NEUBERGER BERMAN

NB Private Equity Partners Limited

30 June 2013 Interim Financial Report

INVESTMENT MANAGER'S REPORT

For the six month period ended 30 June 2013
INTERIM FINANCIAL REPORT

COMPANY OVERVIEW

Our objective is to produce attractive returns by investing in direct-yielding investments, equity co-investments and fund investments while managing investment risk through diversification across asset class, vintage year, geography, industry and sponsor.

Company

NB Private Equity Partners Limited ("NBPE")

- Guernsey closed-end investment company
- 48,790,564 Class A ordinary shares outstanding
- 10,000 Class B ordinary shares outstanding
- 32,999,999 Zero Dividend Preference ("ZDP Shares") shares outstanding

Investment Manager

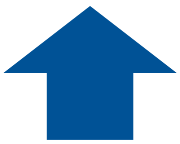
NB Alternatives Advisers

- 26 years of private equity investing experience
- Investment Committee with an aggregate of approximately 190 years of professional experience
- Approximately 60 investment professionals
- Approximately 110 administrative and finance professionals
- Offices in New York, London, Dallas and Hong Kong

Key Statistics	At 30 June 2013	At 31 December 2012 (Pro Forma)[1]
Net Asset Value of the Controlling Interest	$592.5m	$576.0m
Equity Co-investments	$146.8m	$127.0m
Direct-Yielding Investments	$132.4m	$101.6m
Fund Investments	$330.7m	$350.6m
Total Private Equity Fair Value	$609.8m	$579.2m
Private Equity Investment Level	103%	101%
Cash and Cash Equivalents (including restricted cash)	$60.7m	$73.2m
Net Asset Value per Ordinary Share	$12.14	$11.80
Pro Forma Post 30 August 2013 Dividend:		
Dividend Payment	$10.2m	-
Cash and Cash Equivalents (including restricted cash)	$50.5m	-
Net Asset Value	$582.3m	-
Net Asset Value per Ordinary Share	$11.93	-
Net Asset Value per ZDP Share	128.74p	-
ZDP Shares	£42.5m	£41.0m
Net Asset Value per ZDP Share	128.74p	124.32p

Note: Numbers may not sum due to rounding.
1. Pro-forma for the funding of a direct yielding investment, returns of capital from the NB Alternatives Direct Co-investment Program, and a distribution receivable.

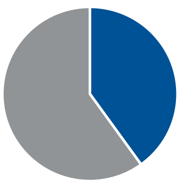
KEY PERFORMANCE HIGHLIGHTS DURING THE FIRST SIX MONTHS OF 2013



Performance

4.5% NAV per Share total return

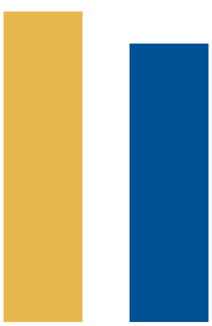
17.3% Share price increase



Portfolio at 30 June 2013

47% of NAV in Equity Co-investments/Direct Yielding Investments

56% of NAV in Funds



Cash Flows during the first six months of 2013

$62.9 million funded to Investments[1]

$54.3 million of distributions from Investments

$59.9[1]
Million Invested

New Direct Investment Activity Year to Date

5 Equity Co-investments

5 Direct Yielding Investments

1. *Net of returns of capital.*

PORTFOLIO HIGHLIGHTS
30 JUNE 2013

NB Private Equity Partners leverages the full resources of the NB Alternatives integrated private equity platform for superior deal flow and enhanced due diligence and execution capabilities

Increasing percentage of the portfolio in Direct Yielding Investments and Equity Co-investments and reduced exposure to private equity funds

- Increased direct investment exposure from 37% of NAV at 31 December 2012 to 47% of NAV as of 30 June 2013
- 10 direct investments completed year to date

Funding new investments through cash generated from a maturing private equity fund portfolio

- Received $54.3 million in distributions (88% from funds) and funded $62.9 million to investments[1] (91% to direct investments)

22% of Net Asset Value in Direct Yielding Investments with a total estimated yield to maturity of 12.3% and a cash yield of 9.8%, generating run-rate cash income of $12.1 million

- Cash generated from Direct Yielding Investments covers 59% of the annual dividend
- Expect to fully cover the dividend on a run rate basis by the end of 2013 from the cash generated by our direct yielding investments

Strong performance in Equity Co-investment Portfolio during 2013

- Early liquidity events from two 2012 vintage Equity Co-investments
  - Dividend re-capitalizations as a result of strong underlying company performance received post 30 June 2013[2]
- 7.2% increase in the value of the Equity Co-investment portfolio fair value

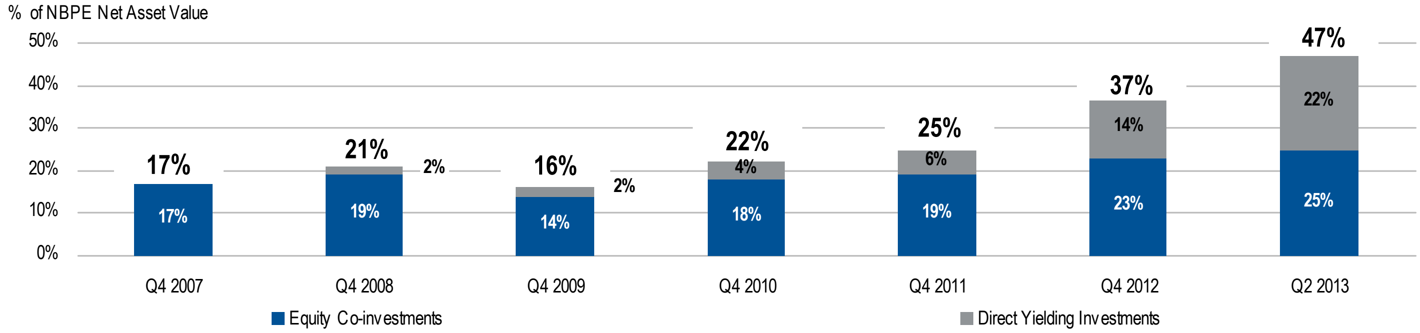
1. Net of returns of capital.
2. Proceeds included in the 30 June 2013 fair values.

Increasing exposure to Equity Co-investments and Direct Yielding Investments

NB Alternatives Advisers seeks high quality investments for NBPE that have the potential to deliver strong investment returns on a risk-adjusted basis, while maintaining appropriate levels of diversification across geographies, industries, vintage years and sponsors.

New investments are predominantly Equity Co-investments and Direct Yielding Investments, funded through cash generated from a mature private equity Fund portfolio. Within the direct portfolio, we target allocations of 60% to Equity Co-investments and 40% to Direct Yielding Investments, subject to an available opportunity set. We may also make other types of investments, as appropriate.

Direct Investments by Year



Equity Co-investments are made alongside premier private equity sponsors in their core areas of expertise, focused primarily on buyout and growth equity transactions in the small and middle market globally. Transaction types typically include traditional buyouts, take-private transactions, corporate carve-outs as well as sponsor-to-sponsor transactions. We seek investments with differentiating characteristics such as strategic, minority investments rather than large, syndicated transactions that have clear exit paths and the potential for shorter holding periods.

Direct Yielding Investments typically consist of private debt instruments which generate strong cash yields and may offer additional upside through PIK and / or equity. We target debt investments in traditional corporate sectors and healthcare credits, which consist of loans to companies in the healthcare sector and royalty backed notes. Corporate debt investments are typically junior financings such as mezzanine investments, which consist of notes and equity, second-lien debt and secured term loans.

We expect this strategy of investing in direct investments to:

- Reduce the expected duration of our private equity portfolio
- Increase transparency for Shareholders
- Reduce our overall effective expense ratio

Long-term Dividends

NBPE paid its first semi-annual dividend of $0.20 per share on 28 February 2013 and declared a $0.21 per share dividend on 30 July 2013.

$0.41
Cumulative Dividends in 2013[1]

$0.21
Second Semi-Annual Dividend per Share Declared in July
To be paid on August 30th

3.5%
Annualized Dividend Yield on NAV at 30 June 2013

4.6%
Annualized Dividend Yield on Share Price[2]

Direct Yielding Income

Over time, NBPE intends to pay its dividend from the cash yield it receives from its direct-yielding investments. We expect the dividend to be 100% covered by the cash yield on a run rate basis by the end of 2013.

Run Rate Cash Yield and Dividend Coverage (% of Dividend)

	30 June 2013
Direct-Yielding Investments	$12.1m / 59%

Share Buy Back Programme

NBPE retains the ability to repurchase shares through its Share Buy Back Programme which was launched in 2010. Shares bought back under the Programme will be cancelled. There were no share repurchases during the first six months of 2013. The Board of Directors has approved an extension of the Share Buy Back Programme through 30 November 2013; the documentation for such extension is currently in progress.

Shares repurchased since inception

	Shares Repurchased	Weighted Average Price per Share	Weighted Average Discount to NAV	Accretion to NAV per Share
Since Inception	5,419,436	$4.75	53%	$0.71

1. *Includes a $0.20 per share dividend paid on 28 February 2013 and the $0.21 per share dividend declared on 30 July 2013 which will be paid on 30 August 2013.*
2. *Based on the Euronext closing share price of $9.09 on 30 June 2013.*

SEMI-ANNUAL OVERVIEW

$48.3 million invested / 8.2% of NAV to Direct Yielding Investments

Made directly by NBPE and through the NB Alternatives Healthcare Credit Investment Program

KIK CUSTOM PRODUCTS

- Largest U.S. privately-held manufacturer of both national and private label consumer products
- Second lien term loan with a 9.5% annual cash interest coupon
- NB Thesis:
  - Strong industry dynamics
  - Comprehensive product line of stable-demand consumer durables provides financial stability throughout the economic cycle

HEARTLAND DENTAL CARE
Personal attention | Professional excellence

- Large dental service organization in the U.S., providing dentists with administrative services such as personnel staffing, purchasing, and financial, marketing and technology support
- Second lien term loan with a 9.8% annual cash interest coupon
- NB Thesis:
  - Strong industry dynamics
  - Company provides clear value to dentists
  - Highly diversified revenue stream across geographies, payors and service type

Healthcare Credit in Senior Secured Term Loan (Genetic Testing)

- Privately held U.S. based provider of diagnostic tests that analyze DNA abnormalities to detect genetic mutations that can give rise to known diseases
- Senior secured notes with 10% cash interest coupon
- NB Thesis:
  - Attractive valuation
  - Rapidly growing and profitable company

Healthcare Credit in Senior Secured Term Loan (Cardiac Device)

- Privately held US-based healthcare company which manufacturers and markets cardiac devices
- Senior secured notes with 13.5% cash coupon
  - 5 year bullet feature due in 2018 and equity warrants
- NB Thesis: Strong product offering with the possibility of expanding the addressable market

Healthcare Credit in Royalty Notes backed by Internal Medication

- Synthetic royalty notes backed by the US sales of an internal medication drug
- Contractual cash interest rate of 11%
- NB Thesis:
  - Strong efficacy and safety
  - Meets an unmet need in the market
  - Protected by a strong set of patents

$11.6 million invested / 2.0% of NAV to Equity Co-investments

Made directly by NBPE and through the NB Alternatives Direct Co-investment Program

INTO

- Leading U.K.-based organization assisting the recruitment, placement and education of international students in highly-ranked universities in the U.S. and U.K.
- NB Thesis:
  - Favorable industry trends with strong supply and demand curves
  - Attractive partnership model
  - Significant barriers to entry

ÓTICAS CAROL

- Second largest independent eyewear retailer in Brazil
- Offers a broad range of prescription glasses, sunglasses and related accessories
- Operates mainly through a franchise model with over 450 stores
- NB Thesis:
  - Growing industry with favorable tailwinds
  - Leading provider in a fragmented market

Portfolio of Insurance Industry Loss Warranties

- Portfolio of insurance industry loss warranties for the current storm season (June 1 - November 30)
- Opportunity to invest in a diversified portfolio of contracts alongside Cartesian

SHELF DRILLING

- World's largest pure-play shallow water offshore drilling contractor, with operations in Southeast Asia, the Middle East, India, West and North Africa
- Customers include major national oil companies and independent oil and natural gas companies
- NB Thesis: Favorable industry macro trends with demand driven by:
  - Increases in E&P spending due to historically high oil (Brent) prices
  - Strong demand for energy
  - Successful exploration and appraisal activities of oil and natural gas companies in shallow water fields

COADVANTAGE®

Resources for Humans. Solutions for Business.®

- Leading U.S. based professional employer organization
- Offers outsourced payroll and tax processing, benefit plan administration, risk management, governance compliance and human resource services for small and medium size businesses
- NB Thesis:
  - Offers a scalable business model with significant operating leverage
  - Consolidation opportunities
  - Geographic expansion in a favorable industry

