

NEUBERGER BERMAN

# NB PRIVATE EQUITY PARTNERS: INVESTOR PRESENTATION

JUNE 2017

FINANCIAL INFORMATION AS OF 31 MARCH 2017 UNLESS OTHERWISE NOTED

## NBPE OVERVIEW

### NBPE invests in private equity backed companies

#### KEY HIGHLIGHTS

**Listing Date:** 2007

**Market Capitalisation (31/5/17):** £509.0m

**Net Asset Value (NAV):** \$766.9m

**NAV per Share:** \$15.92 (£12.72)

#### NAV Total Return USD / (GBP)

**1 year:** 17.6% / (35.3%)

**3 year:** 35.9% / (80.9%)

#### Share Price Total Return USD / (GBP)

**1 year:** 31.2% / (50.9%)

**3 year:** 41.7% / (88.6%)

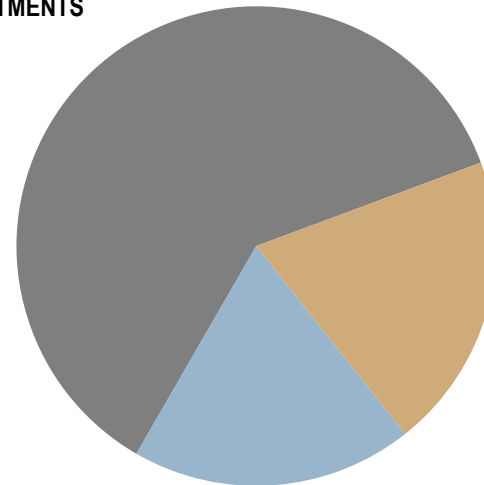
**2017 Avg. Daily Trading Volume:** ~76k shares per day

**Current share price (2/6/17):** £10.79 (~15% discount)

**Dividend Yield (on Share Price):** 3.7%

#### INVESTMENT TYPE BY FAIR VALUE

**DIRECT  
EQUITY  
INVESTMENTS  
61%**



**INCOME  
INVESTMENTS  
20%**

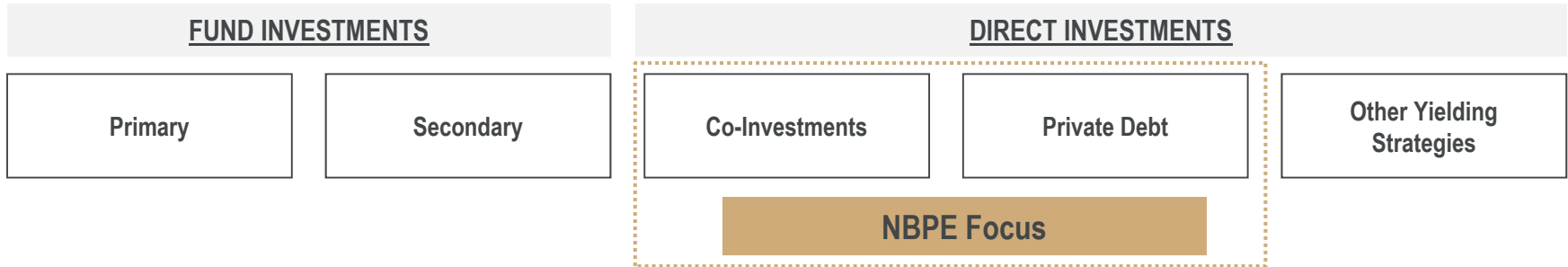
**FUND INVESTMENTS  
19%**

*Note: NBPE data as of 31 March 2017; 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 and over-the-counter trading platforms.*

## NBPE'S MANAGER: NEUBERGER BERMAN

Neuberger Berman manages over \$45 billion in Private Equity

### PRIVATE EQUITY PLATFORM Over \$45 billion of commitments managed<sup>(1)</sup>



#### KEY HIGHLIGHTS

**Industry Leadership:** 30 years as a private equity investor; committed approximately \$5 billion annually<sup>(2)</sup> to private equity over the past three years

**Active Fund Relationships:** 400+ with over 270 funds reviewed each year

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

**Deep Team:** Over 115 dedicated private equity investment professionals with extensive networks

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

1. Committed capital from inception through March 2017, including commitments in the process of documentation.

2. Average over the past three years (2014 – 2016).

## 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 ~\$2.5 billion in equity co-investments and ~\$1.7 billion in debt investments over the last three years<sup>1</sup> with over 550 equity and over 460 debt opportunities reviewed during this period
- **Well diversified (but not over diversified) direct investment portfolio:** Portfolio of 107 direct investments alongside 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 2017. 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.

1. Reflects investments made from 2014 – 2016.

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

## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### NBPE NAV UPDATE

March 2017 NAV per Share of \$16.17 including the dividend paid in February 2017

#### SUMMARY BALANCE SHEET

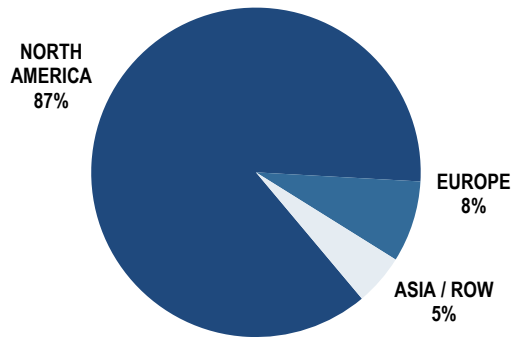
<i>(\$ in millions, except per share values)</i>	31 March 2017 (Unaudited)	31 December 2016 (Audited)
<i>Direct Investments</i>		
Income Investments	\$150.8	\$139.0
Equity Investments	457.8	474.9
Total Direct Investments	608.6	613.9
Legacy Fund Investments	146.6	153.4
Total Private Equity Fair Value	755.2	767.3
Private Equity Investment Level	97%	99%
Cash and Cash Equivalents	111.6	93.7
Credit Facility Borrowings	-	-
ZDP Share Liability - 2017 <sup>1</sup>	(15.0)	(14.5)
ZDP Share Liability - 2022, including FX Hedge	(64.1)	(62.4)
Net Other Assets (Liabilities), including Minority Interest	(10.9)	(7.5)
<b>Net Asset Value</b>	<b>\$776.9</b>	<b>\$776.6</b>
<b>Net Asset Value per Share</b>	<b>\$15.92</b>	<b>\$15.91</b>
<b>Net Asset Value Plus Dividends Paid During Financial Period</b>	<b>\$16.17</b>	

Note: NBPE data as of 31 March 2017. Numbers may not sum due to rounding.  
1. On 31 May 2017, the 2017 ZDP Shares were redeemed in full.

