYSE: BV)	Business Svs.	June 2018	6.3
Evoqua (NYSE: AQUA)	Industrials	Nov 2017	5.9
Assurant (NYSE: AIZ)	Financials	May 2018	4.5
First Data (NYSE: FDC)	Financials	Oct 2015	4.4
Perspecta (NYSE: PRSP)	Technology	May 2018	3.8
Aster DM Healthcare (NSE: ASTERDM)	Healthcare	Feb 2018	1.6
<b>All Other Publics</b>			<b>6.3</b>
<b>Total Public Value</b>			<b>\$71.3</b>

Note: as of 31 March 2019.

# Current Equity Portfolio Valuation by Year

The equity co-investment portfolio is held at a 1.3x multiple of cost



Note: as of 31 March 2019.



## Vintage Year Highlights

The companies included in the below analysis represent approximately 43% of the direct portfolio's fair value

Largest Five Company Exposures by Vintage Year									
	2014		2015		2016		2017		2018
Hilsinger	\$9.8m	Standard Aero	\$34.0m	ProAmpac	\$30.9m	MHS	\$37.4m	Avantor**	\$25.9m
<i>ARUHI</i>	\$8.4m	Digital River	\$10.8m	Engineering	\$28.9m	Staples	\$30.1m	BeyondTrust	\$17.2m
<i>Extraction</i>	\$6.9m	Ellucian	\$8.0m	LGC	\$17.3m	Bus. Svs Co.*	\$27.6m	GFL	\$15.3m
<i>Evoqua</i>	\$5.9m	CSC	\$7.0m	<i>SolarWinds</i>	\$15.0m	USI	\$26.0m	Hivory	\$14.7m
<i>Assurant</i>	\$4.5m	Petsmart	\$6.0m	Finalsite	\$14.7m	Telxius	\$21.4m	Medplast	\$13.4m
<b>Total</b>	<b>\$35.5m</b>		<b>\$65.8m</b>		<b>\$106.8m</b>		<b>\$142.5m</b>		<b>\$86.5m</b>

Note: As of 31 March 2019. Numbers may not sum due to rounding. Companies in italics represent public positions. \*Undisclosed company. \*\*Includes a senior PIK preferred instrument.

