

Lehman Brothers Private Equity Partners Limited

30 September 2007 ¹



Company Overview

Lehman Brothers Private Equity Partners Limited (“LBPE” or “the Company”) is a closed-end investment company registered under the laws of Guernsey managed by Lehman Brothers’ Private Fund Investments Group and its affiliates (together, the “Investment Manager”). We invest in private equity funds managed by leading sponsors, including funds of funds managed by the Investment Manager, and make direct private equity investments alongside leading sponsors (“co-investments”). Our investment objective is to produce attractive returns on our capital from our private equity investments while managing investment risk through portfolio diversification across asset class, vintage year, geography, industry and sponsor.

Investment Manager Commentary

On 25 July 2007, LBPE completed an IPO on Euronext Amsterdam, raising \$500 million through the placement of 50,000,000 Shares at \$10.00 per Share, and subsequently, on 17 August 2007, exercised the over-allotment option in respect of 4,210,000 Shares at \$10.00 per Share, making the total size of the IPO \$542.1 million. The Company also announced that it established a credit facility of \$250 million with the Bank of Scotland. As of 30 September 2007, none of the credit facility had been called.

The proceeds of the IPO were committed to a diversified portfolio of private equity fund investments and certain direct private equity investments (the “Initial Investments”) selected by the Investment Manager. As of 30 September 2007, there were no outstanding assets awaiting transfer and LBPE had used the proceeds of the IPO to acquire all of the Initial Investments originally set out in the company’s offering memorandum.

During the month of September, LBPE committed \$3.0 million in one additional buyout co-investment and \$20 million to a special situations fund. Also during the month, LBPE had \$19.4 million of drawdowns and \$0.8 million of distributions from all private equity investments. Including the revaluation of public securities and all other valuation adjustments, LBPE’s net asset value per Share increased to \$10.25 at 30 September 2007, which represents an increase of 2.5% over the initial offering price of \$10.00 per Share.

The recent volatility in the credit markets has given credence to our initial stated strategy of developing a meaningful special situations allocation within the Company’s portfolio, including distressed investments. In total, 13% of the private equity net asset value is allocated to special situations and 20% of the company’s total private equity exposure is allocated to this asset class. We anticipate LBPE’s exposure to special situations opportunities will continue to increase in the coming months.

Subsequent to 30 September 2007 through 5 October 2007, LBPE committed \$20 million to a fully funded special situations fund and \$10 million to a secondary transaction. In addition, the company invested \$7 million in a buyout co-investment. These totals are not included in the analysis below.

Net Asset Value Development

Private Equity Performance (\$ in millions)	30-Sep-07 (Actual)	31-Aug-07 (Pro Forma) ²
Estimated Net Asset Value of Private Equity Investments	\$322.6	\$303.3
Unfunded Private Equity Commitments	352.4	352.1
Total Private Equity Exposure	\$675.0	\$655.4

On a pro forma basis, the portfolio of private equity investments includes exposure to over 1,650 underlying portfolio companies.

Summary of Net Asset Value (\$ in millions, except per share data)	Net Asset Value (30-Sep-07 Actual)	Net Asset Value (31-Aug-07 Pro Forma) ²
Direct Fund Investments and Fund of Funds Investments	\$249.0	\$232.7
Co-investments	73.6	70.6
Total Private Equity Investments	\$322.6	\$303.3
Cash and Cash Equivalents	243.8	251.0
Net Other Assets (Liabilities)	(10.8)	(1.7)
Net Asset Value	\$555.5	\$552.6
Net Asset Value per Share *	\$10.25	\$10.19
Closing Share Price	\$9.65	\$9.70
Premium (Discount)	(5.8%)	(4.8%)