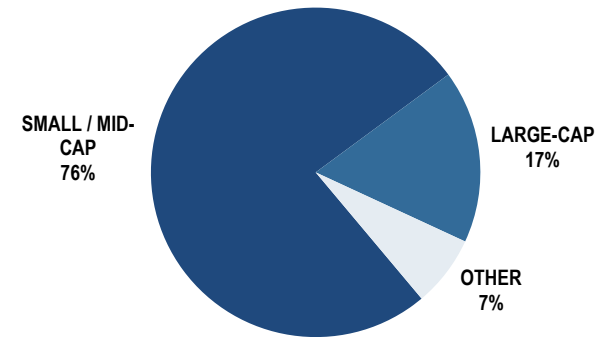
## NBPE PORTFOLIO DIVERSIFICATION

Well diversified portfolio weighted to North American investments

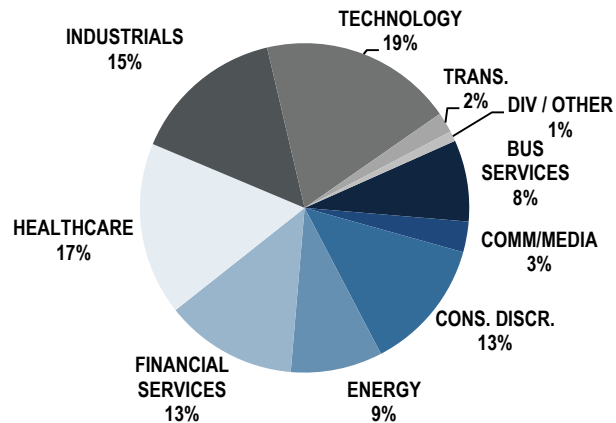
GEOGRAPHY



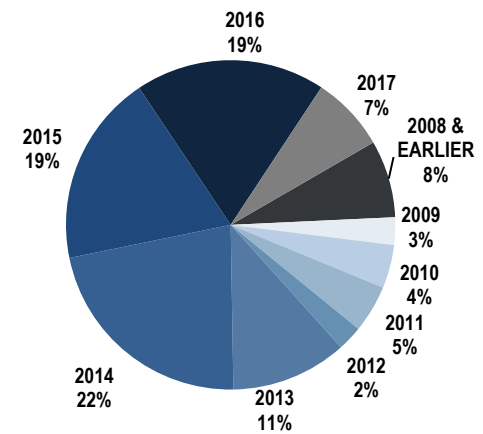
COMPANY SIZE



INDUSTRY



VINTAGE YEAR



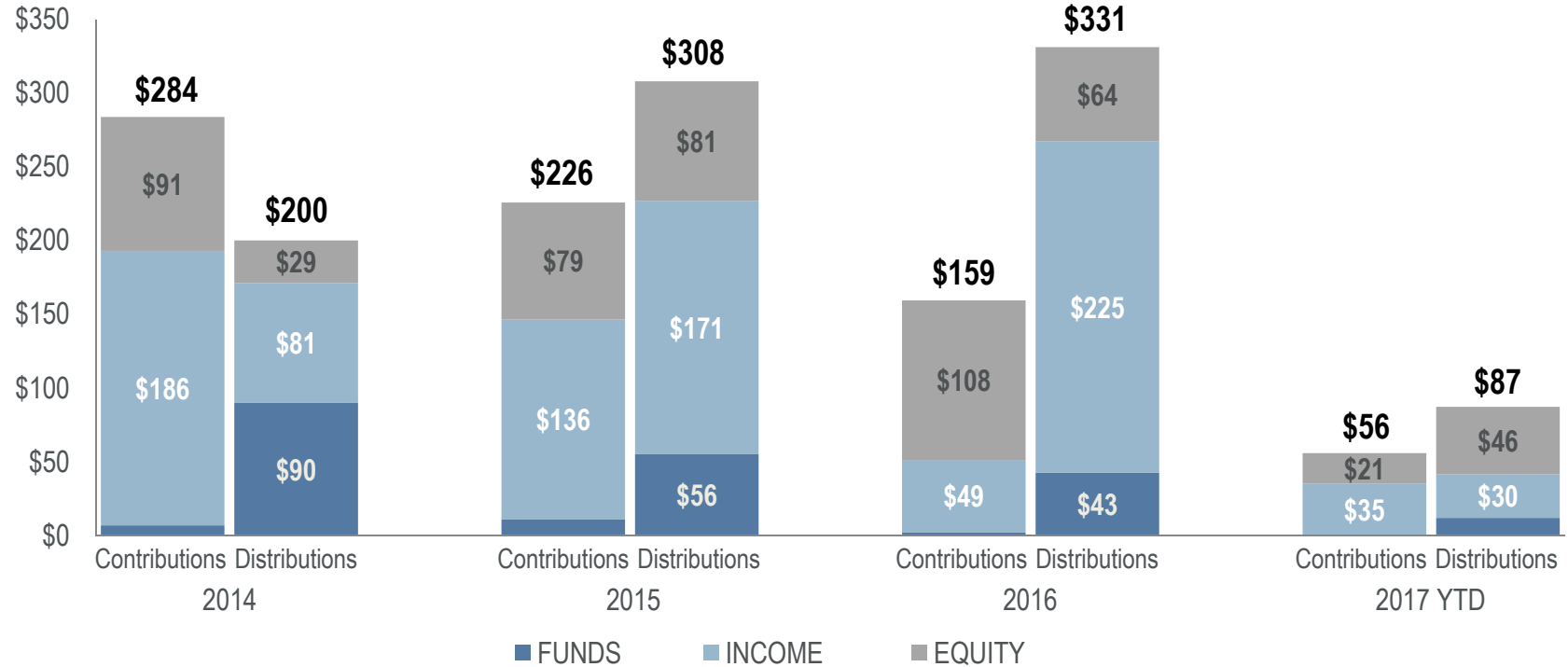
Note: as of 31 March 2017. Numbers may not sum due to rounding. Please see endnotes for information on diversification calculations.

## PORTFOLIO INVESTMENT ACTIVITY & LIQUIDITY

Over \$900 million of distributions since 2014

### CASH FLOWS

\$ in millions



Note: as of 31 March 2017. Numbers may not sum due to rounding.





## DIRECT EQUITY INVESTMENTS



## NBPE DIRECT EQUITY INVESTMENT STRATEGY

Build and maintain a portfolio of direct private equity investments alongside leading private equity firms

- High quality businesses
- Reasonable investment valuations
- Co-investing alongside Managers in their core areas of expertise
- Bias towards investments with shorter expected time to liquidity

INVEST IN NEW DEALS	CO-INVEST “MID-LIFE” INTO EXISTING PRIVATE EQUITY PORTFOLIO COMPANIES		
NEW BUYOUTS	ADD-ON ACQUISITIONS/ GROWTH CAPITAL	PARTIAL REALISATIONS	RECAPITALISATIONS
<ul style="list-style-type: none"> <li>• Working alongside lead GPs</li> </ul> <div style="text-align: center; margin-top: 20px;">  </div>	<ul style="list-style-type: none"> <li>• Provides primary equity for <b>growth / M&amp;A</b></li> </ul> <div style="text-align: center; margin-top: 20px;">  </div>	<ul style="list-style-type: none"> <li>• Provides <b>liquidity</b> to investors</li> </ul> <div style="text-align: center; margin-top: 20px;">  </div>	<ul style="list-style-type: none"> <li>• Provides primary equity to <b>recapitalise balance sheets</b></li> </ul> <div style="text-align: center; margin-top: 20px;">  </div>

## 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
73 direct equity investments with <b>\$457.8</b> million of fair value
DIVERSIFIED PORTFOLIO
Diversified by industry, geography, vintage year and sponsor
2016 GROWTH <sup>1</sup>
5% LTM Revenue growth / 7% LTM EBITDA growth
VALUATION & LEVERAGE <sup>1</sup>
10.3x EV / EBITDA & 4.7x Net Debt / EBITDA
2017 EXITS <sup>2</sup>
3 Exits generating a 5.0x gross multiple and 44% IRR

TOP TEN INVESTMENTS			
<u>Investment Name</u>	<u>Vintage</u>	<u>Industry</u>	<u>FV (\$m)</u>
Extraction Oil & Gas (NASDAQ: XOG)	2014	Energy	\$30.3
Patheon (NYSE: PTHN)	2014	Healthcare	17.3
ProAmpac	2016	Packaging	17.0
The Warranty Group	2014	Fin. Serv.	16.0
Saguaro	2013	Energy	14.2
Capsugel	2011	Healthcare	13.7
Vertiv	2016	Technology	13.1
Financial Services Company*	2016	Fin. Serv.	12.9
Engineering Ingegneria Informatica	2016	Technology	12.8
Final Site	2016	Technology	12.5
TOP TEN INVESTMENTS			<b>\$159.8</b>

Note: As of 31 March 2017. \*Undisclosed company.

- As of 31 December 2016. 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 31/12/15 and 30/9/15. Data based on 43 traditional buyout companies valued based on EV/EBITDA; excludes companies based on other valuation metrics including book value, revenue multiples, discounted cash flow, latest round of financing and public share price.
- 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).



## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### NEW EQUITY INVESTMENTS IN 2017 YTD

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\$14.1 million invested in two new equity investments during 2017 YTD




#### NEW EQUITY INVESTMENTS

<u>INVESTMENT</u>	<u>INDUSTRY</u>	<u>SPONSOR</u>	<u>INVESTED (\$MM)</u>	<u>DESCRIPTION</u>
	Industrials	AEA Small Business Fund	\$9.3	Distributor of aftermarket climate control components for vehicles
	Industrial Services	Harvest Partners	\$4.8	Provider of repair, maintenance and fleet management services to multiple industries

Note: As of 31 March 2017.