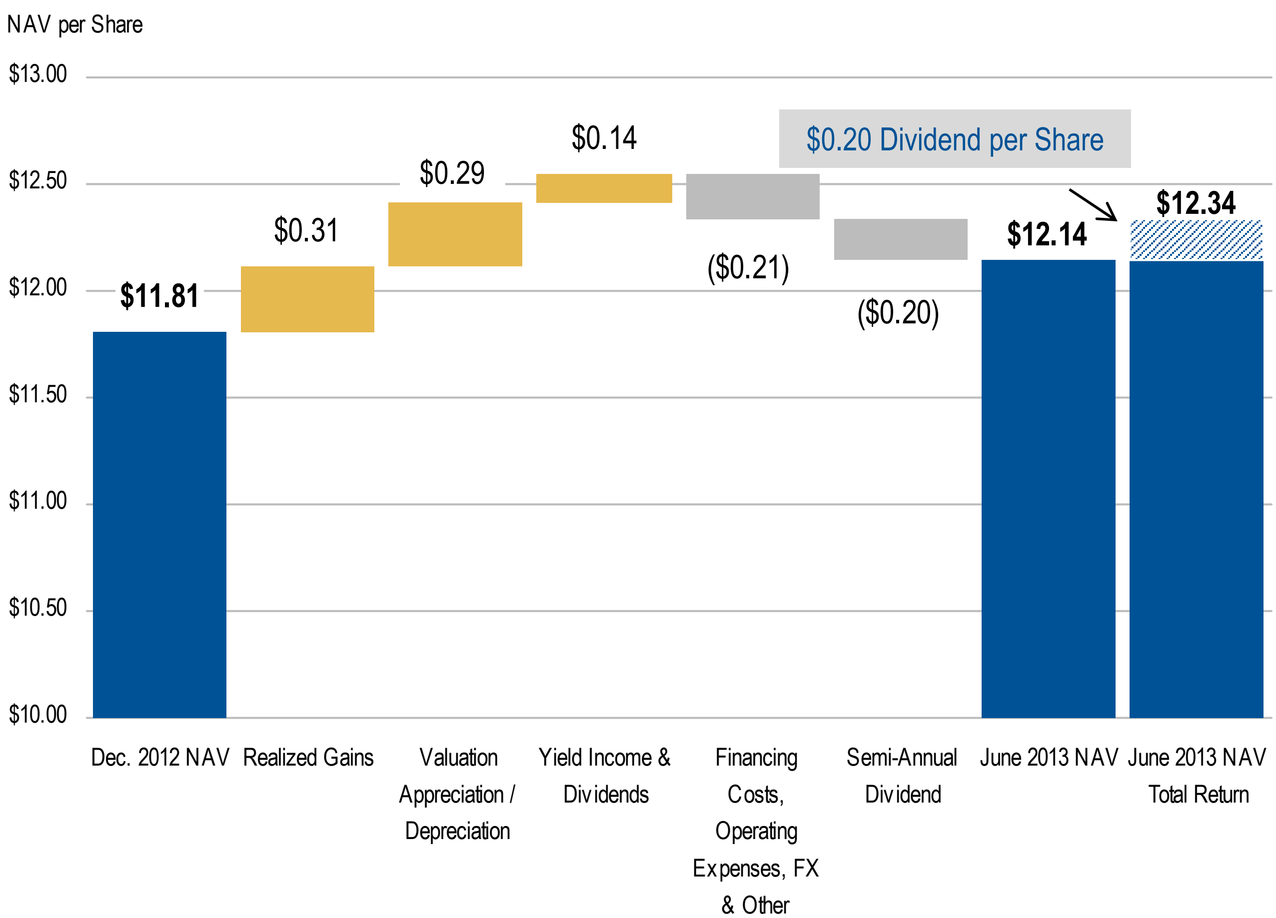
SEMI-ANNUAL OVERVIEW

SIX MONTH PERIOD INVESTMENT RESULTS

On a total return basis, during the first six months of 2013 and including the Company's first semi-annual dividend, the NAV per Share Total Return was 4.5%. Including the impact of the dividend payment, our NAV per Share increased 2.8%, driven by realized gains in the underlying investment portfolio and offset by operating expenses. Excluding cash flows, our Private Equity Fair Value appreciated in value by 6.5%**,** net of underlying fees and expenses.

Key changes to NBPE's NAV per Share:

- $15.1 million of realized gains, or $0.31 per Share
- $14.3 million of unrealized gains, or $0.29 per Share
- $3.6 million of net operating expenses, or $0.07 per Share
- $9.8 million dividend payment paid in February 2013, or $0.20 per Share



Note: Numbers may not sum due to rounding.

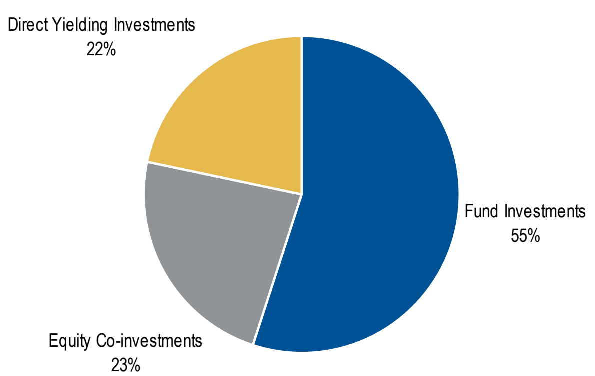
PORTFOLIO ANALYSIS

PORTFOLIO OVERVIEW

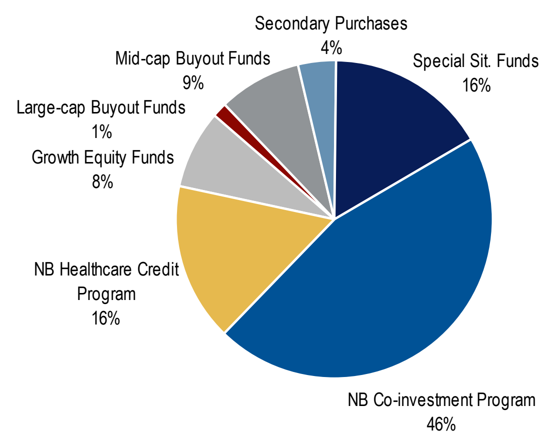
Our portfolio is comprised of three investment categories: Direct-Yielding Investments, which consist of corporate debt and healthcare credits, Equity Co-investments and Fund Investments. Equity Co-investments and Direct-Yielding Investments are becoming a larger portion of the portfolio, with approximately 46% of Private Equity Fair Value held in direct investments. Our Fund portfolio consists of 39 Fund investments, many of which are past their investment periods, giving our portfolio exposure to a mature group of underlying companies and securities. As cash distribution activity from our Fund portfolio continues, we intend to use these proceeds to fund new direct investments.

	Investments	Private Equity Fair Value	Unfunded Commitments[1]	Total Exposure
Equity Co-investments	38	$146.8m	$101.2m	$248.0m
Direct-Yielding Investments	16	$132.4m	$35.7m	$168.1m
Fund Investments	39	$330.7m	$84.5m	$415.2m
Total Private Equity Investments	**93**	**$609.8m**	**$221.5m**	**$831.3m**

Portfolio Diversification by Fair Value



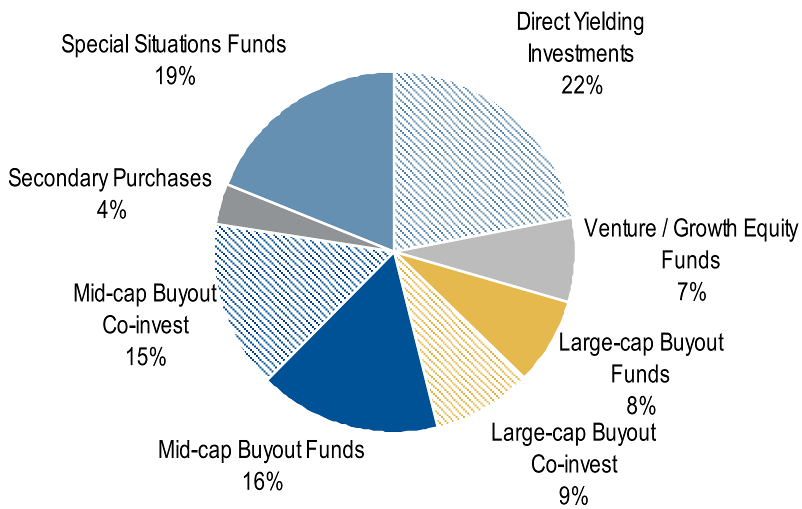
Unfunded Commitments Diversification[1]



Note: Numbers may not sum due to rounding.
1. $43.3 million of unfunded commitments are to funds past their investment period.

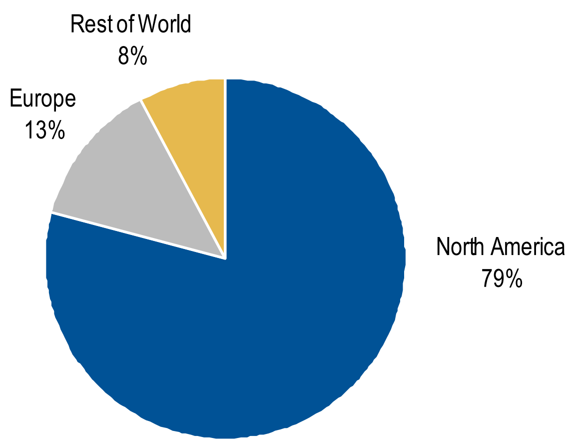
PORTFOLIO ANALYSIS

Diversified private equity assets and industry exposure with a tactical allocation to North America (% of Fair Value)

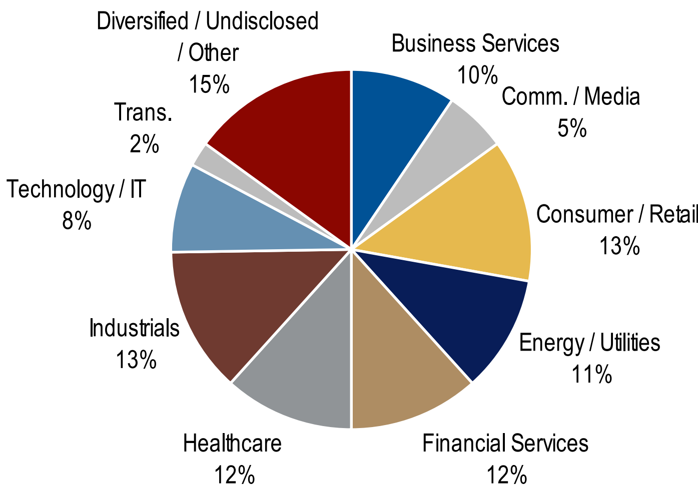


Portfolio Diversification

NBPE adapts its asset allocation over time to tactically allocate the portfolio to what we believe are the most attractive opportunities. Our current allocation is weighted to Direct-Yielding Investments, Special Situations and Mid-cap Buyout asset classes. We expect the fund portfolio to become a smaller portion of our Private Equity Fair Value as capital is re-deployed into direct investments.



Our portfolio is tactically allocated to North America. We believe the overall health in this market relative to other geographies offers attractive investment opportunities. Within our European exposure, many companies have significant scale and share within their markets or revenue bases from multiple countries. Approximately 8% of our portfolio was allocated to other parts of the world, primarily Asia and Latin America.



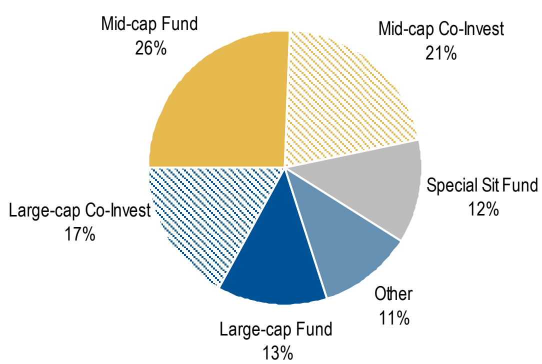
Our portfolio is broadly diversified across industries. We favor investments in sectors that we believe can grow above GDP. We do not set specific industry targets, because we believe this could lead to selecting sub-optimal investments to meet a target. Instead we look for companies with strong business characteristics in sectors we favor.

PORTFOLIO ANALYSIS

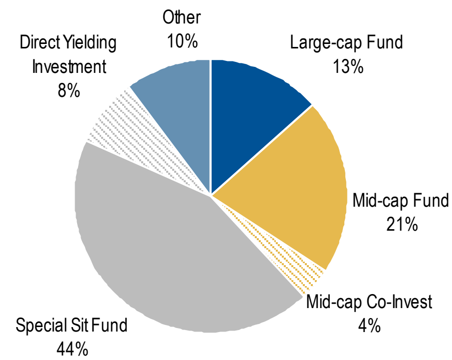
Recent capital deployment is primarily concentrated in Direct / Co-investments (% of Fair Value)

The pie charts below represent the percentage of our current Private Equity Fair Value by investment type made during the time periods shown. Year of investment is calculated at the portfolio company level and is defined as the date of capital deployment into a particular underlying investment. This differs from the vintage year as vintage year shows when a fund was formed rather than when the capital was deployed.