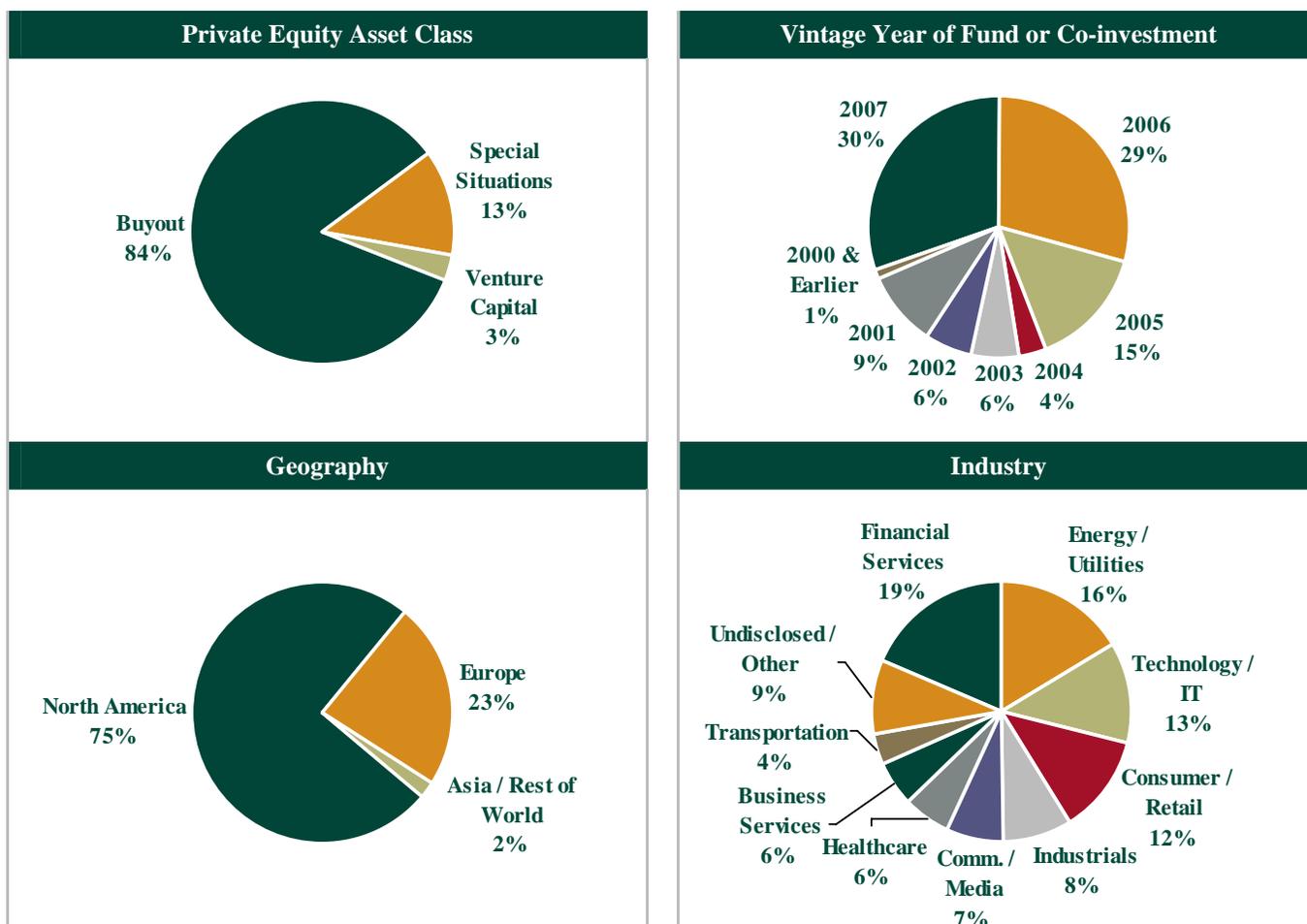
* As of 30 September 2007, there were 54,210,000 Shares and 10,000 Class B ordinary shares outstanding.