# Equity Investments

Company Name	Asset Class	Investment Date	Lead Sponsor	Fair Value	% of NBPE NAV	Company Name	Asset Class	Investment Date	Lead Sponsor	Fair Value	% of NBPE NAV
Accedian	Growth / Venture	Apr-17	Bridge Growth Partners	\$15.3	1.8%	Innovation Group	Large-cap Buyout	Dec-15	Carlyle Group	0.1	0.0%
Acteon	Large-cap Buyout	Dec-12	KKR	1.2	0.1%	Into University Partnerships	Mid-cap Buyout	Apr-13	Leeds Equity Partners	1.9	0.2%
Agiliti	Large-cap Buyout	Jan-19	THL	19.2	2.2%	Italian Mid-Market Buyout Portfolio	Europe	Jun-18	NB Renaissance	16.5	1.9%
Alex & Ani	Mid-cap Buyout	May-15	Lion Capital	0.3	0.0%	J.Crew Group	Large-cap Buyout	Mar-11	TPG / Leonard Green	0.4	0.0%
American Dental Partners, Inc.	Mid-cap Buyout	Feb-12	JLL Partners	5.1	0.6%	Kyobo Life Insurance Co.	Mid-cap Buyout	Dec-07	Corsair Capital Partners	1.9	0.2%
ARUHI Corporation	Mid-cap Buyout	Oct-14	Carlyle Group	8.4	1.0%	Lasko Products	Special Situations	Nov-16	Comvest Partners	10.3	1.2%
Assurant (Warranty Group)	Large-cap Buyout	Jul-14	TPG	4.5	0.5%	Leaseplan	Mid-cap Buyout	Apr-16	TDR Capital	13.9	1.6%
Aster / DM Healthcare	Mid-cap Buyout	Jun-14	Olympus Capital	1.6	0.2%	LGC	Large-cap Buyout	Mar-16	KKR	17.3	2.0%
Avantor	Large-cap Buyout	Feb-18	New Mountain Capital	8.8	1.0%	Looking Glass	Growth / Venture	Feb-15	Alsop Louie	5.7	0.7%
BackOffice	Mid-cap Buyout	Dec-17	Bridge Growth Partners	3.0	0.3%	Marquee Brands	Special Situations	Dec-14	Neuberger Berman	19.7	2.3%
BK China	Mid-cap Buyout	Aug-18	Cartesian Capital Group	3.4	0.4%	Material Handling Systems	Mid-cap Buyout	Apr-17	Thomas H. Lee	37.4	4.3%
Black Knight Financial Services	Large-cap Buyout	Dec-13	Thomas H. Lee	0.6	0.1%	Medplast	Mid-cap Buyout	Jun-18	JLL Partners	13.4	1.6%
Boa Vista	Mid-cap Buyout	Nov-12	TMG Capital	2.8	0.3%	MHS	Mid-cap Buyout	Mar-17	Harvest Partners	6.1	0.7%
Beyond Trust	Mid-cap Buyout	Jun-18	Francisco Partners	17.2	2.0%	Milani	Mid-cap Buyout	Jun-18	Gryphon Partners	6.1	0.7%
Branded Cities Network	Mid-cap Buyout	Nov-17	Shamrock Capital	14.6	1.7%	Mills Fleet Farms	Large-cap Buyout	Feb-16	KKR	4.4	0.5%
Branded Toy Company*	Mid-cap Buyout	Jul-17	Not Disclosed	10.6	1.2%	Nextlevel	Mid-cap Buyout	Aug-18	Blue Point Capital	4.7	0.6%
Brightview	Large-cap Buyout	Dec-13	KKR	6.3	0.7%	OB Hospitalist Group	Mid-cap Buyout	Aug-17	Gryphon Partners	0.7	0.1%
Business Services Company*	Large-cap Buyout	Oct-17	Not Disclosed	27.6	3.2%	Omega Environmental Technologies	Mid-cap Buyout	Feb-17	AEA Investors	13.9	1.6%
Bylight	Mid-cap Buyout	Jun-17	Sagewind Partners	5.1	0.6%	Perspecta	Mid-cap Buyout	Nov-10	Veritas Capital	3.8	0.4%
Centro	Growth / Venture	Jun-15	FTV Capital	3.8	0.4%	Petsmart	Large-cap Buyout	Jun-15	BC Partners	6.0	0.7%
CH Guenther	Mid-cap Buyout	May-18	Pritzker Group	7.0	0.8%	Plaskolite	Mid-cap Buyout	Dec-18	Pritzker Group	6.2	0.7%
Clearent	Growth / Venture	Jun-18	FTV Capital	4.0	0.5%	ProAmpac	Mid-cap Buyout	Nov-16	Pritzker Group	24.9	2.9%
Compliance Solutions Strategies	Mid-cap Buyout	Apr-17	CIP Capital	7.3	0.8%	Prosper	Growth / Venture	Apr-15	Multiple Sponsors	2.0	0.2%
Concord Bio	Growth / Venture	Jun-16	Quadria Capital	5.4	0.6%	Qpark	Large-cap Buyout	Oct-17	KKR	19.9	2.3%
Connector Company*	Growth / Venture	Oct-15	Not Disclosed	4.0	0.5%	Renaissance Learning	Mid-cap Buyout	Jun-18	Francisco Partners	7.3	0.8%
Corona Industrials	Mid-cap Buyout	Jun-14	Victoria Capital	1.5	0.2%	RiverBed	Mid-cap Buyout	Feb-15	Thoma Bravo	5.7	0.7%