## EQUITY REALISATIONS IN 2017

The below realisations represent \$50 million of total value and a 5.0x multiple of invested capital<sup>1</sup>

<u>INVESTMENT</u>	<u>VINTAGE</u>	<u>DESCRIPTION</u>	<u>OUTCOME</u>
	2012	<ul style="list-style-type: none"> <li>Provider of enterprise software and information solutions for project-focused organisations</li> <li>Has millions of end users with 22,000 organisations in over 80 countries relying on the Deltek platform</li> </ul>	<ul style="list-style-type: none"> <li>Sold to Roper Technologies. for \$2.8 billion</li> </ul>
	2012	<ul style="list-style-type: none"> <li>The Evans Network of Companies is a market-leading provider of intermodal, flatbed, brokerage, dry van and other trucking services</li> <li>Through its agent network, Evans offers services through a fleet of over 3,000 tractors and over 180 terminals throughout the country</li> </ul>	<ul style="list-style-type: none"> <li>Acquired by Calera Capital</li> </ul>
	2012	<ul style="list-style-type: none"> <li>Off-price retailer offering well-known brands in apparel and accessories</li> <li>Gabe's operates 106 stores under the Gabe's and Rugged Wearhouse banners across 11 states in the Mid-Atlantic and Southeast</li> </ul>	<ul style="list-style-type: none"> <li>Sold to Warburg Pincus</li> </ul>

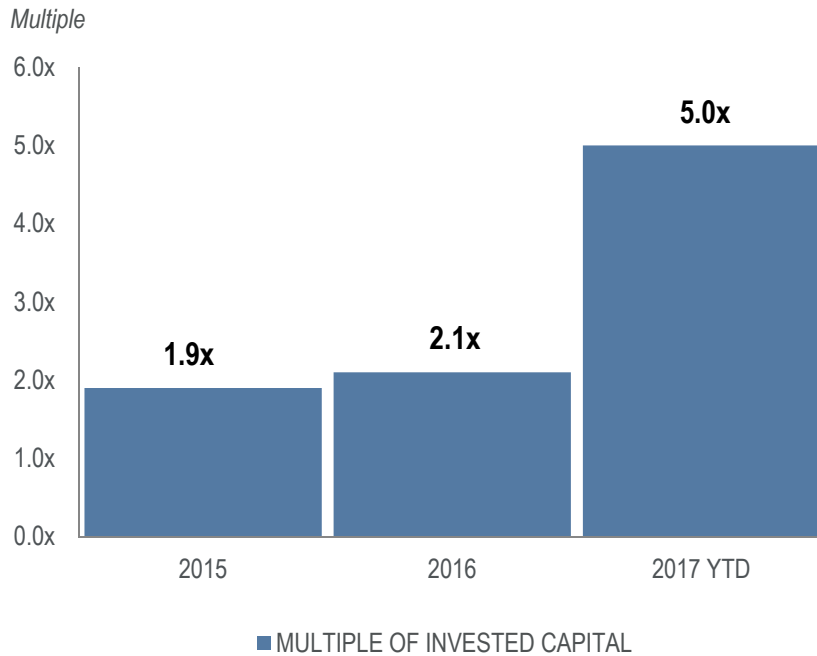
Note: As of 31 March 2017.

1. 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).

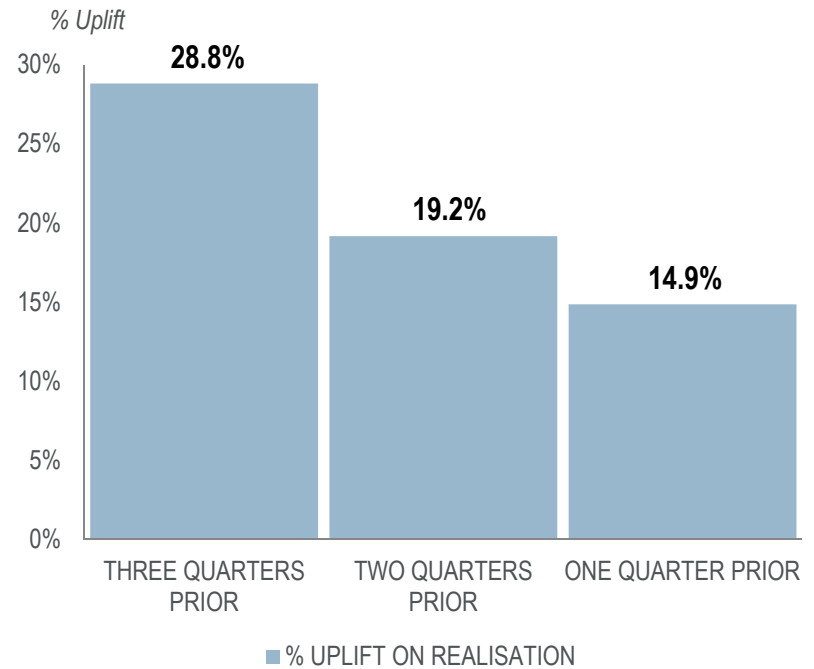
## EQUITY EXITS & UPLIFT

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

GROSS MOIC ON EXITS<sup>1</sup> (FULL EXITS ONLY)



VALUATION UPLIFT ON EXIT<sup>2</sup> (ALL EXITS)



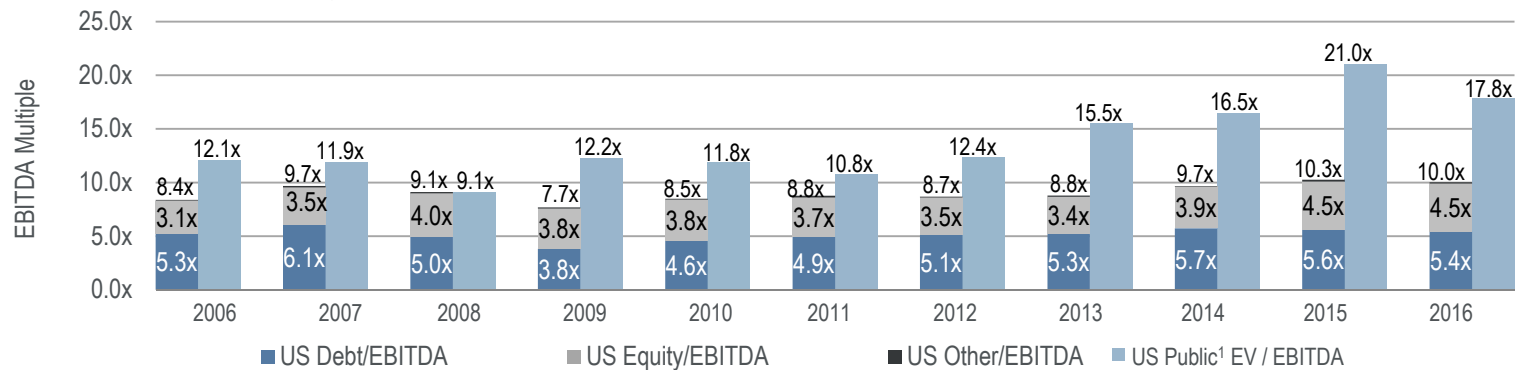
1. As of 31 March 2017. Includes full exits only. Excludes partial exits, recapitalisations and IPOs until the stock is fully exited. Year represents the year of final exit. Exit year for public companies determined by the date of the final cash flow. Proceeds include funds that are currently in escrow, 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).

2. As of 31 March 2017. Analysis includes eight IPOs, two partial exits, and seventeen full direct equity investment exits since January 2014. 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. Excludes Industry Loss Warranties due to investment duration. 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).