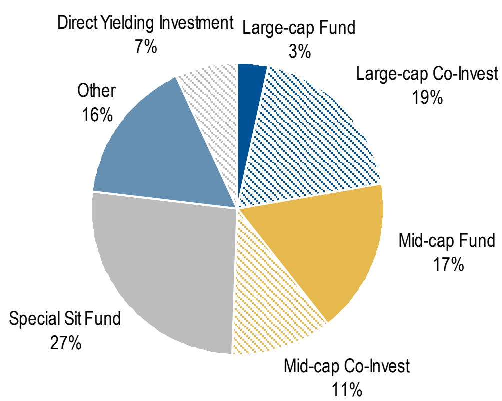
2007 & Earlier (26%)



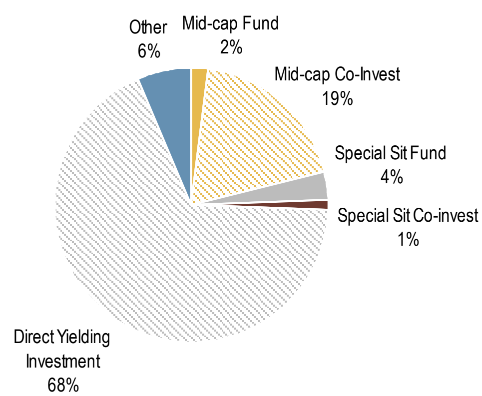
2008 & 2009 (26%)



2010 & 2011 (22%)



2012 & YTD 2013 (26%)



Note: Numbers may not sum due to rounding. Other includes NB Crossroads Fund XVII and Growth/Venture. Based on private equity fair value as of 30 June 2013 (unaudited).

TWENTY LARGEST INVESTMENTS

PORTFOLIO ANALYSIS

The top 20 investments below represent 36% of NAV and $213 million of private equity fair value

Investment / Description	Status	Year of Investment	Investment Type / Asset Class	Equity Sponsor
Blue Coat Systems Business application optimization	Private	2012	**Equity Co-investment** Mid-cap Buyout	Thoma Bravo
Capsugel Hard capsules / drug delivery systems	Private	2011	**Equity Co-investment** Large-cap Buyout	KKR
CPG International Building products manufacturer	Private	2012	**Direct-Yielding** Mezzanine	AEA
Deltek, Inc. Enterprise software and solutions	Private	2012	**Direct-Yielding** 2nd Lien Debt	Thoma Bravo
Evans Network of Companies Intermodal freight business services	Private	2012	**Direct-Yielding** Mezzanine	AEA
Fairmount Minerals Producer of high purity sands / proppants	Private	2010	**Equity Co-investment** Mid-cap Buyout	American Securities Partners
Firth Rixson Supplier of rings, forgings and metal	Private	2007-2009	**Equity Co-investment & Direct-Yielding**	Oak Hill
FR Midstream Holdings Portfolio of midstream energy assets	Private	2008	**Equity Co-investment** Large-cap Buyout	First Reserve
Freescale Semiconductor Semiconductor Manufacturer	Public	2006	**Equity Co-investment** Large-cap Buyout	Blackstone / Carlyle / Permira / TPG
Group Ark Insurance Global specialty insurance / re-insurance	Private	2007	**Equity Co-investment** Mid-cap Buyout	Aquiline Capital
Heartland Dental Dental administrative services	Private	2012	**Direct-Yielding** 2nd Lien Debt	N/A
Insurance Industry Loss Warranties Portfolio of insurance industry loss warranties	Private	2013	**Equity Co-investment** Mid-cap Buyout	Cartesian
KIK Custom Products Manufacturer of consumer products	Private	2013	**Direct-Yielding** 2nd Lien Debt	CI Capital Partners
Kyobo Life Insurance Korean life insurance company	Private	2007	**Equity Co-investment** Mid-cap Buyout	Corsair Capital Partners
P2 Energy Solutions Software / data for oil & gas industry	Private	2012	**Direct-Yielding** 2nd Lien Debt	Vista Equity
RAC Limited UK motor and breakdown assistance	Private	2011	**Equity Co-investment** Large-cap Buyout	Carlyle
Royalty Backed Notes Hormone therapy	Private	2011	**Direct-Yielding** Royalty Backed Note	N/A
Sabre Holdings Technology solutions for global travel	Private	2007	**Equity Co-investment** Large-cap Buyout	TPG / Silver Lake
Syniverse Services provider to telecommunications industry	Private	2011	**Equity Co-investment** Large-cap Buyout	Carlyle
TPF Genco Holdings Five natural gas fired power plants	Private	2006	**Equity Co-investment** Mid-cap Buyout	Tenaska Capital

PORTFOLIO ANALYSIS

38 Equity Co-investments with $146.8 million of Fair Value broadly diversified across industries

Our Equity Co-investments are primarily mid-cap and large-cap buyout investments, diversified across vintage years, geographies and industries. We believe these companies are poised for value creation and are an attractive component of our private equity portfolio. Many companies benefit from highly experienced and capable management teams and sponsor groups, which we think is critical to the investment thesis and outcome. In addition, we believe many of these companies benefit from strong industry growth or secular trends and have the opportunity to appreciate in value from operational enhancements, growth of product offerings or expanding into new markets. We think these characteristics distinguish our investment portfolio.

No individual company within our Equity Co-investment portfolio accounts for more than 4.0% of NBPE's net asset value.

Equity Co-investment Portfolio

($ in millions) Equity Co-investments	Principal Geography	Vintage Year	Description	Fair Value
Mid-cap Buyout, Special Situations and Growth Equity				
Acteon Group Ltd.	Europe	2012	Products & services to offshore energy sector	
American Dental Partners, Inc.	U.S.	2012	Dental practice management services	
Blue Coat Systems, Inc.	U.S.	2012	Business application optimization & security	
Boa Vista	Brazil	2012	Second largest credit bureau in Brazil	
CoAdvantage, Inc.	U.S.	2013	Leading professional employer organization	
Deltek Inc.	U.S.	2012	Enterprise software and information solutions	
Edgen Group, Inc.	U.S.	2007	Distributor of steel & alloy products	
Fairmount Minerals, Ltd.	U.S.	2010	Producer of high purity sand / sand based proppants	
Firth Rixson, plc	Europe	2007-09	Supplier of rings, forgings and specialist metal	
Gabriel Brothers, Inc.	U.S.	2012	Discount retailer	
GazTransport & Technigaz S.A.S.	Europe	2008	Containment systems for liquefied natural gas carriers	
Group Ark Insurance Holdings Limited	Global	2007	Global specialty insurance and re-insurance	
Insurance Industry Loss Warranties	U.S.	2013	Portfolio of insurance industry loss warranties	
INTO University Partnerships	Europe	2013	Collegiate recruitment, placement and education	
Kyobo Life Insurance Co., Ltd.	Asia	2007	Life insurance in Korea	
Oticas Carol	Brazil	2013	2nd largest eyewear retailer in Brazil	
Pepcom GmbH	Europe	2011	Germany's 5th largest cable operator	
Press Ganey Associates, Inc.	U.S.	2008	Measurement & performance solutions for healthcare	
RevSpring	U.S.	2012	Outsourced provider of accounts receivable	
Salient Federal Solutions, LLC	U.S.	2010	Technology and engineering services for government	
Seventh Generation, Inc.	U.S.	2008	Maker of environmentally responsible house products	
Shelf Drilling Holdings Ltd.	U.S.	2013	Shallow water offshore drilling contractor	
SonicWall, Inc.	U.S.	2010	Advanced intelligent network security & data protection	
Swissport International AG	Europe	2011	Ground handling services for airlines	
Taylor Precision Products	U.S.	2012	Consumer & foodservice measurement products	
The SI Organization, Inc.	U.S.	2010	High-end systems engineering to US Intelligence Industry	
TPF Genco Holdings, LLC	U.S.	2006	Five natural gas-fired power plants	
Total Mid-cap, Special Situations and Growth Equity				**$94.1**
Large-cap Buyout				
Avaya, Inc.	Global	2007-12	Communications systems provider	
Capsugel, Inc.	Global	2011	Hard capsules and drug delivery systems	
CommScope, Inc.	Global	2011	Communications infrastructure solutions	
Energy Future Holdings Corp.	U.S.	2007	Texas based energy company	
First Data Corporation	Global	2007	Electronic commerce and payments	
Freescale Semiconductor, Inc.	Global	2006	Semiconductors manufacturer	
J.Crew Group, Inc.	U.S.	2011	Specialty retailer	
RAC Limited	Europe	2011	UK motor related and breakdown assistance services	
Sabre Holdings Corporation	Global	2007	Technology solutions for global travel industry	
Syniverse Technologies, Inc.	Global	2011	Global telecommunications technology solutions	
Univar Inc.	Global	2010	Commodity and specialty chemicals distributor	
Total Large-cap Buyout				**$52.6**
Total Equity Co-investments				**$146.8**

Note: Numbers may not sum due to rounding.

BUYOUT PORTFOLIO ANALYSIS[1]

PORTFOLIO ANALYSIS

38 traditional buyout companies representing 21% of private equity fair value, had a weighted average valuation multiple of 10.1x and LTM EBITDA growth of 14.5%

In connection with our portfolio monitoring process, our Investment Manager analyzed the operational performance and valuation metrics for the 50 largest buyout investments (including co-investments) based upon fair value at 30 June 2013. There are 38 companies valued on traditional buyout metrics and 12 companies valued on other metrics.

Traditional Buyout Investments

- Traditional buyout investments that were valued based on a multiple of cash flow (total enterprise value as a multiple of EBITDA[2])
  - 38 companies with approximately $129.5 million of fair value, representing 21% of private equity fair value and 42% of buyout fair value
- Summary Metrics for the traditional buyout investments:
  - Weighted average valuation multiple of 10.1x LTM EBITDA
  - Weighted average leverage multiple of 4.4x LTM EBITDA
  - Weighted average LTM revenue growth of 6.9%
  - Weighted average LTM EBITDA growth of 14.5%

Other Buyout Investments

- Power generation and utility companies, financial institutions and publicly traded companies
  - 12 companies with approximately $63.7 million of fair value, representing 10% of private equity fair value and 21% of buyout fair value
- Six privately held financial institutions ($30.3 million of fair value) grew book value by 9% over the last twelve months and were valued at 1.4x book value on a weighted average basis
- Two power generation and utility companies ($12.2 million of fair value) were valued based on a variety of metrics, including price per kilowatt hour of generation capacity
- Four publicly traded companies ($21.2 million of fair value) generated a weighted average total return of 13% during 2013

1. *Portfolio company operating and valuation metrics are based on most recently available information (unaudited). Private equity fair value as of 30 June 2013. Numbers may not sum due to rounding.*
2. *One energy services company was valued based on normalized EBITDA.*

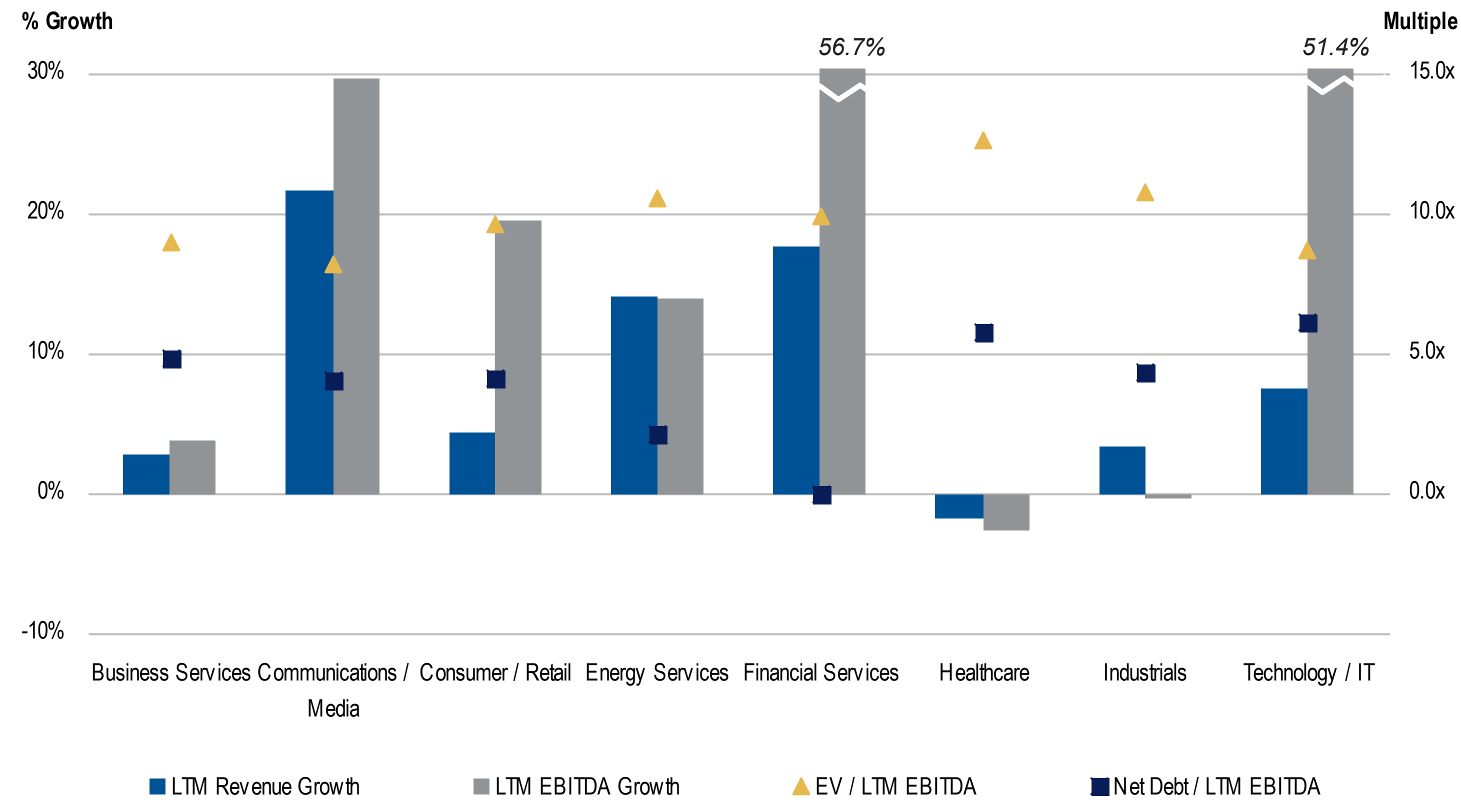
BUYOUT PORTFOLIO ANALYSIS[1]