CrownRock Minerals	Mid-cap Buyout	Jun-18	Lime Rock Partners	3.2	0.4%	SafeFleet	Mid-cap Buyout	May-18	Oak Hill Capital Partners	4.0	0.5%
CSC Service Works	Mid-cap Buyout	Mar-15	Pamplona Capital	7.0	0.8%	Saguaro	Mid-cap Buyout	Jul-13	Pine Brook	11.3	1.3%
Digital River (Equity)	Mid-cap Buyout	Feb-15	Siris Capital	10.1	1.2%	Shelf Drilling	Mid-cap Buyout	Feb-13	Castle Harlan Partners	0.6	0.1%
Edelman	Large-cap Buyout	Aug-18	Hellman & Friedman	4.1	0.5%	Snagajob	Growth / Venture	Jun-16	NewSpring Capital	4.9	0.6%
Ellicium	Large-cap Buyout	Sep-15	TPG Capital	8.0	0.9%	Solace Systems	Growth / Venture	Apr-16	Bridge Growth Partners	8.6	1.0%
Engineering Ingegneria Informatica	Mid-cap Buyout	May-16	NB Renaissance	28.4	3.3%	SolarWinds	Large-cap Buyout	Feb-16	Thoma Bravo	15.0	1.7%
Evoqua Equity	Mid-cap Buyout	Jan-14	AEA Investors	5.9	0.7%	Specialty Drug Pharma. Company*	Mid-cap Buyout	Oct-15	Not Disclosed	1.7	0.2%
Excelitas	Mid-cap Buyout	Nov-17	AEA Investors	16.4	1.9%	Standard Aero	Mid-cap Buyout	Jun-15	Veritas Capital	17.6	2.0%
Extraction Oil & Gas	Mid-cap Buyout	May-14	Yorktown Partners	6.9	0.8%	Staples	Large-cap Buyout	Sep-17	Sycamore Partners	30.1	3.5%
Fairmount Minerals	Mid-cap Buyout	Aug-10	American Securities Partners	0.2	0.0%	Stratus Technologies	Mid-cap Buyout	Apr-14	Siris Capital	3.1	0.4%
Final Site	Mid-cap Buyout	Nov-16	Bridge Growth Partners	14.7	1.7%	Syniverse Technologies	Large-cap Buyout	Feb-11	Carlyle Group	2.5	0.3%
First Data	Large-cap Buyout	Sep-07	KKR	4.2	0.5%	Taylor Precision Products	Mid-cap Buyout	Jul-12	Centre Partners	1.1	0.1%
Fortress	Mid-cap Buyout	Jun-17	Quadria Capital	15.1	1.8%	Technology Company (Encryption App)*	Growth / Venture	Aug-14	Not Disclosed	0.2	0.0%
Galco Industrials Equity	Special Situations	May-14	AEA Investors	1.6	0.2%	Telxius	Large-cap Buyout	Oct-17	KKR	21.4	2.5%
Gardner Denver, Inc.	Large-cap Buyout	Jul-13	KKR	8.2	1.0%	Undisclosed Consumer Technology Company	Growth / Venture	Jul-18	Not Disclosed	5.7	0.7%
GC Services	Mid-cap Buyout	Jan-16	Owner Resource Group	5.7	0.7%	Uniassewi	Mid-cap Buyout	Jun-18	Vinci Partners	8.3	1.0%
Genetic Testing Company - Equity*	Special Situations	Jun-13	Not Disclosed	8.3	1.0%	Univar	Large-cap Buyout	Nov-10	Clayton, Dublier & Rice	0.3	0.0%
GFL	Large-cap Buyout	Jul-18	BC Partners	15.3	1.8%	USI	Large-cap Buyout	Jun-17	KKR	26.0	3.0%
Grupo Cortefiel	Large-cap Buyout	Oct-17	PAI	12.2	1.4%	Velocidi	Growth / Venture	Dec-16	Pilot Growth	0.0	0.0%
Healthcare Company - In-home Devices	Mid-cap Buyout	Jun-18	Not Disclosed	3.6	0.4%	Verifone	Large-cap Buyout	Aug-18	Francisco Partners	7.0	0.8%
Healthcare Services Company	Large-cap Buyout	Feb-18	Not Disclosed	4.2	0.5%	Vertiv	Special Situations	Nov-16	Platinum Equity	5.8	0.7%
Hilsinger	Mid-cap Buyout	May-14	Blue Point Capital	9.8	1.1%	West Marine	Mid-cap Buyout	Sep-17	Monomoy Capital	7.6	0.9%
Hivory	Large-cap Buyout	Dec-18	KKR	14.7	1.7%	Wind River Environmental	Mid-cap Buyout	Apr-17	Gryphon Partners	6.1	0.7%
Holley	Mid-cap Buyout	Oct-18	Sentinel Capital	8.3	1.0%	ZPG	Large-cap Buyout	Jul-18	Silver Lake Partners	7.2	0.8%
Hub	Large-cap Buyout	Mar-19	Atlas Partners	6.0	0.7%	Net Other Assets, incl. Escrow / (Liabilities)				(\$2.8)	n.a.
Husky Injection Molding	Mid-cap Buyout	Sep-18	Platinum Equity	1.6	0.2%	<b>Total Equity Co-investment Portfolio</b>				<b>\$860.2</b>	<b>100.1%</b>
Infection Energy	Mid-cap Buyout	Oct-14	Chambers Energy	4.1	0.5%						