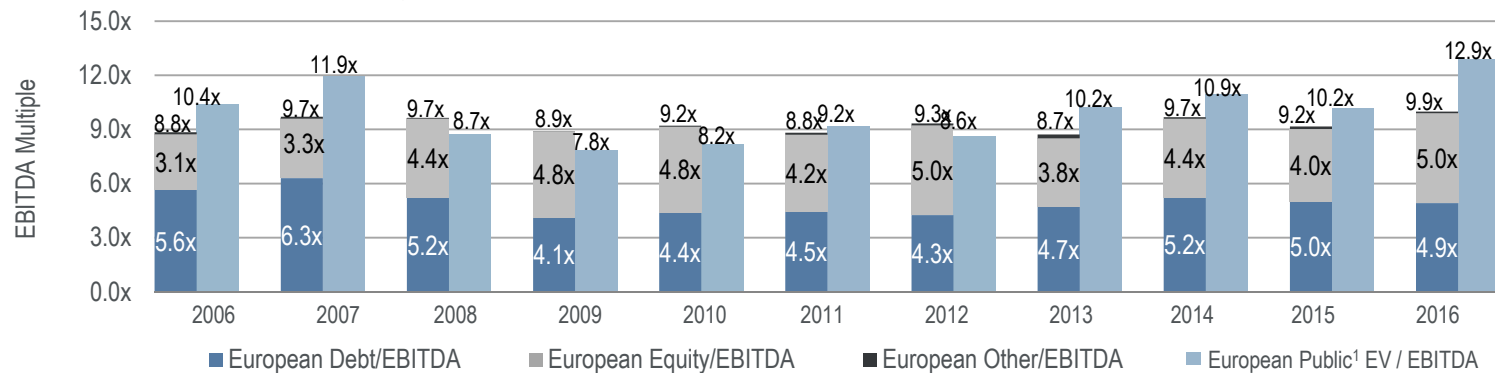
## U.S. AND EUROPEAN PRIVATE EQUITY-BACKED BUYOUT PURCHASE MULTIPLES

Over the last several years, overall purchase multiples have steadily risen in the US but remain well below public market averages and, in Europe, public market averages have increased, surpassing private market averages

**AVERAGE U.S. LBO MULTIPLES, 2006 - 2016**



**AVERAGE EUROPEAN LBO MULTIPLES, 2006 - 2016**



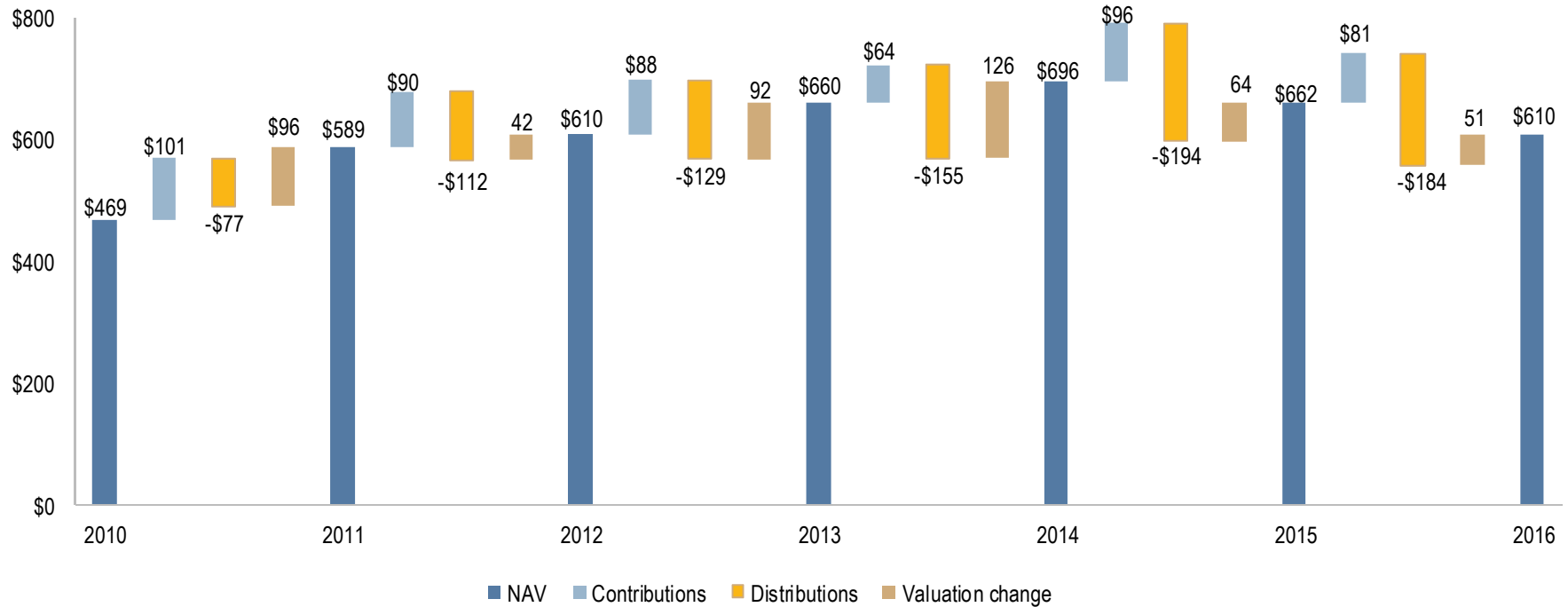
Source: S&P Leveraged Buyout Q4 2016 Quarterly Review.

1. Source: Bloomberg. Multiples based on Russell 2000 and MSCI Europe.

## BUYOUT MARKET NET ASSET VALUES

The rise in contributions and valuation has not been enough to offset distributions, so overall market NAV is declining

GLOBAL BUYOUT NAV (\$BN)



Source: Bain Global Private Equity Report 2017.

## INCOME INVESTMENTS



## NBPE INCOME INVESTMENT STRATEGY

Since inception, robust deal flow and selectivity have led to strong and stable performance

- Invest in the junior debt of private equity backed businesses
- Use the knowledge and relationships of the NB Private Equity platform for sourcing and due diligence
- Invest on a Primary and Secondary basis

### INVEST IN THE DEBT OF PRIVATE EQUITY BACKED COMPANIES

#### CORPORATE DEBT - PRIMARY

Second Lien



Mezzanine



#### CORPORATE DEBT - SECONDARY

Mispricings or Dislocations

Misunderstood Credits

- Target smaller, less liquid issuers
- Rigorous fundamental private equity due diligence
- Long-term investment capabilities
- Target equity-like returns in fixed income

## NBPE INCOME PORTFOLIO

The NBPE income portfolio is well diversified, performing well and has a reasonable average level of total leverage

NBPE INCOME INVESTMENTS
34 income investments with \$150.8 million of fair value
CASH YIELD & LEVERAGE STATISTICS <sup>1</sup>
<ul style="list-style-type: none"> <li>– 10.4% cash yield / 10.7% estimated yield to maturity</li> <li>– 5.6x total leverage / 4.1x senior leverage</li> <li>– 85% of fair value in floating rate debt</li> <li>– 58% dividend coverage from portfolio cash yield</li> </ul>
KEY STATS <sup>2</sup>
<ul style="list-style-type: none"> <li>– 80% are in asset light companies</li> <li>– 87% are in a market leading position<sup>3</sup></li> <li>– 56% are in companies with a &gt;40% equity cushion</li> <li>– 97% are in companies with a &gt;20% equity cushion</li> <li>– 52% are in companies with a &gt;25% EBITDA margin</li> <li>– 100% are in performing credits with no covenant issues</li> </ul>

TOP TEN INVESTMENTS*			
Investment Name	Industry	Cash Yield	FV (\$m)
Linxens	Technology	9.5%	10.0
Schumacher Group	Healthcare	9.8%	9.7
Dubois Chemical	Industrials	9.2%	9.0
GCA Services	Bus. Serv.	10.3%	8.9
Funding Circle	Consumer	NA	8.1
Optiv	Technology	8.4%	6.1
ProAmpac	Packaging	9.7%	6.0
Flexera	Technology	8.2%	6.0
Central Security Group	Consumer	10.5%	5.9
Taylor Precision Products	Consumer	13.1%	5.7
<b>TOP TEN INVESTMENTS</b>			<b>\$75.4</b>

Note: As of 31 March 2017. \*Top 10 Investments exclude credit opportunities investments.

1. Leverage statistics exclude small business loan programs, credit opportunities and healthcare credit investments. Based on portfolio company data as of 31 December 2016. 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 credit opportunities investments, 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.

## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### NEW INCOME INVESTMENTS IN 2017 YTD

\$23.5 million invested in four new income investments during 2017 YTD

#### NEW INCOME INVESTMENTS

<u>INVESTMENT</u>	<u>INDUSTRY</u>	<u>EQUITY SPONSOR</u>	<u>INVESTED (\$MM)</u>	<u>DESCRIPTION</u>
 <b>OPTIV</b>	Technology	KKR	\$6.0	<ul style="list-style-type: none"> <li>• 8.4% cash yield</li> <li>• Cyber security solutions provider</li> </ul>
 Public Sector	Technology	Vista Equity Partners	\$4.9	<ul style="list-style-type: none"> <li>• 9.7% cash yield</li> <li>• Provider of local government and public safety software solutions</li> </ul>
 <b>blue nile.</b> THE SOURCE OF BRILLIANCE™	Consumer	Bain Capital	\$3.6	<ul style="list-style-type: none"> <li>• 7.9% cash yield</li> <li>• Online jewelry retailer</li> </ul>
 <b>DuBois</b>	Industrials	Jordan Group	\$9.0	<ul style="list-style-type: none"> <li>• 9.2% cash yield</li> <li>• Producer of chemicals for the manufacturing industry</li> </ul>

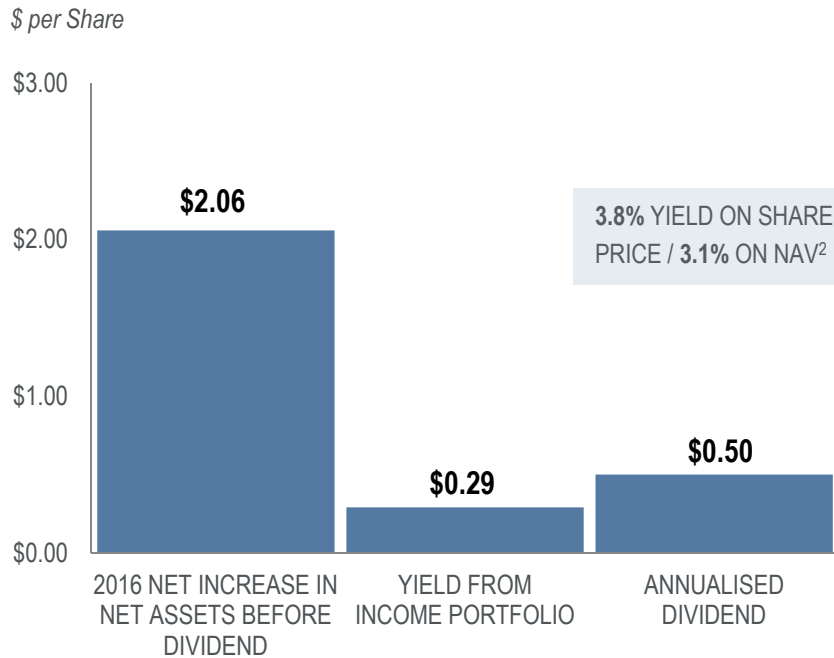
Note: As of 31 March 2017. New investments exclude \$11.7m of investments through the NB Credit Opportunities program.

## DIVIDENDS, CAPITAL POSITION & PERFORMANCE

## DIVIDENDS AND CAPITAL POSITION

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

### DIVIDENDS



### CAPITAL POSITION<sup>1</sup>

#### CASH POSITION

**\$261.6** million of cash & available credit facility

#### UNFUNDED COMMITMENTS

**\$26.6** million of adjusted unfunded commitments

#### COMMITMENT COVERAGE

**983%** adjusted commitment coverage

Note: See endnote #3 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 2017.

1. Unfunded commitments are adjusted by funds past their investment period and amounts which NBPE has the right to terminate if it so chooses.

2. Based on the company's most recent dividend and the London Stock Exchange closing share price of \$13.25 on 31 March 2017 and the 31 March 2017 NAV of \$15.92 per share.

## PERFORMANCE OVERVIEW BY INVESTMENT TYPE

LTM, three year, and five year investment performance summary

NBPE PERFORMANCE MEASURED BY GROSS IRR

<u>INVESTMENT TYPE</u>	<u>31 MAR 2017 FAIR VALUE (\$M)</u>	<u>LTM</u>	<u>THREE YEAR</u>	<u>FIVE YEAR</u>
<b>DIRECT EQUITY INVESTMENTS</b>	\$457.8	25.0%	21.2%	20.1%
<b>INCOME INVESTMENTS</b>	\$150.8	16.9%	10.2%	11.9%
<b>FUNDS</b>	\$146.6	6.3%	3.5%	7.6%
<b>TOTAL PORTFOLIO</b>	<b>\$755.2</b>	<b>20.2%</b>	<b>13.1%</b>	<b>13.3%</b>

**KEY TAKEAWAYS:**

**DIRECT EQUITY INVESTMENTS HAVE PERFORMED WELL ACROSS TIME PERIODS**  
**INCOME INVESTMENTS ARE PERFORMING WELL AND HAVE PROVIDED STRONG YIELDS**  
**FUNDS ARE NOW “TAIL-END” AND WINDING DOWN OVER TIME**

*Note: As of 31 March 2017. Numbers may not sum due to rounding.*

## HISTORIC PERFORMANCE

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

### CUMULATIVE RETURNS OVER TIME<sup>1</sup>

<u>TOTAL RETURN</u>	<u>ONE YEAR</u>	<u>THREE YEAR</u>	<u>FIVE YEAR</u>	<u>SINCE INCEPTION</u>
<b>NET ASSET VALUE USD / (GBP)</b>	17.6% / (35.3%)	35.9% / (80.9%)	63.2% / (108.5%)	85.6% / (203.2%)
<b>SHARE PRICE USD / (GBP)</b>	31.2% / (50.9%)	41.7% / (88.6%)	127.4% / (190.4%)	61.5% / (163.7%)

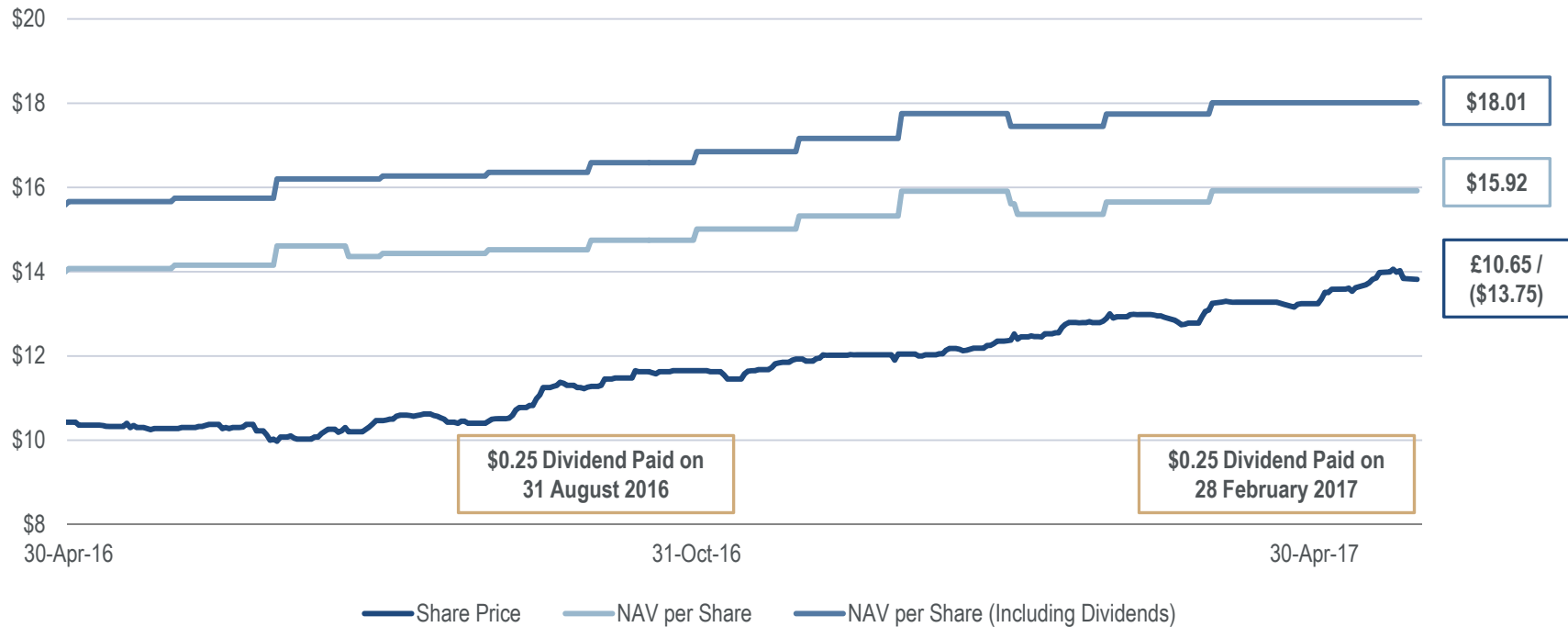
Note: NAV data as of 31 March 2017. NBPE share price data based on the London Stock Exchange as of 31 March 2017. Prior to 30 June 2009, NBPE was only listed on the Euronext Amsterdam exchange; the Euronext Amsterdam exchange share price has been substituted for performance calculations prior to this date. GBP share price returns converted at daily GBP/USD close FX rates.