PORTFOLIO ANALYSIS

Traditional Buyout Companies

The figure below illustrates the key operating, valuation, and leverage statistics for the largest traditional buyout investments based on fair value by industry sector (38 companies valued based on enterprise value to LTM EBITDA). In conducting the analysis, our Investment Manager utilized the most recently available information (principally as of 30 June 2013 but also as of 31 March 2013) to evaluate the year-over-year growth in revenue and EBITDA for each company. In addition, our Investment Manager analyzed the most recently available valuation multiple (enterprise value to LTM EBITDA[2]) and leverage multiple (net debt to LTM EBITDA) for each company. The aggregate metrics by industry sector represent weighted averages based on the fair value of each underlying company at 30 June 2013.

Operating and Leverage Performance by Sector



Fair Value ($mm):	$35.2	$11.5	$13.8	$19.2	$6.6	$17.7	$14.7	$10.9
# of Companies:	7	4	5	7	2	5	5	3

1. *Portfolio company operating and valuation metrics are based on most recently available information (unaudited). Private equity fair value as of 30 June 2013. Numbers may not sum due to rounding.*
2. *One energy services company was valued based on normalized EBITDA.*

PORTFOLIO ANALYSIS

16 Direct-Yielding Investments in healthcare credits and traditional corporate sectors with a total Fair Value of $132.4 million

On a run rate basis, the investments in our Direct-Yielding portfolio generate cash and PIK income of $13.8 million. The corporate debt portfolio is broadly diversified across corporate sectors including business services, industrials and technology. We believe securities within this portfolio have good downside protection as many companies benefit from strong customer bases, diversified revenue sources and favorable industry dynamics. Many of the debt securities are cash-pay at strong yields from a risk-return perspective. The weighted average cash yield on our corporate debt investments is 9.3%[1]. Our healthcare credit investments consist of Royalty Backed Notes and Senior Secured loans with a weighted average cash yield of 12.8%[1]. No individual company within the Direct Yielding portfolio represents more than 3.5% of NBPE's net asset value.

Direct-Yielding Investment Portfolio

Investment Name	Investment Type	Investment Date	Fair Value	Cash + PIK Coupon[2]	OID / Purchase Discount	Cash Yield	PIK Yield	Est. Yield to Maturity
CPG International I Inc.	Mezzanine Debt	Sep-12	-	12.0%	2.5%	12.3%	-	-
CPG International I Inc.	Equity	Sep-12	-	-	N/A	-	-	-
Deltek	Second Lien Debt	Oct-12	-	10.0%	1.5%	9.9%	-	-
Evans Network of Companies	Mezzanine Debt	Jun-12	-	14.0%	2.0%	12.1%	2.0%	-
Evans Network of Companies	Equity	Sep-12	-	-	N/A	-	-	-
Firth Rixson Mezzanine	Mezzanine Debt	May-08	-	11.0%	1.0%	4.4%	5.3%	-
Firth Rixson Mezzanine	Equity	May-08	-	-	N/A	-	-	-
Firth Rixson 2011 PIK Notes	Senior Unsecured PIK	Nov-11	-	18.0%	N/A	-	18.0%	-
Firth Rixson 2012 PIK Notes	Senior Unsecured PIK	Dec-12	-	19.0%	3.0%	-	19.5%	-
KIK Custom Products	Second Lien Debt	May-13	-	9.5%	2.0%	9.6%		-
Heartland Dental	Second Lien Debt	Jan-13	-	9.8%	N/A	9.8%	-	-
Petroleum Place	Second Lien Debt	Dec-12	-	10.0%	N/A	10.0%	-	-
Total Corporate Debt Investments			**$112.0**	**11.1%**	**-**	**9.3%**	**1.7%**	**11.9%**
Royalty Notes (Medication Delivery)	Royalty Backed Note	Feb-12	-	N/A[3]	N/A	N/A[3]	-	-
Royalty Notes (Internal Medication)	Royalty Backed Note	Jan-13	-	11.0%	N/A	10.7%	-	-
Royalty Notes (Hormone Therapy)	Royalty Backed Note	Apr-11	-	17.0%	2.3%	16.3%	-	-
Senior Secured Term Loan (Genetic Testing)	Senior Secured Loan	Jun-13	-	10.0%	N/A	10.0%	-	-
Senior Secured Term Loan (Cardiac Device)	Senior Secured Loan	Feb-13	-	13.5%	1.5%	14.1%	-	-
Senior Secured Term Loan (PCR)	Senior Secured Loan	Aug-12	-	10.0%	1.0%	10.6%	-	-
Senior Secured Term Loan (Public Company)	Senior Secured Loan	Dec-12	-	11.5%	N/A	12.9%	-	-
Total Healthcare Credit Investments			**$20.4**	**12.9%**	**-**	**12.8%**	**-**	**15.4%**
Total Direct Yielding Portfolio			**$132.4**	**11.3%**	**-**	**9.8%**	**1.4%**	**12.3%**

1. *The mezzanine debt investments include equity investments completed as part of the mezzanine transaction. The fair value includes the value of these equity investments, but the cash, PIK and current yields and internal rates of return (IRR) are calculated based on only the debt investments. Yield calculations are based on the debt portion of the investment only and the principal amount of the debt.*
2. *The Firth Rixson Mezzanine cash interest is based on LIBOR plus 450 basis points. The Deltek cash interest is based on LIBOR plus 875 basis points subject to a 1.25% LIBOR floor.*
3. *The obligations of medication delivery royalty notes were satisfied in March 2013. NBPE received an initial distribution in March 2013 and expects to receive an additional distribution in Q4 2014. NBPE also received a preferred equity security in connection with the realization of the royalty notes.*

PORTFOLIO ANALYSIS

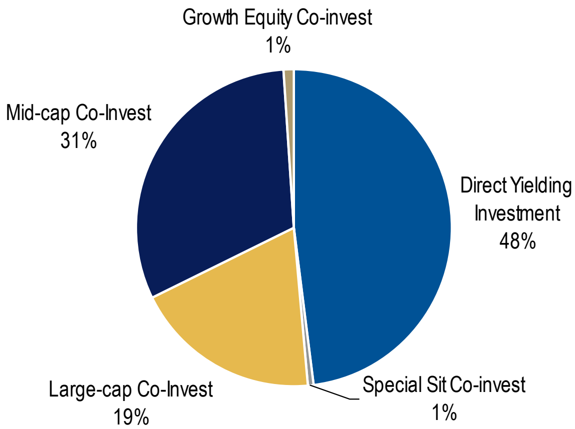
Equity Co-investment and Direct-Yielding Portfolio diversification

As of 30 June 2013, the Private Equity Fair Value of the Equity Co-investment and Direct-Yielding portfolio is $146.8 million and $132.4 million, respectively. Over 50% of the Equity Co-investment and Direct-Yielding Fair Value is held in Mid-cap Buyout and Large-cap Buyout Equity Co-investments with the remaining fair value held in one Special Situations Equity Co-investment, one Growth Equity Co-investment and Direct Yielding Investments. The industry diversification is broad, allocated to what we believe are attractive investment opportunities in Business Services, Industrials, Technology / IT and Healthcare.

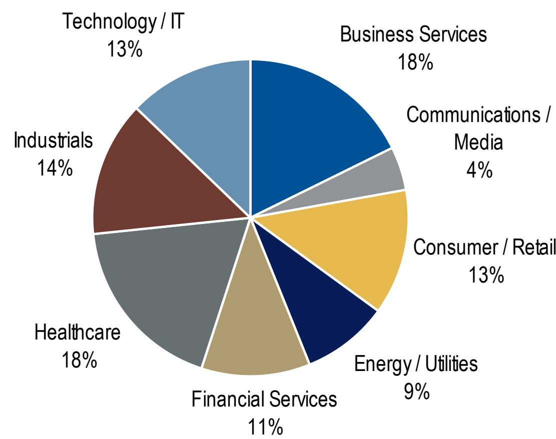
Approximately 66% of the fair value are investments made since the beginning of 2011. We believe we invested capital at reasonable valuations near the beginning of the economic recovery and when economic growth was accelerating.

The direct investment portfolio is allocated primarily to North America. Our current expectation is this allocation will continue, with investments made in other geographies on an opportunistic basis.

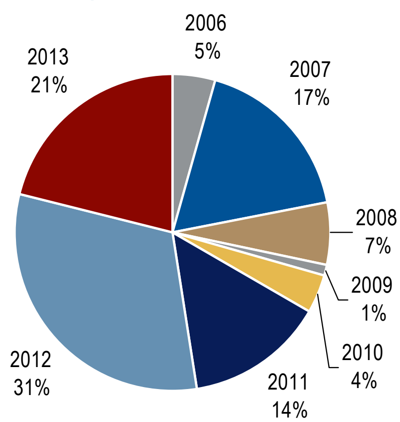
Fair Value by Asset Class



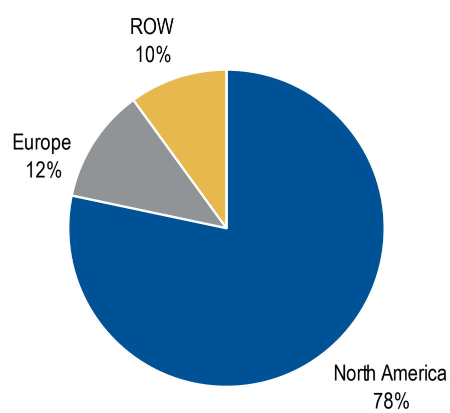
Fair Value by Industry



Fair Value by Year of Investment (Incl. Follow-ons)



Fair Value by Geography



PORTFOLIO ANALYSIS

Mature Funds Portfolio with a significant allocation of Fair Value in Mid-cap Buyout and Special Situations Funds