Note: As of 31 March 2019.

\* Due to confidentiality provisions, company name cannot be disclosed.

# Income Investments

Income Investments (\$ in millions)	Security Details	Investment Date	Maturity Date	Fair Value	Cash + PIK Coupon	Cash Yield	Total Est. YTM
<b>2018</b>							
Verscend	PIK Preferred Equity (12.25% PIK)	Aug-18	NA	24.9	12.3%	-	13.5%
<b>2017</b>							
Avantor	PIK Preferred Equity (12.5% PIK)	Nov-17	NA	17.1	12.5%	-	14.5%
Standard Aero	PIK Preferred Equity (11.5% PIK)	Oct-17	NA	16.4	11.5%	-	14.1%
Carestream Dental	Second Lien (L+8.0% Cash, 1% L Floor, 3% OID)	Sep-17	Sep-25	9.2	10.6%	10.8%	11.7%
OB Hospitalist	Second Lien (L+8.5% Cash, 1% L Floor, 2% OID)	Aug-17	Aug-25	3.5	11.1%	11.2%	12.0%
Dubois Chemical	Second lien (L+8.00% Cash, 1% L Floor, 1% OID)	Mar-17	Mar-25	9.0	10.6%	10.7%	11.3%
Blue Nile	First Lien (L+6.50% Cash, 1% L Floor, 3% OID)	Mar-17	Feb-23	3.3	9.1%	9.3%	10.4%
Optiv	Second Lien (L+7.25%, 1% Floor, 0.5% OID)	Feb-17	Feb-25	0.9	9.8%	10.1%	11.0%
<b>2016</b>							
ProAmpac	Second Lien (L+8.50%, 1% L Floor)	Nov-16	Oct-24	6.0	11.1%	11.1%	11.7%
<b>2015</b>							
Schumacher Group	Second lien (L+8.5% Cash, 1.0% L Floor, 1% OID)	Oct-15	Oct-23	9.7	11.1%	11.2%	11.9%
Digital River Debt	Second lien (L+11.0% Cash, 1.0% L Floor, 1% OID)	Jan-15	Feb-22	0.7	13.6%	13.6%	14.5%
<b>2014</b>							
Central Security Group	Second lien (L+9.0% Cash, 1% L Floor, 5% OID)	Nov-14	Oct-21	6.0	11.6%	11.8%	13.3%
Galco Industrial Electronics	Sr. sub notes (10.75% Cash, 1.25% PIK, 1.5% OID)	May-14	May-21	5.4	12.0%	9.7%	11.5%
<b>Total Corporate Private Debt Investments Fair Value</b>				<b>\$112.1</b>	<b>11.6%</b>	<b>5.2%</b>	<b>12.9%</b>
<b>Total Credit Opportunities Investments</b>				<b>\$16.3</b>	<b>13.2%</b>	<b>11.5%</b>	<b>17.0%</b>
<b>Total Small Business Loan Programs</b>				<b>\$2.0</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Income Portfolio Fair Value</b>				<b>\$130.3</b>	<b>11.6%</b>	<b>6.2%</b>	<b>13.6%</b>

Note: As of 31 March 2019.

<sup>1</sup> See endnote #3 for important information on the income investment portfolio.

\* Due to confidentiality provisions, company name cannot be disclosed.

## Trading Information

<b>Trading Symbol:</b>	Class A Ordinary Shares: NBPE
<b>Exchanges:</b>	London Stock Exchange
<b>Traded Currency:</b>	GBP; USD
<b>Bloomberg:</b>	NBPE LN, NBPU LN
<b>Reuters:</b>	NBPE.L, NBPU.L
<b>ISIN:</b>	GG00B1ZBD492
<b>COMMON:</b>	030991001

<b>Trading Symbol:</b>	2022 ZDPs: NBPP
<b>Exchange:</b>	London Stock Exchange
<b>Base Currency:</b>	GBP
<b>Bloomberg:</b>	NBPP:LN
<b>ISIN:</b>	GG00BD0FRW63
<b>SEDOL:</b>	BD0FRW6
<b>Gross Redemption Yield at Issuance:</b>	4.0%
<b>Share Life:</b>	30 September 2022
<b>Final Capital Entitlement:</b>	126.74p