1. 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

The move to the premium segment of the LSE and conversion of trading currency to GBP, occurred May 2<sup>nd</sup>, 2017

NBPE NAV & SHARE PRICE DEVELOPMENT (MAY 2016 – MAY 2017)



1. Note: Based on London Stock Exchange price data. As of 31 May 2017. USD share price based on daily close GBP/USD FX rate.



## NBPE – EFFICIENT PRIVATE EQUITY

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We believe NBPE offers access to a diverse private equity and income portfolio at a lower cost than many other listed private equity vehicles

### Listed Fund of Funds

- Charge double layer of fees
  - Often 1.5% - 2.0% management fee on committed capital and 20% carry at the underlying fund level in addition to fund of funds fees & carry
- Hyper-diversified portfolios
- Potential for significant capital structure risk from any over commitment strategy and / or return dilution from cash drag

### Listed Direct Funds

- Single layer of fees, but at a higher level
  - 1.5% management fee on NAV (or NAV + committed capital) and 15 – 20% carry
- Concentrated lead manager risk and often more concentrated portfolio
- Multiple “direct” vehicles invest in third party funds and have multiple layers of fees

### NBPE

- Single layer of fees on direct investments
  - 1.5% on NAV and 7.5% performance fee
- Appropriately diversified with multiple top tier managers
- Low over commitment risk

*Note: Fee characteristics are described generally above and are typical fees in direct and fund of funds. Fees may vary and the examples above are based on the Manager's assessment of the current market*

## ATTRACTIVE VALUE PROPOSITION

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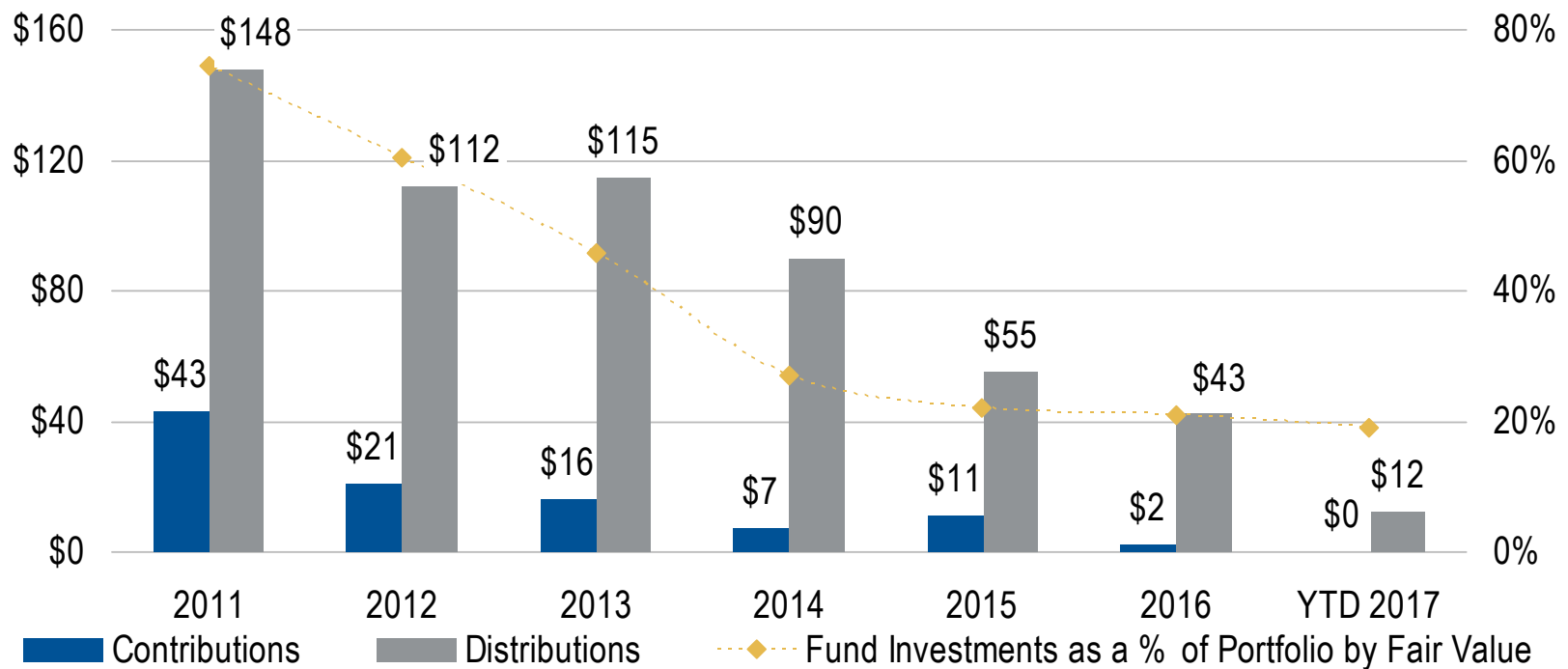
We believe NBPE offers a compelling investment opportunity

- Capital appreciation and growth from equity investments
- Income through an attractive dividend, supported by the cash yield from the income portfolio and investment realisations
- Strong capital structure and commitment coverage
- Private equity exposure with attractive fee structure – direct investments in portfolio typically feature lower all-in fees than investing directly into LP funds
- Recent granting of full voting rights to Class A Shareholders and transition to the Premium Segment of the London Stock Exchange
- Inclusion in the FTSE UK Index Series may further enhance the Company's trading liquidity

## APPENDIX

## FUND INVESTMENT PORTFOLIO LIQUIDITY

NBPE's fund portfolio has continued to produce strong liquidity while becoming an increasingly immaterial component of the overall portfolio



Note: as of 31 March 2017. Numbers may not sum due to rounding.

## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### 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
Acteon	Large-cap Buyout	Dec-12	KKR	\$1.4	0.2%	J Crew Group	Large-cap Buyout	Mar-11	TPG / Leonard Green	0.2	0.0%
Alex & Ani	Mid-cap Buyout	May-15	Lion Capital	3.9	0.5%	Kyobo Life Insurance Co.	Mid-cap Buyout	Dec-07	Corsair Capital Partners	1.9	0.2%
American Dental Partners, Inc.	Mid-cap Buyout	Feb-12	JLL Partners	3.8	0.5%	Lasko Products	Special Situations	Nov-16	Comvest Partners	6.5	0.8%
Avaya	Large-cap Buyout	Oct-07	TPG / Silver Lake Partners	0.0	0.0%	Leaseplan	Mid-cap Buyout	Apr-16	TDR Capital	9.3	1.2%
ARUHI Corporation	Mid-cap Buyout	Oct-14	Carlyle Group	8.6	1.1%	LGC	Large-cap Buyout	Mar-16	KKR	10.8	1.4%
Aster / DM Healthcare	Mid-cap Buyout	Jun-14	Olympus Capital	6.3	0.8%	Lookingglass	Growth / Venture	Feb-15	Alop Louie	7.1	0.9%
Berlin Packaging	Mid-cap Buyout	Oct-14	Oak Hill Capital Partners	6.7	0.9%	Marquee Brands	Special Situations	Dec-14	Neuberger Berman	10.7	1.4%
Black Knight Financial Services	Large-cap Buyout	Dec-13	Thomas H. Lee	12.2	1.6%	MBI Energy	Mid-cap Buyout	Jun-14	Lindsay Goldberg	0.1	0.0%
Boa Vista	Mid-cap Buyout	Nov-12	TMG Capital	1.5	0.2%	Medical Diagnostics Company - Equity*	Special Situations	Jan-14	Not Disclosed	0.0	0.0%
Brightview	Large-cap Buyout	Dec-13	KKR	7.0	0.9%	MHS	Mid-cap Buyout	Mar-17	Harvest Partners	4.8	0.6%
Capsugel	Large-cap Buyout	Jul-11	KKR	13.7	1.8%	Mills Fleet Farms	Large-cap Buyout	Feb-16	KKR	4.4	0.6%
Centro	Growth / Venture	Jun-15	FTV Capital	3.4	0.4%	Omega Environmental Technologies	Mid-cap Buyout	Feb-17	AEA Investors	9.3	1.2%
Concord Bio	Growth / Venture	Jun-16	Quadria Capital	3.5	0.5%	Ortholite (Equity)	Mid-cap Buyout	Apr-14	Blue Point Capital	10.9	1.4%
Connector Company*	Growth / Venture	Oct-15	Not Disclosed	4.0	0.5%	Oticas Carol	Growth / Venture	Apr-13	3i Brazil	3.5	0.4%
Consilio	Growth / Venture	Jul-15	Shamrock Capital	11.0	1.4%	Patheon	Mid-cap Buyout	Mar-14	JLL Partners	17.3	2.2%
Corona Industrials	Mid-cap Buyout	Jun-14	Victoria Capital	1.9	0.2%	Petsmart	Large-cap Buyout	Jun-15	BC Partners	10.1	1.3%
Counsyl	Growth / Venture	Jul-14	Pilot Growth	5.5	0.7%	ProAmpac	Mid-cap Buyout	Nov-16	Pritzker Group	17.0	2.2%
CSC Service Works	Mid-cap Buyout	Mar-15	Pamplona Capital	6.4	0.8%	ProMach	Mid-cap Buyout	Nov-14	AEA Investors	4.6	0.6%
Digital River (Equity)	Mid-cap Buyout	Feb-15	Siris Capital	9.1	1.2%	Prosper	Growth / Venture	Apr-15	Multiple Sponsors	1.4	0.2%
Ellician	Large-cap Buyout	Sep-15	TPG Capital	7.1	0.9%	RiverBed	Mid-cap Buyout	Feb-15	Thoma Bravo	10.8	1.4%
Vertiv	Special Situations	Nov-16	Platinum Equity	13.1	1.7%	Saguaro	Mid-cap Buyout	Jul-13	Pine Brook	14.2	1.8%
Engineering Ingegneria Informatica	Mid-cap Buyout	May-16	NB Renaissance	12.8	1.6%	Shelf Drilling	Mid-cap Buyout	Feb-13	Castle Harlan Partners	1.7	0.2%
Evoqua Equity	Mid-cap Buyout	Jan-14	AEA Investors	6.9	0.9%	Snagajob	Growth / Venture	Jun-16	NewSpring Capital	3.5	0.4%
Extraction Oil & Gas	Mid-cap Buyout	May-14	Yorktown Partners	30.3	3.9%	Solace Systems	Growth / Venture	Apr-16	Bridge Growth Partners	8.0	1.0%
Fairmount Minerals	Mid-cap Buyout	Aug-10	American Securities Partners	1.5	0.2%	SolarWinds	Large-cap Buyout	Feb-16	Thoma Bravo	7.4	1.0%
Final Site	Mid-cap Buyout	Nov-16	Bridge Growth Partners	12.5	1.6%	Specialty Drug Pharma. Company*	Mid-cap Buyout	Oct-15	Not Disclosed	0.8	0.1%
Financial Services Company*	Large-cap Buyout	Sep-16	Not Disclosed	12.9	1.7%	Standard Aero	Mid-cap Buyout	Jun-15	Veritas Capital	6.5	0.8%
First Data	Large-cap Buyout	Sep-07	KKR	3.2	0.4%	Stratus Technologies	Mid-cap Buyout	Apr-14	Siris Capital	2.9	0.4%
Formation Energy	Mid-cap Buyout	Jul-13	Lindsay Goldberg	1.0	0.1%	Syniverse Technologies	Large-cap Buyout	Feb-11	Carlyle Group	3.0	0.4%
Galco Industrials Equity	Special Situations	May-14	AEA Investors	0.8	0.1%	Taylor Precision Products	Mid-cap Buyout	Jul-12	Centre Partners	2.0	0.3%
Gardner Denver, Inc.	Large-cap Buyout	Jul-13	KKR	10.5	1.4%	Technology Company (Encryption App)*	Growth / Venture	Aug-14	Not Disclosed	1.5	0.2%
GC Services	Mid-cap Buyout	Jan-16	Owner Resource Group	5.6	0.7%	The Warranty Group	Large-cap Buyout	Jul-14	TPG	16.0	2.1%
Genetic Testing Company - Equity*	Special Situations	Jun-13	Not Disclosed	8.3	1.1%	Univar	Large-cap Buyout	Nov-10	Clayton, Dublier & Rice	0.8	0.1%
Hilsinger	Mid-cap Buyout	May-14	Blue Point Capital	4.9	0.6%	Velocidi	Growth / Venture	Dec-16	Pilot Growth	2.0	0.3%
Incipio	Growth / Venture	Feb-16	Goode Partners	1.7	0.2%	Vencore	Mid-cap Buyout	Nov-10	Veritas Capital	7.8	1.0%
Infection Energy	Mid-cap Buyout	Oct-14	Chambers Energy	4.3	0.6%	Net Other Assets, incl. Escrow / (Liabilities)				(\$9.9)	n.a.
Innovation Group	Large-cap Buyout	Dec-15	Carlyle Group	0.6	0.1%	<b>Total Equity Co-Investment Portfolio</b>				<b>\$457.8</b>	<b>60.2%</b>
Into University Partnerships	Mid-cap Buyout	Apr-13	Leeds Equity Partners	1.4	0.2%						

Note: As of 31 March 2017.