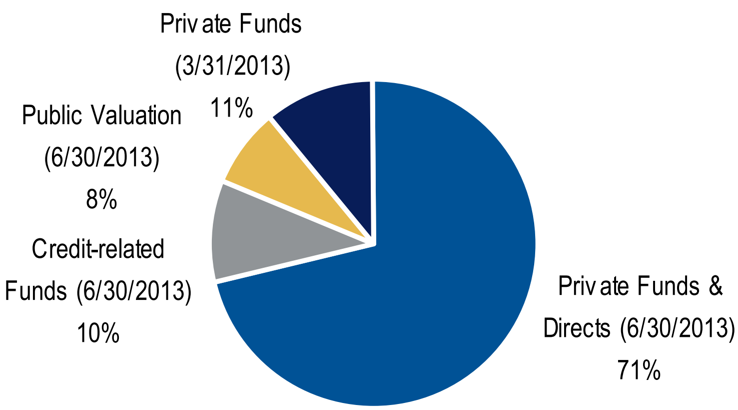
($ in millions) Fund Investments	Principal Geography	Vintage Year	Fair Value	Unfunded[1] Commit.	Total Exposure
Special Situations					
Catalyst Fund III	Canada	2009	$8.5	$6.8	$15.3
Centerbridge Credit Partners	U.S.	2008	19.5	-	19.5
CVI Global Value Fund	Global	2006	8.7	0.8	9.5
OCM Opportunities Fund VIIb	U.S.	2008	8.7	3.0	11.7
Oaktree Opportunities Fund VIII	U.S.	2009	10.0	-	10.0
Platinum Equity Capital Partners II	U.S.	2007	14.2	3.7	17.9
Prospect Harbor Credit Partners	U.S.	2007	0.7	-	0.7
Sankaty Credit Opportunities III	U.S.	2007	18.6	-	18.6
Strategic Value Special Situations Fund	Global	2010	0.6	0.0	0.6
Strategic Value Global Opportunities Fund I-A	Global	2010	0.8	0.1	0.9
Sun Capital Partners V	U.S.	2007	8.3	2.6	10.8
Wayzata Opportunities Fund II	U.S.	2007	9.3	17.8	27.1
Wayzata Opportunities Fund II (Secondary)	U.S.	2011	6.5	5.1	11.6
Total Special Situations Funds			**$114.4**	**$39.8**	**$154.2**
Mid-cap Buyout					
American Capital Equity II	U.S.	2007	4.2	1.2	5.4
Aquiline Financial Services Fund	U.S.	2005	5.7	0.0	5.7
ArcLight Energy Partners Fund IV	U.S.	2007	6.2	4.6	10.8
Avista Capital Partners	U.S.	2006	11.7	0.7	12.4
Clessidra Capital Partners	Europe	2004	1.1	0.2	1.3
Corsair III Financial Services Capital Partners	Global	2007	6.5	1.3	7.8
Highstar Capital II	U.S.	2004	2.6	0.1	2.7
Investitori Associati III	Europe	2000	0.2	0.5	0.7
Lightyear Fund II	U.S.	2006	10.0	1.4	11.5
OCM Principal Opportunities Fund IV	U.S.	2006	14.5	2.0	16.5
Trident IV	U.S.	2007	4.7	0.6	5.3
Total Mid-cap Buyout Funds			**$67.5**	**$12.7**	**$80.2**
Large-cap Buyout					
Carlyle Europe Partners II	Europe	2003	4.1	0.7	4.8
Doughty Hanson & Co IV	Europe	2003	3.7	0.1	3.8
First Reserve Fund XI	U.S.	2006	21.2	0.0	21.2
J.C. Flowers II	Global	2006	2.8	0.3	3.1
Total Large-cap Buyout Funds			**$31.8**	**$1.2**	**$33.0**
Growth Equity					
Bertram Growth Capital I	U.S.	2007	8.8	1.3	10.1
Bertram Growth Capital II	U.S.	2010	3.6	5.1	8.7
DBAG Expansion Capital Fund	Europe	2012	0.2	5.0	5.2
NG Capital Partners	Peru	2010	6.2	1.0	7.2
Summit Partners Europe Private Equity Fund	Europe	2010	2.4	2.9	5.3
Total Growth Equity Funds			**$21.2**	**$15.2**	**$36.4**
Fund of Funds Investments					
NB Crossroads Fund XVII	U.S.	2002-06	29.1	2.1	31.2
NB Crossroads Fund XVIII Large-cap Buyout	Global	2005-10	11.5	2.2	13.7
NB Crossroads Fund XVIII Mid-cap Buyout	Global	2005-10	30.4	7.1	37.5
NB Crossroads Fund XVIII Special Situations	Global	2005-10	7.5	0.9	8.4
NB Crossroads Fund XVIII Venture Capital	U.S.	2005-10	9.5	1.7	11.2
NB Fund of Funds Secondary 2009	Global	2009-10	7.9	1.6	9.4
Total Fund of Funds			**$95.8**	**$15.6**	**$111.4**
Total Fund Investments			**$330.7**	**$84.5**	**$415.2**

Note: Numbers may not sum due to rounding.
1. $43.3 million of unfunded commitments are to funds past their investment period.

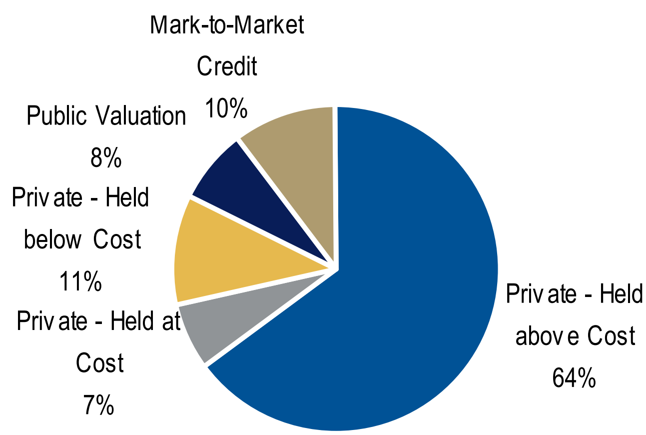
PORTFOLIO ANALYSIS

Our NAV per Share of $12.14 was $0.22 higher than previously reported in our June Monthly NAV estimate, principally due to the receipt of additional valuation information after 12 July 2013, the publication date of our June Monthly NAV estimate (% of Fair Value)[2,3]

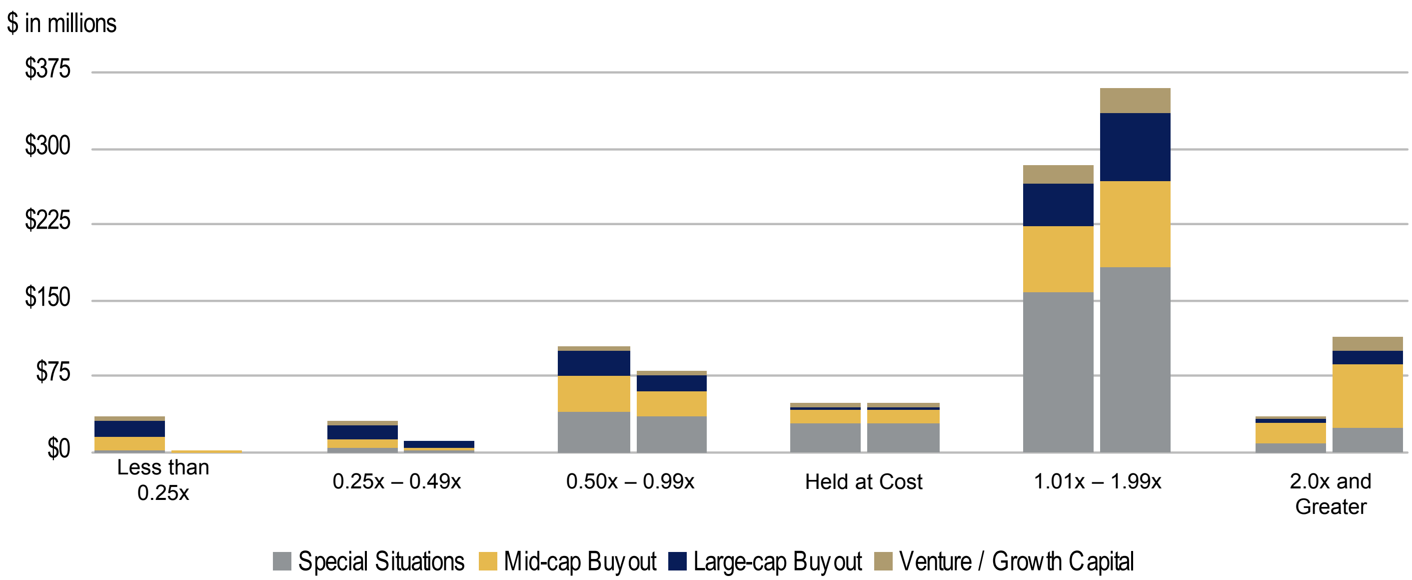
By Date of Information & Valuation Type



Valuation Method



Underlying Company Performance by Asset Class and Multiple of Invested Capital Range

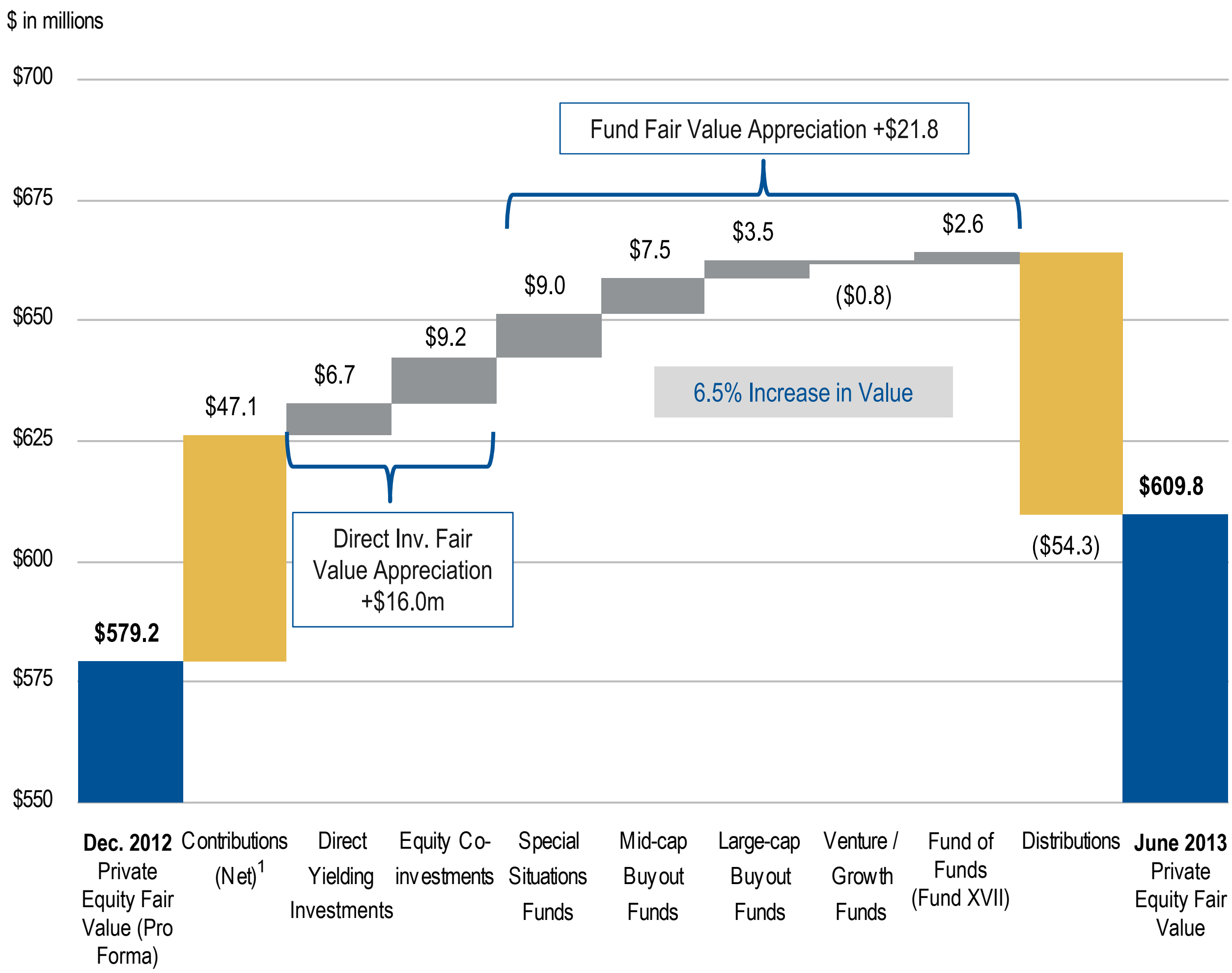


1. Please refer to page 63 for a detailed description of our valuation policy. While some information is as of 31 March 2013, our analysis and historical experience lead us to believe that this approximates fair value at 30 June 2013.
2. As reported in our monthly NAV estimate the percent of private equity fair value was held: 21% in Private Funds & Directs as of 30 June 2013, 60% in Private Funds & Directs as of 31 March 2013, 10% in Credit-related Funds and 9% in publics.
3. As published in our June Monthly NAV update on 12 July 2013. On 19 August 2013, NBPE revised its NAV estimate for July which resulted in an increase of NBPE's NAV to $11.96.

PERFORMANCE OVERVIEW

During the first six months of 2013, our Private Equity Fair Value appreciated in value across asset classes and investment types, with the largest gains in value from Special Situations Funds, including both restructuring / turnaround funds as well as distressed debt trading funds. The Special Situations funds continue to generate liquidity and have distributed $26.2 million to NBPE in the first six months of 2013. Excluding cash flows, our Equity Co-investments appreciated in value as a result of write-ups in companies in business services and communications, as well as from write-ups in value based on the expected proceeds from two dividend re-capitalizations. These dividend proceeds were received in July. Excluding cash flows, during the first six months of 2013, fair value appreciation in our Private Equity Fair Value was driven by a:

- 7.2% increase in the value of the Equity Co-investment portfolio fair value
- 8.2% increase in the value of the Direct Yielding Investment portfolio fair value
- 6.2% increase in the value of the Fund portfolio fair value

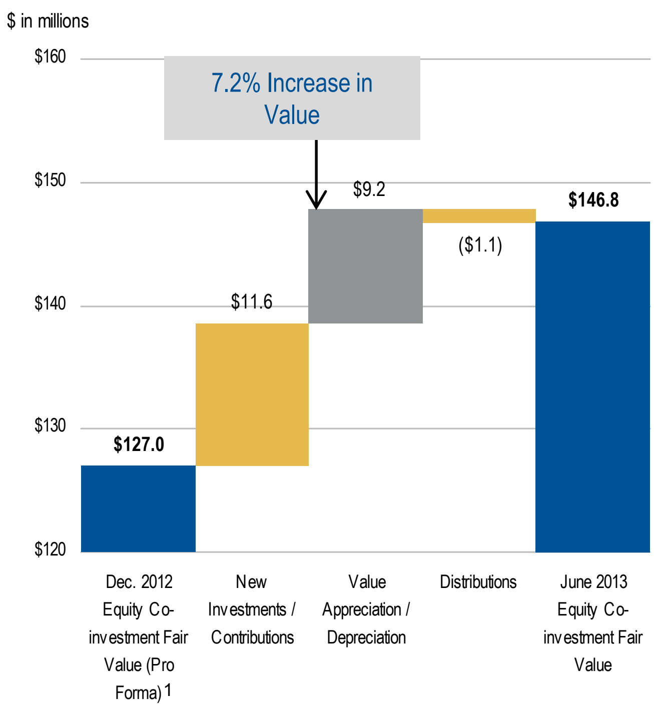


Note: Direct-yielding investment appreciation includes equity investments completed as part of the mezzanine transaction. Direct Yielding appreciation includes both fair value appreciation as a result of accrued cash interest as well as accrued non-cash (PIK) yield. Our performance related to our commitment to NB Crossroads Fund XVIII is presented within each respective fund asset class. Numbers may not sum due to rounding.