<b>Trading Symbol:</b>	2024 ZDPs: NBPS
<b>Exchange:</b>	London Stock Exchange
<b>Base Currency:</b>	GBP
<b>Bloomberg:</b>	NBPS:LN
<b>ISIN:</b>	GG00BD96PR19
<b>SEDOL:</b>	BD96PR1
<b>Gross Redemption Yield at Issuance:</b>	4.25%
<b>Share Life:</b>	30 October 2024
<b>Final Capital Entitlement:</b>	130.63p

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## Endnotes

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1. The diversification analysis by geography, industry and vintage is based on the fair value of underlying fund investments and direct/co-investments; the diversification analysis for company size is based on the fair value of the underlying direct/co-investments and the fair value of funds with a focus on the company size described. Determinations regarding geography, industry, vintage and company size 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. For the NB Alternatives Direct Co-investment Program and the NB Healthcare Credit Investment Program commitments, total exposure only reflects the funded investments to date. Unfunded amounts and unfunded percentages within each of these programs are excluded from the analysis, as capital deployment is opportunistic and cannot be accurately forecast at this time.
2. Guidance regarding NBPE's future portfolio and performance is a target only and not a profit forecast. There can be no assurance that this target will be met or that the Company will make any future distributions whatsoever. Any such changes will be notified to shareholders through a regulatory information service. NBPE's Board of Directors will continue to evaluate the Company's financial position, annual dividend target and the timing of future dividends. Future dividend payments will be announced by NBPE after the Board of Directors have completed such evaluation.
3. Yield to maturities represent the return (IRR) from this reporting period to maturity of the investment. Includes a portfolio of small business loans at an interest rate at least at the rate stated above but not included in the yield calculations.
4. Actual unfunded commitments are \$216.0 million at 31 March 2019, corresponding to actual over commitment of \$108.4 million and an actual commitment coverage ratio of 49.8%. Unfunded commitments are adjusted for funds past their investment period (except for reserves which may be called) and amounts which NBPE has the right to terminate if it so chooses.

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PROSPECTIVE INVESTORS SHOULD TAKE NOTE THAT ANY SECURITIES MAY NOT BE ACQUIRED BY INVESTORS USING ASSETS OF ANY RETIREMENT PLAN OR PENSION PLAN THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), ENTITIES WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF ANY SUCH RETIREMENT PLAN OR PENSION PLAN, OR ANY GOVERNMENTAL PLAN, CHURCH PLAN, NON-U.S. PLAN OR OTHER INVESTOR SUBJECT TO ANY STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS SIMILAR TO TITLE I OR ERISA OR SECTION 4975 OF THE CODE OR THAT WOULD HAVE THE EFFECT OF THE REGULATIONS ISSUED BY THE UNITED STATES DEPARTMENT OF LABOR SET FORTH AT 29 CFR SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA.

THE MERITS OR SUITABILITY OF ANY SECURITIES MUST BE INDEPENDENTLY DETERMINED BY THE RECIPIENT ON THE BASIS OF ITS OWN INVESTIGATION AND EVALUATION OF NBPE, THE INVESTMENT MANAGER, AND NEUBERGER BERMAN. ANY SUCH DETERMINATION SHOULD INVOLVE, AMONG OTHER THINGS, AN ASSESSMENT OF THE LEGAL, TAX, ACCOUNTING, REGULATORY, FINANCIAL, CREDIT AND OTHER RELATED ASPECTS OF THE SECURITIES. RECIPIENTS OF THIS DOCUMENT AND THE PRESENTATION ARE RECOMMENDED TO SEEK THEIR OWN INDEPENDENT LEGAL, TAX, FINANCIAL AND OTHER ADVICE AND SHOULD RELY SOLELY ON THEIR OWN JUDGMENT, REVIEW AND ANALYSIS IN EVALUATING NBPE, THE INVESTMENT MANAGER, AND NEUBERGER BERMAN, AND THEIR BUSINESS AND AFFAIRS.