Lehman Brothers Private Equity Partners Limited

30 September 2007 ¹

Private Equity Portfolio Diversification

Key information about LBPE's portfolio of private equity investments based upon net asset value as of 30 September 2007 was as follows:³



Based on total private equity exposure, which includes unfunded commitments, the diversification of LBPE's portfolio of private equity investments as of 30 September 2007 was as follows:³

- Private equity asset class – buyout: 76%; special situations: 20%; venture capital: 4%
- Vintage year of fund or co-investment – 2000 & earlier: 1%; 2001: 5%; 2002: 3%; 2003: 3%; 2004: 3%; 2005: 11%; 2006: 33%; 2007: 38%; 2008: 3%
- Geography – North America: 71%; Europe: 25%; Asia / rest of world: 4%
- Industry – energy / utilities: 18%; financial services: 16%; industrials: 13%; consumer / retail: 11%; technology / IT: 9%; communications / media: 8%; healthcare: 7%; transportation: 6%; business services: 6%; undisclosed / other: 6%

Lehman Brothers Private Equity Partners Limited

30 September 2007¹

Valuation Methodology

The Company carries its investments on its books at fair value in accordance with accounting principles generally accepted in the United States. The Company uses the best information it has 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, if any, that affect marketability. The Company determines such values for publicly traded securities held directly as well as known public positions held in the underlying funds or funds of funds, on a look-through basis. The Company estimates 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.

Forthcoming Quarterly Report

LBPE will issue a quarterly report as of and for the period ending 30 September 2007 that will include financial statements prepared in accordance with accounting principles generally accepted in the United States. LBPE is required to consider, and will consider, all known material information in preparing such financial statements, including information that may become known subsequent to the issuance of this monthly report. Accordingly, amounts included in the financial statements may differ from this monthly report.

Contact Information

For questions about the Company, please contact the Investor Relations department of the Investment Manager at the phone number or email address listed below:

Investment Manager

Lehman Brothers Private Fund Advisers, LP
325 N. Saint Paul Street
Suite 4900
Dallas, TX 75201
United States of America
www.lehman.com/im/pe/pfi/
Email: investorrelations@lbpe.com
Phone: +1-214-647-9593
Fax: +1-214-647-9501

Corporate Headquarters

Lehman Brothers Private Equity Partners Limited
P.O. Box 225
Polygon Hall, Le Marchant Street
St. Peter Port, Guernsey GY1 4HY
Channel Islands
www.lbpe.com
Phone: +44-(0)1481-716-000
Fax: +44-(0)1481-728-452

Key Information

Trading Symbol: LBPE
Exchange: Euronext
Listing Date: 25 July 2007
Base Currency: USD
Bloomberg: LBPE NA
Reuters: LBPE.AS
ISIN: GG00B1ZBD492
COMMON: 030991001
Amsterdam Security Code: 600737

1. Figures provided are unaudited and subject to change. Certain numbers may not total due to rounding.
2. Pro forma amounts reflect actual amounts plus the pro forma effects of those Initial Investments not yet acquired at 31 August 2007. LBPE completed the acquisition of all of the Initial Investments on 30 September 2007.
3. The diversification analysis is based on the diversification of underlying portfolio investments at fair value as estimated by the Investment Manager. Furthermore, the diversification by private equity asset class and vintage year also includes an allocation of net cash flows and valuation adjustments made since financial statements were last received from the investment sponsor. Determinations regarding private equity asset class, geography and industry diversification, as well as the allocation of unfunded commitments (on a total exposure basis), also represent the Investment Manager's estimates. Accordingly, actual diversification of the Company's investment portfolio and the diversification of the Company's investment portfolio on an ongoing basis may vary from the foregoing information.

This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the securities described herein. This report was prepared using financial information contained in LBPE's books and records as of the reporting date. This information is believed to be accurate but has not been audited by a third party. This report describes past performance, which may not be indicative of future results. LBPE does not accept any liability for actions taken on the basis of the information provided.