1. *For the purposes of this analysis, the funding of Heartland Dental second lien debt is removed from the contributions and is treated as a pro-forma investment in the December 2012 Private Equity Fair Value. However, the actual contribution occurred in January 2013. December 2012 Private Equity Fair Value is also pro-forma for $3.0 million of returns of capital from the NB Alternatives Co-investment Program.*

PERFORMANCE ANALYSIS

$11.6 million of new equity co-investment activity and a 7.2% increase in value during the first six months of 2013



Equity Co-investment Portfolio

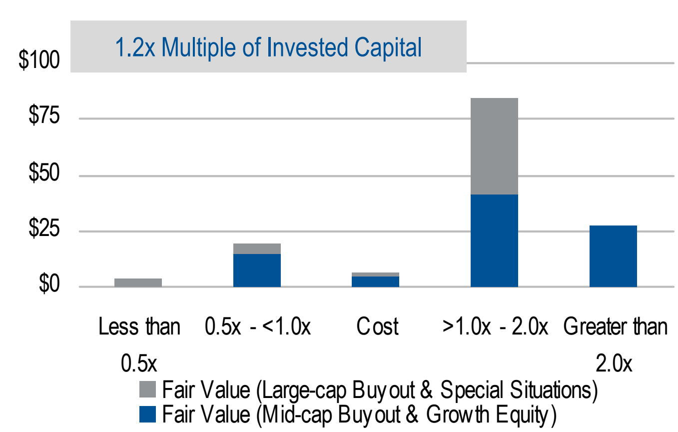
During the first six months of 2013, we participated in five new Equity Co-investments in the business services, energy, education, retail and insurance industries.

The portfolio appreciated in value by $9.2 million during the first six months of 2013, due mainly to write-ups of several Equity Co-investments. The value increases were driven by write-ups from the expected proceeds from two dividend re-capitalizations, which were received in July. In addition, we believe many companies benefited from stronger operating performance.

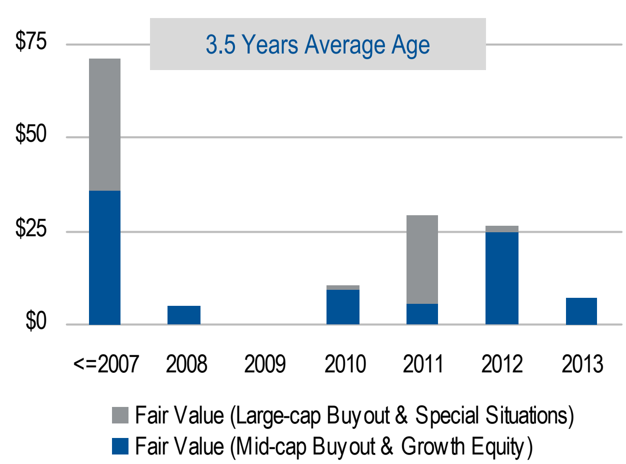
The investment multiple range by fair value shows the dispersion of value within our Equity Co-investment portfolio. The majority of our Private Equity Fair Value is currently held between a 1.0x – 2.0x multiple of invested capital and only approximately 16% of Private Equity Fair Value was held below cost.

The average age of the Equity Co-investments was 3.5 years and over 40% of the fair value was in vintages after 2010.

Investment Multiple Range by Fair Value



Vintage Year by Fair Value



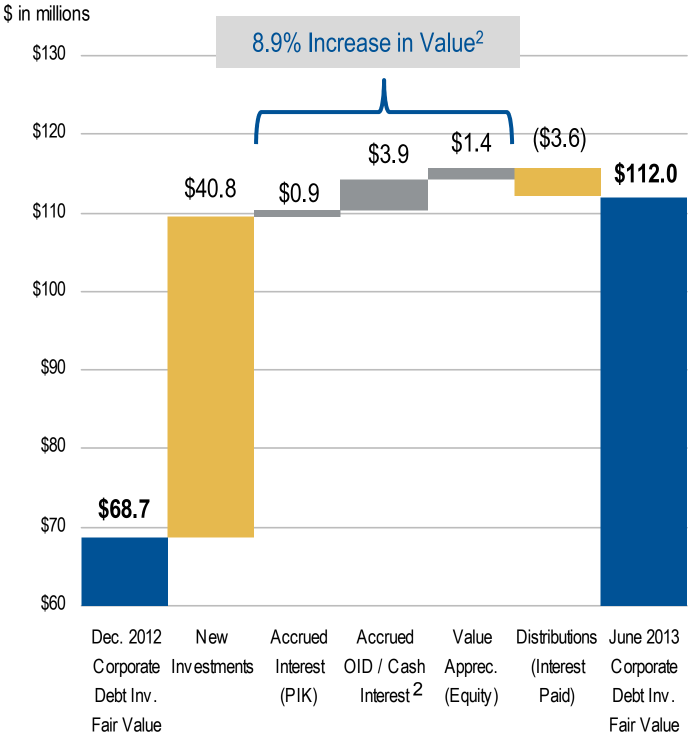
Note: Numbers may not sum due to rounding.

1. *For the purposes of this analysis, private equity fair value at December 2012 is on a pro-forma basis, which takes into account returns of capital that occurred in Q1 2013. 2013 contributions reflect the amount invested into new investments during the quarter and exclude returns of capital.*

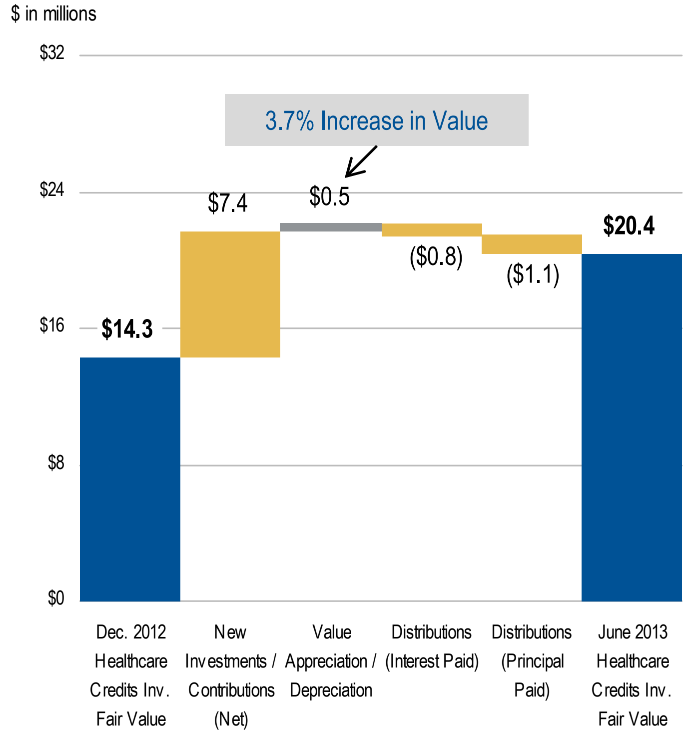
PERFORMANCE ANALYSIS

8.9% and 3.7% increase in the value of Corporate Debt and Healthcare Credit Investments, respectively. Run-rate cash income is $12.1 million as of 30 June 2013

Corporate Debt & Traditional Mezzanine[1]



Healthcare Credits & Royalty Backed Notes



Corporate Debt Investment Portfolio

During the 2nd quarter, NBPE purchased the second lien debt in KIK Custom Products. NBPE also received approximately $3.6 million of distributions consisting entirely of cash interest during the first half of 2013.

This portfolio includes nine Corporate Debt Investments, consisting of mezzanine financings, term loans and 2nd-Lien Debt

- 11.1% Cash & PIK Yield / 9.3% Cash Yield
- $9.8 million of run-rate cash income
- 11.9% weighted average estimated yield to maturity
- 5.6x weighted average total leverage
- 3.8x weighted average senior leverage[3]

Healthcare Credit Investment Portfolio

During the second quarter of 2013, NBPE participated in one healthcare credit investment in a genetic testing company.

NBPE received approximately $1.9 million in distributions consisting of cash interest and principal repayments during the first half of 2013.

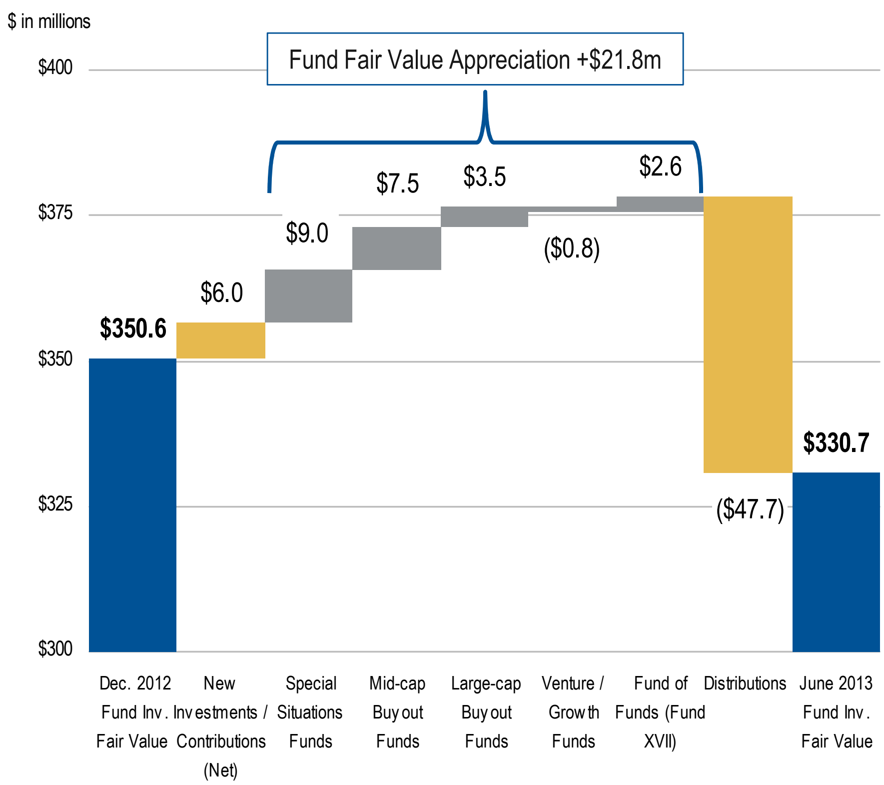
This portfolio includes four Healthcare Credits and three Royalty Backed Notes

- 12.8% Cash Yield
- $2.3 million of run-rate cash income
- 15.4% weighted average estimated yield to maturity

Note: Numbers may not sum due to rounding.
1. The mezzanine debt investments include equity investments completed as part of the mezzanine transaction.
2. Debt value appreciation includes amortization of the Original Issue Discount (OID) and accrued interest.
3. Based on the net leverage that is senior to the security held by NBPE.

PERFORMANCE ANALYSIS

6.2% appreciation in value for the fund investment portfolio



Fund Portfolio Investment Performance

The largest valuation gains were in the Special Situations and Mid-cap Buyout asset classes. Five of the top ten Fund value drivers, measured in terms of dollar appreciation, were Special Situations Funds. We believe this appreciation reflects the strength of the restructuring progression of many of the underlying companies as well as the recovery in trading levels of many of the debt positions from lows experienced during the crisis. Within the buyout portfolios, we believe companies continue to benefit from rationalized cost structures and the generally positive economic environment.

During the second quarter of 2013, NBPE received $26.2 million of distributions from fund investments, including approximately $17.0 million from Special Situations funds.

Excluding cash flow activity, during the six months of 2013, the top 10 Fund value drivers had a combined fair value appreciation of $17.2 million, or 9.5%. The top 10 negative drivers had a combined depreciation in fair value of $2.1 million, or down 4.7%. The remaining 19 Funds had a combined fair value appreciation of $6.7 million, or 5.5%.