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

## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### INCOME INVESTMENTS

INVESTMENT NAME	SECURITY DETAILS	INVESTMENT DATE	MATURITY DATE	FAIR VALUE <sup>1</sup>	CASH + PIK COUPON	CASH YIELD	TOTAL EST. YTM
<i>Corporate Private Debt Investments</i>							
<u>2017</u>							
Optiv	Second Lien (L+7.25%, 1% Floor, 0.5% OID)	Feb-17	Feb-25	6.1	8.4%	8.4%	8.8%
Dubois Chemical	Second lien (L+8.00% Cash, 1% L Floor, 1% OID)	Mar-17	Mar-25	9.0	9.2%	9.2%	9.6%
Blue Nile	First Lien (L+6.50% Cash, 1% L Floor, 3% OID)	Mar-17	Feb-23	3.6	7.7%	7.9%	8.0%
Sungard	Second Lien (L+8.50%, 1% Floor, 1.0% OID)	Feb-17	Jan-25	4.9	9.7%	9.7%	10.1%
<u>2016</u>							
GCA Services	Second lien (L+9.0% Cash, 1% L Floor, 2.5% OID)	Mar-16	Mar-24	8.9	10.2%	10.3%	10.7%
ProAmpac	Second Lien (L+8.50%, 1% L Floor)	Nov-16	Oct-24	6.0	9.7%	9.7%	10.1%
<u>2015</u>							
Linxens	Second lien (L+8.25% Cash, 1.0% L Floor, 1% OID)	Oct-15	Oct-23	10.0	9.4%	9.5%	9.9%
Schumacher Group	Second lien (L+8.5% Cash, 1.0% L Floor, 1% OID)	Oct-15	Oct-23	9.7	9.7%	9.8%	10.1%
Funding Circle	Portfolio of small business loans	Jan-15	N/A	8.1	N/A	N/A	N/A
Digital River Debt	First lien (L+5.75% Cash, 1.0% L Floor, 1% OID)	Jan-15	Feb-21	1.8	6.9%	7.1%	7.2%
Digital River Debt	Second lien (L+11.0% Cash, 1.0% L Floor, 1% OID)	Jan-15	Feb-22	1.0	12.2%	11.9%	12.9%
<u>2014</u>							
Central Security Group	Second lien (L+9.0% Cash, 1% L Floor, 5% OID)	Nov-14	Oct-21	5.9	10.2%	10.5%	10.7%
Galco Industrial Electronics	Sr. sub notes (10.75% Cash, 1.25% PIK, 1.5% OID)	May-14	May-21	5.1	12.0%	10.7%	12.4%
On Deck	Portfolio of small business loans	Apr-14	N/A	0.0	N/A	N/A	N/A
Flexera	Second lien (L+7.0%, 1% L Floor, 0.5% OID)	Apr-14	Apr-21	6.0	8.2%	8.2%	8.5%
<u>2013</u>							
Taylor Precision Products	Sr. sub notes (13% Cash, 1.5% OID)	Nov-13	May-19	5.7	13.0%	13.1%	13.8%
P2 Energy Solutions	Second lien (L+8.00% Cash, 1.0% L Floor, 1% OID)	Nov-13	May-21	4.1	9.2%	11.3%	9.9%
<b>Total Corporate Private Debt Investments Fair Value</b>				<b>\$95.8</b>	<b>9.7%</b>	<b>9.9%</b>	<b>10.3%</b>
<b>Total Credit Opportunities Investments</b>				<b>\$41.0</b>	<b>8.9%</b>	<b>9.9%</b>	<b>13.9%</b>
<i>Healthcare Credit Investments*</i>							
<u>2016</u>							
Generic Pharmaceutical Company	Senior secured term loan (L + 5.375%, 1% Floor)	Jan-16	Jan-23	-	6.5%	7.1%	6.8%
<u>2015</u>							
Term Loan (Medical Implants)	Second lien (L+8.50%, 1% L Floor, 6% OID)	Mar-15	Dec-22	-	9.7%	10.3%	10.1%
Royalty Notes (Biotechnology)	Royalty backed note (9.375% Cash)	Mar-15	Mar-26	-	9.4%	9.1%	9.8%
<u>2014</u>							
Convertible Notes (Specialty Pharmaceuticals)	Convertible notes (4.5% Cash)	Apr-14	May-20	-	4.5%	6.5%	4.6%
Term Loan (Specialty PCP and Pediatric Pharmaceuticals)	Senior secured loan (first lien, 12% cash, 0.75% fee)	Feb-14	Feb-19	-	12.0%	13.7%	12.7%
Term Loan (Medical Diagnostics)	Senior secured loan (10.5% Cash)	Jan-14	Dec-18	-	10.5%	10.9%	11.0%
<u>2013</u>							
Term Loan (Skin Products Company)	Senior secured loan (First Lien, 10.5% Cash, 1.5% Fee)	Jul-13	Jul-18	-	10.5%	N/M	N/M
Term Loan (Genetic Testing)	Senior secured loan (First Lien, 10% Cash, 1% Fee)	Jun-13	Jun-18	-	10.0%	10.2%	10.5%
Royalty Notes (Hormone Therapy)	Royalty backed note	Apr-11	N/A	-	N/A	N/M	N/M
<b>Total Healthcare Credit Investments Fair Value</b>				<b>\$14.0</b>	<b>9.0%</b>	<b>10.2%</b>	<b>8.6%</b>
<b>Total Income Portfolio Fair Value</b>				<b>\$150.8</b>	<b>8.6%</b>	<b>10.4%</b>	<b>10.7%</b>

Note: As of 31 March 2017.

1. See endnote #4 for important information on the income investment portfolio.

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

## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### FUND INVESTMENTS

Investment Name	Asset Class	Vintage Year	Unfunded Commitment	Fair Value	% of NBPE NAV
Catalyst Fund III	Special Situations Funds	2011	0.7	15.5	2.0%
NB Crossroads Fund XVIII - Mid-cap Buyout	Mid-cap Buyout Funds	Fund XVIII	\$7.1	\$13.3	1.7%
NB Crossroads Fund XVII	Fund XVII (Diversified)	Fund XVII	1.7	8.8	1.1%
Bertram Growth Capital II	Growth / Venture Funds	2010	1.8	9.2	1.2%
Platinum Equity Capital Partners II	Special Situations Funds	2007	3.3	9.8	1.3%
OCM Principal Opportunities Fund IV	Mid-cap Buyout Funds	2007	2.0	7.4	1.0%
Sun Capital Partners V	Special Situations Funds	2007	1.1	6.0	0.8%
NB Crossroads Fund XVIII - Venture Capital	Growth / Venture Funds	Fund XVIII	1.7	6.6	0.8%
Avista Capital Partners	Mid-cap Buyout Funds	2006	0.2	6.7	0.9%
Bertram Growth Capital I	Growth / Venture Funds	2007	1.1	6.2	0.8%
NG Capital Partners I, L.P.	Growth / Venture Funds	2010	0.5	6.6	0.9%
NB Crossroads Fund XVIII - Large-cap Buyout	Large-cap Buyout Funds	Fund XVIII	2.2	4.1	0.5%
Corsair III Financial Services Capital Partners	Mid-cap Buyout Funds	2007	0.9	5.7	0.7%
Sankaty Credit Opportunities III	Special Situations Funds	2007	0.0	3.9	0.5%
ArcLight Energy Partners Fund IV	Mid-cap Buyout Funds	2007	4.6	2.6	0.3%
NB Crossroads Fund XVIII - Special Situations	Special Situations Funds	Fund XVIII	0.9	3.5	0.4%
Oaktree Opportunities Fund VIII	Special Situations Funds	2009	0.0	3.1	0.4%
NB Fund of Funds Secondary 2009	Mid-cap Buyout Funds	2009	0.6	3.0	0.4%
Highstar Capital Fund II	Mid-cap Buyout Funds	2004	0.1	2.9	0.4%
OCM Opportunities Fund VIb	Special Situations Funds	2008	3.0	2.4	0.3%
CVI Global Value Fund	Special Situations Funds	2006	0.8	2.3	0.3%
First Reserve Fund XI	Large-cap Buyout Funds	2006	0.0	2.7	0.4%
DBAG Expansion Capital Fund	Growth / Venture Funds	2012	1.2	3.0	0.4%
Aquiline Financial Services Fund L.P.	Mid-cap Buyout Funds	2005	0.0	2.5	0.3%
Trident IV	Mid-cap Buyout Funds	2007	0.5	1.9	0.2%
J.C. Flowers II	Large-cap Buyout Funds	2006	0.3	2.2	0.3%
Lightyear Capital Fund II	Mid-cap Buyout Funds	2006	1.4	1.5	0.2%
Centerbridge Credit Partners	Special Situations Funds	2008	0.0	1.2	0.2%
American Capital Equity II	Mid-cap Buyout Funds	2005	1.2	0.7	0.1%
Carlyle Europe Partners II	Large-cap Buyout Funds	2003	0.6	0.2	0.0%
Strategic Value Global Opportunities Fund I-A	Special Situations Funds	2010	0.1	0.5	0.1%
Strategic Value Special Situations Fund	Special Situations Funds	2010	0.0	0.2	0.0%
Clessidra Capital Partners	Mid-cap Buyout Funds	2004	0.1	0.0	0.0%
Prospect Harbor Credit Partners	Special Situations Funds	2007	0.0	0.0	0.0%
<b>Total Fund Portfolio</b>			<b>\$39.7</b>	<b>\$146.6</b>	<b>18.9%</b>

Note: As of 31 March 2017.

## TRADING INFORMATION

<b>Trading Symbol:</b>	Class A Ordinary Shares: NBPE
<b>Exchanges:</b>	Euronext Amsterdam & London Stock Exchange
<b>Traded Currency:</b>	GBP (LSE); USD (Euronext)
<b>Bloomberg:</b>	NBPE NA, NBPE LN
<b>Reuters:</b>	NBPE.AS, NBPE.L
<b>ISIN:</b>	GG00B1ZBD492
<b>COMMON:</b>	030991001

<b>Trading Symbol:</b>	2022 ZDPs: NBPP
<b>Exchanges:</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



## NB PRIVATE EQUITY PARTNERS INVESTOR PRESENTATION

### CONTACT INFORMATION

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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. The Taylor Precision Products debt notes currently pay 13% cash, but issuer has the option to pay 11% and 2% PIK.
4. Actual unfunded commitments are \$261.6 million at 31 March 2017, corresponding to actual under commitment of \$0.0 million and an actual commitment coverage ratio of 100.0%. Unfunded adjustments include removing unfunded commitments to funds past their investment period (although some amount may be called for future follow-ons or expenses), and amounts which can be terminated by NBPE 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.

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