THIS INVESTOR MATERIALS MAY CONTAIN CERTAIN FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS RELATE TO EXPECTATIONS, BELIEFS, PROJECTIONS, FUTURE PLANS AND STRATEGIES, ANTICIPATED EVENTS OR TRENDS AND SIMILAR EXPRESSIONS CONCERNING MATTERS THAT ARE NOT HISTORICAL FACTS. IN SOME CASES, FORWARD-LOOKING STATEMENTS CAN 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 NBPE'S AND/OR NEUBERGER BERMAN'S BELIEFS, ASSUMPTIONS AND EXPECTATIONS OF FUTURE PERFORMANCE AND MARKET DEVELOPMENTS, TAKING INTO ACCOUNT ALL INFORMATION CURRENTLY AVAILABLE AND ARE INTENDED ONLY TO ILLUSTRATE HYPOTHETICAL RESULTS UNDER THOSE BELIEFS, ASSUMPTIONS AND EXPECTATIONS (NOT ALL OF WHICH WILL BE SPECIFIED HEREIN), NOT ALL RELEVANT EVENTS OR CONDITIONS MAY HAVE BEEN CONSIDERED IN DEVELOPING SUCH BELIEFS, ASSUMPTIONS AND EXPECTATIONS. THESE BELIEFS, ASSUMPTIONS, AND EXPECTATIONS CAN CHANGE AS A RESULT OF MANY POSSIBLE EVENTS OR FACTORS, NOT ALL OF WHICH ARE KNOWN OR ARE WITHIN NBPE'S OR NEUBERGER BERMAN'S CONTROL. IF A CHANGE OCCURS, NBPE'S BUSINESS, FINANCIAL CONDITION, LIQUIDITY AND RESULTS OF OPERATIONS MAY VARY MATERIALLY FROM THOSE EXPRESSED IN FORWARD-LOOKING STATEMENTS. SOME OF THE FACTORS THAT COULD CAUSE ACTUAL RESULTS TO VARY FROM THOSE EXPRESSED IN FORWARD-LOOKING STATEMENTS, INCLUDE, BUT ARE NOT LIMITED TO: THE FACTORS DESCRIBED IN THE INVESTOR MATERIALS; THE RATE AT WHICH NBPE DEPLOYS ITS CAPITAL IN INVESTMENTS AND ACHIEVES EXPECTED RATES OF RETURN; NBPE'S AND THE INVESTMENT MANAGER'S ABILITY TO EXECUTE NBPE'S INVESTMENT STRATEGY, INCLUDING THROUGH THE IDENTIFICATION OF A SUFFICIENT NUMBER OF APPROPRIATE INVESTMENTS; THE CONTINUATION OF THE INVESTMENT MANAGER AS MANAGER OF NBPE'S INVESTMENTS, THE CONTINUED AFFILIATION WITH NEUBERGER BERMAN OF ITS KEY INVESTMENT PROFESSIONALS; NBPE'S FINANCIAL CONDITION AND LIQUIDITY; CHANGES IN THE VALUES OF OR RETURNS ON INVESTMENTS THAT THE NBPE MAKES; CHANGES IN FINANCIAL MARKETS, INTEREST RATES OR INDUSTRY, GENERAL ECONOMIC OR POLITICAL CONDITIONS; AND THE GENERAL VOLATILITY OF THE CAPITAL MARKETS AND THE MARKET PRICE OF NBPE'S SHARES.

BY THEIR NATURE, FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES BECAUSE THEY RELATE TO EVENTS, AND DEPEND ON CIRCUMSTANCES THAT MAY OR MAY NOT OCCUR IN THE FUTURE. FORWARD-LOOKING STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ANY FORWARD-LOOKING STATEMENTS ARE ONLY MADE AS AT THE DATE OF THE INVESTOR MATERIALS, AND NEITHER NBPE NOR THE INVESTMENT MANAGER ASSUMES ANY OBLIGATION TO UPDATE FORWARD-LOOKING STATEMENTS SET FORTH IN THE INVESTOR MATERIALS WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE, EXCEPT AS REQUIRED BY LAW OR OTHER APPLICABLE REGULATION. IN LIGHT OF THESE RISKS, UNCERTAINTIES, AND ASSUMPTIONS, THE EVENTS DESCRIBED BY ANY SUCH FORWARD-LOOKING STATEMENTS MIGHT NOT OCCUR. NBPE QUALIFIES ANY AND ALL OF THEIR FORWARD-LOOKING STATEMENTS BY THESE CAUTIONARY FACTORS. PLEASE KEEP THIS CAUTIONARY NOTE IN MIND WHILE CONSIDERING THE INVESTOR MATERIALS.



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