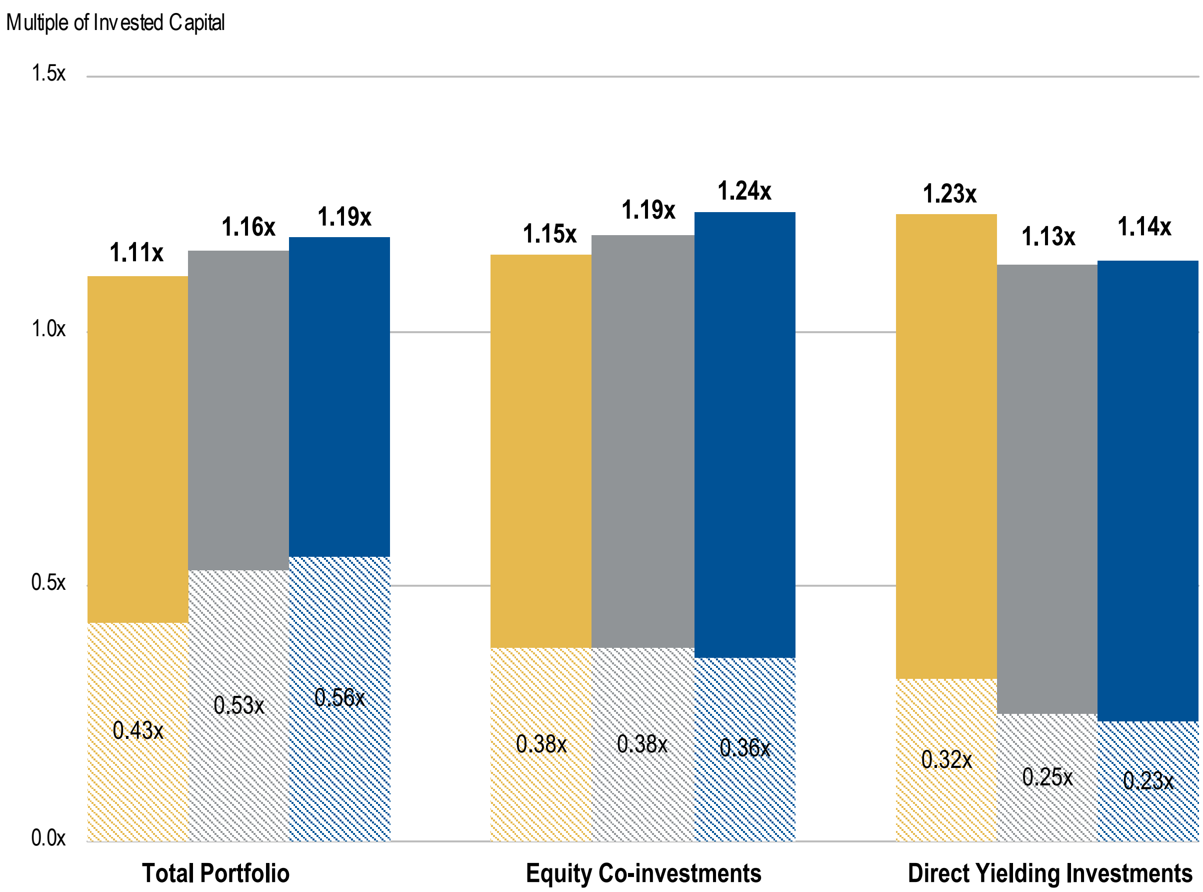
Note: Numbers may not sum due to rounding.

PERFORMANCE SINCE INCEPTION[1]

PERFORMANCE ANALYSIS

We believe we have generated strong performance since inception and have received a significant amount of our invested capital back from distributions

Since inception, including realized investments and based on the multiple of total value to paid-in capital ("TVPI"), our total portfolio is held at a 1.19x gross TVPI multiple. We have generated cash distributions of approximately $438.1 million, or 56% of paid-in capital, across the portfolio. Our Equity Co-investments are held at a 1.24x gross TVPI multiple and we have generated total distributions of $60.8 million, or 36% of paid-in capital, through sales, recapitalizations and dividends. During 2012, the TVPI multiple of our Direct Yielding Investment portfolio decreased, primarily as a result of the funding of new investments. As of 30 June 2013, our Direct Yielding Investments are held at a 1.14x gross TVPI multiple and we have generated total distributions of $34.2 million, or 23% of paid-in capital, through sales, cash interest and principal repayments.



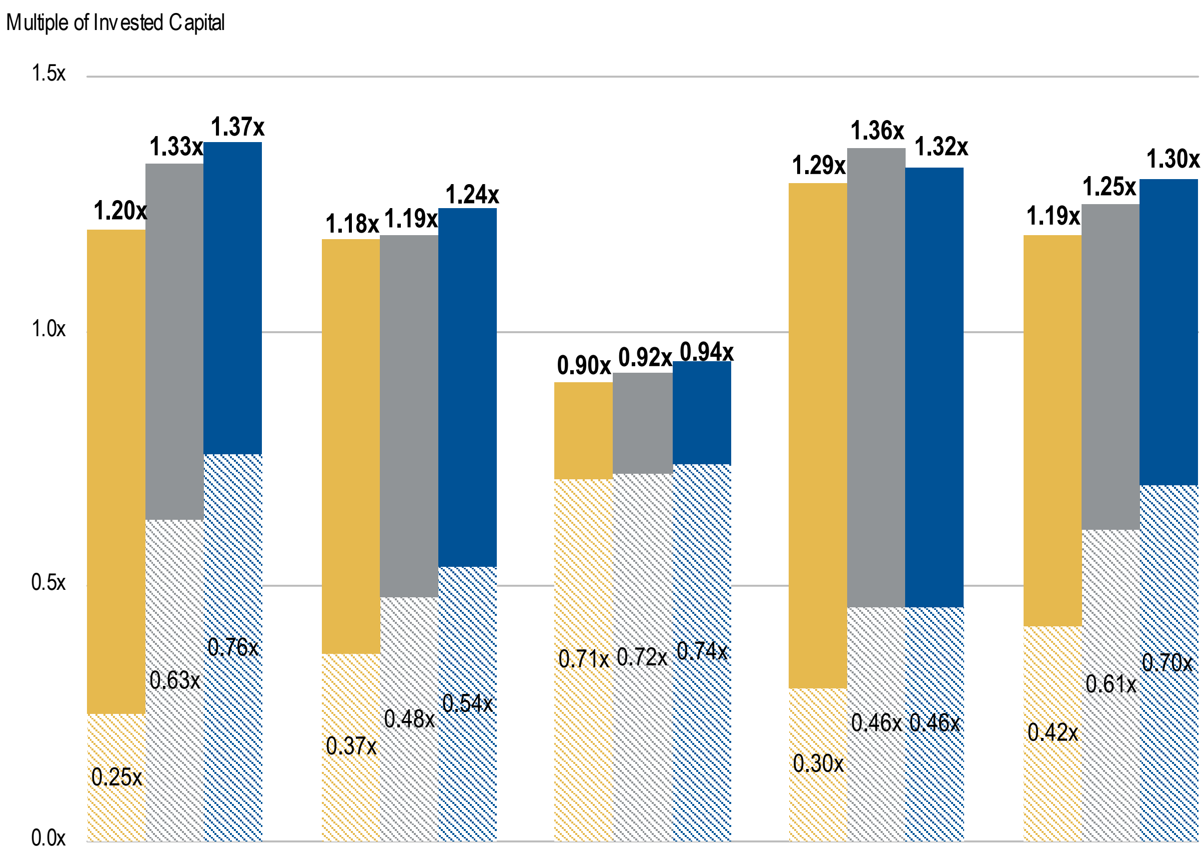
	Total Portfolio	Equity Co-investments	Direct Yielding Investments
Fair Value at 30 June 2013	$606.5m	$146.8m	$132.4m
Cash Distributions since Inception	$438.1m	$60.8m	$34.2m

1. Dashed bars represent distributed to paid-in capital. Fair value shown here will not tie to Private Equity Fair Value due to a deferred purchase price from the December 2011 secondary transaction in Wayzata Opportunities Fund II, which has been netted against fair value for performance calculations. Total distributions exclude Strategic Asset Sale proceeds of $100.5 million. Numbers may not sum due to rounding.

PERFORMANCE ANALYSIS

Special Situations and Mid-cap Buyout Funds continue to generate gains

Special Situations Funds, the largest asset class within our Fund portfolio, have generated a gross TVPI multiple of 1.37x. This portfolio has generated cash distributions of approximately $145.9 million, or 76% of paid-in capital, driven by the monetization of credit positions by underlying managers as well as redemption proceeds received from the full redemption and partial redemption of two Special Situations Funds in 2012. We expect cash distribution activity to continue over the coming quarters within this asset class. Mid-cap Buyout Funds have generated a gross TVPI multiple of 1.24x and approximately $82.0 million in distributions, or 54% of paid-in capital. We believe the remaining Fund asset classes, including Large-cap Buyout, Venture / Growth Capital and NB Crossroads Fund XVII, while smaller parts of the overall portfolio, will continue to drive value and provide additional diversification.



	Special Sit Funds	Mid-cap Buyout Funds	Large-cap Buyout Funds	Venture / Growth Funds	NB Crossroads Fund XVII
Fair Value at 30 June 2013	$118.5m	$105.7m	$43.3m	$30.7m	$29.1m
Cash Distributions since Inception	$145.9m	$82.0m	$64.3m	$16.6m	$34.2m

Q4 2011 Q4 2012 Q2 2013

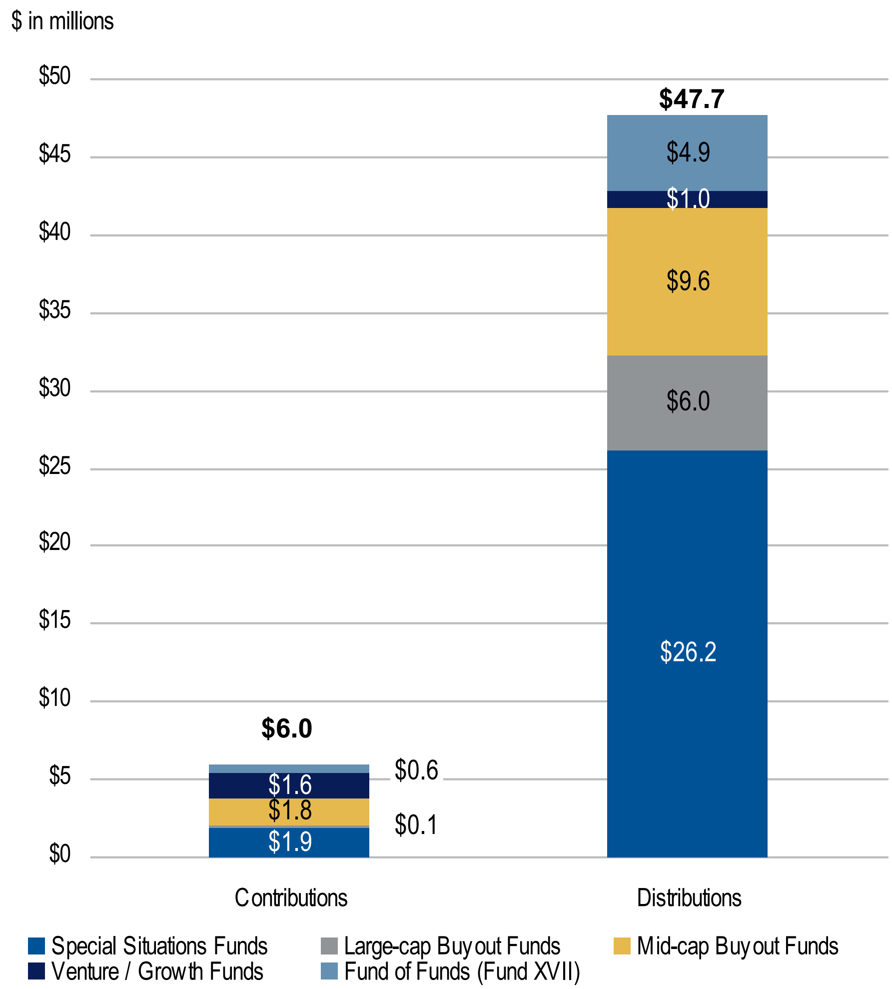
1. Dashed bars represent distributed to paid in capital. Fair value shown here will not tie to private equity fair value due to a deferred purchase price from the December 2011 secondary transaction in Wayzata Opportunities Fund II, which has been netted against fair value for performance calculations. Total distributions exclude Strategic Asset Sale proceeds of $100.5 million. Our performance related to our commitment to NB Crossroads Fund XVIII is presented within each respective fund asset class. Numbers may not sum due to rounding.

PERFORMANCE ANALYSIS

Liquidity events and IPO activity during the first six months of 2013

- Within our Direct Fund portfolio, 112 companies completed liquidity events, leading to $47.7 million of distributions to NBPE
- Within NB Crossroads Fund XVII and Fund XVIII, 327 companies completed liquidity events, leading to $8.3 million of distributions to NBPE
- 28 companies in the portfolio, representing $4.5 million of unrealized value, completed IPOs during the first six months of 2013, which may lead to future distributions to NBPE. The IPOs below represent the top five companies by value that completed an IPO during the first half of 2013.
  - Taylor Morrison Home Corp. (NYSE: TMHC) – NBPE and NB Crossroads Fund XVIII (OCM VIII)
  - Tableau Software, Inc. (Nasdaq: DATA) – NB Crossroads Fund XVII (Meritech III & NEA XI)
  - CDW Corporation (Nasdaq: CDW) – NB Crossroads Fund XVII and NB Crossroads Fund XVIII (Madison Dearborn Partners V)
  - Gigamon Inc. (NYSE: GIMO) – NB Crossroads Fund XVII and NB Crossroads Fund XVIII (Highland Capital VII)
  - Norwegian Cruise Lines (Nasdaq: NCLH) – NB Crossroads Fund XVII (Apollo VI) and NB Crossroads Fund XVIII (TPG V)

Fund capital call activity continues to slow while distribution activity from our mature funds has increased



Note: Numbers may not sum due to rounding.

Fund portfolio capital call activity has decreased as the portfolio matures. During the first six months of the year, Special Situations experienced the most capital call activity, with the largest capital calls from Catalyst Fund III to fund distressed investments in Canada. The largest capital call in our Mid-cap Buyout portfolio was from ArcLight Energy Partners IV while the largest capital calls in our Growth Equity Fund portfolio were from Bertram Growth Capital Funds I and II and Summit Partners Europe.

Many funds in the portfolio are beginning to focus on harvesting existing portfolio companies and returning cash. As a result, NBPE has experienced increased distribution activity from Funds. The largest distributions during the first six months of 2013 were from Special Situations Funds, followed by Mid-cap Buyout Funds.

During the first six months of 2013, the largest fund distributions were received from Sankaty Credit Opportunities Fund III, OCM Principal Opportunities Fund IV, and OCM Opportunities VIIb, as a result of multiple underlying liquidity events.

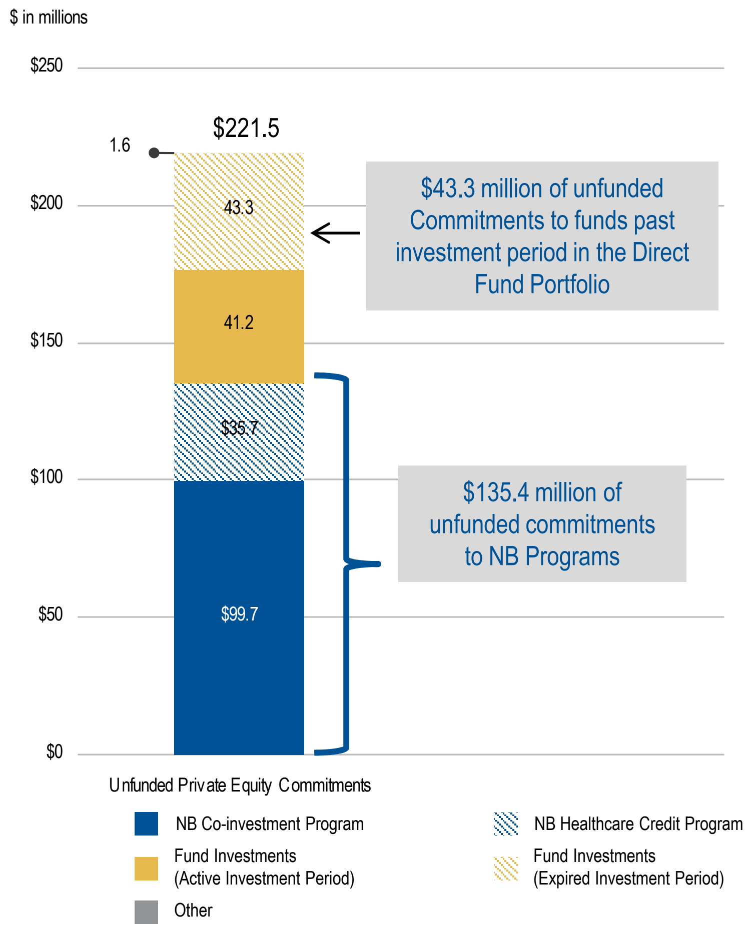
We expect distribution activity in the Fund portfolio to continue over the next several quarters as underlying managers focus on liquidity.

UNFUNDED COMMITMENTS

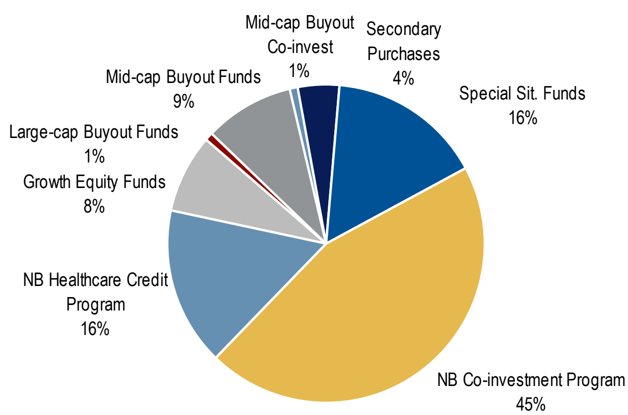
Favorable capital position for new investments

As of 30 June 2013, our unfunded commitments were approximately $221.5 million. Within our fund portfolio, $43.3 million of the unfunded commitments are to funds past their investment period. We believe a portion of this amount is unlikely to be called, which we believe places us in a favorable capital position to make new investments. However, some amount may be called in future periods for fees, expenses and / or follow-on investments.

Unfunded commitments are primarily to our NB Co-investment and NB Healthcare Credit Programs. We expect capital to be called in future quarters to fund new direct investments. Approximately 32% of our unfunded commitments were to our Fund portfolio, with large unfunded commitments to Special Situations and Mid-cap Buyout Funds. However, approximately 81% and 65% of unfunded commitments to these asset classes, respectively, were to funds past their investment period. Approximately 7% of our unfunded commitments were to Growth Equity Funds; however capital deployment by underlying managers within this asset class is typically prolonged.



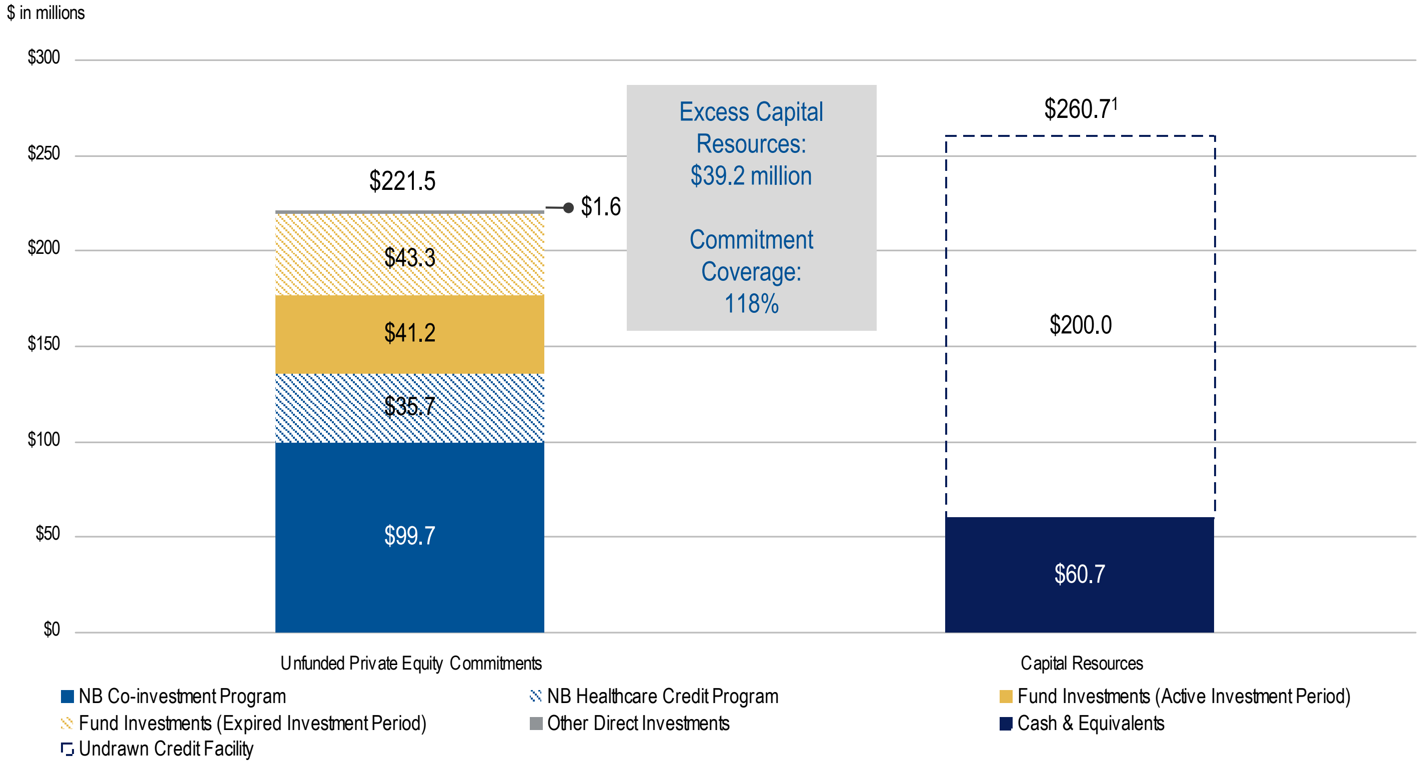
61% of our Unfunded Commitments are to the NB Co-investment and NB Healthcare Credit Programs



Note: Numbers may not sum due to rounding.

LIQUIDITY & CAPITAL RESOURCES

Excess capital resources of $39.2 million and no outstanding borrowings on our $200 million credit facility



Credit Facility

In December 2012, we entered into an agreement with Lloyds Banking Group regarding a senior secured revolving credit facility of up to $200.0 million. Under the terms of the agreement, we may borrow, repay and re-borrow to fund private equity contributions and working capital requirements throughout the term expiring in April 2017. All borrowings under the credit facility bear interest at a floating rate and are tiered based on loan value, calculated as LIBOR or Euribor, as appropriate:

- LIBOR / Euribor + 280 bps for loan value less than or equal to $65 million
- LIBOR / Euribor + 330 bps for loan value in excess of $65 million and less than or equal to $150 million
- LIBOR / Euribor + 365 bps for loan value in excess of $150 million

We are also required to pay a non-utilization fee calculated as 80 basis points per annum on the daily balance of the unused amount of the credit facility.

The key financial covenant for our credit facility is a maximum debt to value ratio of 50.0%. The debt to value ratio is calculated as total debt and current liabilities divided by Restricted NAV, with Restricted NAV defined as the fair value of all private equity investments (less any excluded value) plus cash and cash equivalents. At 30 June 2013, the debt to value ratio was 2.0%.

The two other covenants are a secured asset ratio and a commitment ratio. The secured asset ratio is not to exceed 80.0% and is defined as total debt and current liabilities divided by Secured Assets, with Secured Assets defined as the value of secured private equity investments plus cash and cash equivalents. At 30 June 2013, the secured asset ratio was 2.9%.

The commitment ratio is defined as Restricted Total Exposure divided by the aggregate of Shareholder's equity and the total amount of the credit facility, with Restricted Total Exposure defined as the value of private equity investments (less any excluded value) plus unfunded private equity commitments.[1] If the debt to value ratio is greater than 25.0% and the commitment ratio is greater than 130.0%, then we become restricted from making new private equity investments. At 30 June 2013, the commitment ratio was 104.9%.

Note: Numbers may not sum due to rounding.
1. Cash and equivalents include restricted cash.

MARKET COMMENTARY

Equity markets have performed solidly this year as signs of economic growth appear to gain momentum. In the U.S., housing and energy have performed well, while employment continues to grow slowly. Nevertheless, recent signs are causing concern. The dramatic spike in interest rates caused by concerns about an early end to the Fed's quantitative easing program might put a damper on one of the economy's bright spots—the housing market. In addition, the delayed effects of payroll tax changes and fiscal contraction could weigh on growth in the third quarter.[1]

The second quarter saw rising interest rates stemming from investor concerns about potential tapering by the U.S. Federal Reserve, and earlier-than-expected tightening. This impacted a host of asset classes during the quarter, particularly fixed income, which was down across the board. U.S. equities experienced a slight increase in volatility over the first quarter, but finished with gains of 2-4%. Since the June Federal Open Markets Committee meeting, markets have digested the Fed's message and consequently stabilized. [1]

Hopes at the end of last year for a quick rebound in Europe proved brief as most European economies have remained in recession. Germany and other core Eurozone countries are faring better than peripheral nations but continue to be in economic contraction mode. Still, there are signs of gradual improvement. For example, recent data indicate that consumer and business confidence in Germany has turned the corner, making it likely, in our view, that the country will again lead Europe out of the recession. Other large nations in the eurozone, such as France, Spain and Italy, remain in poor shape in the face of ongoing austerity measures. However, gradual improvement is expected as troubled countries carry out structural changes to make their respective economies more competitive and begin to consider stimulus measures to ignite growth.[1]

Global growth appears to be in the trough of a short slowdown and, in our view, will likely rebound gradually throughout 2013. Unlike 2008–2009, the recent deceleration has not been a synchronous one, and the majority of markets are still in expansion mode. Despite the recent spate of poor data, the U.S. appears to be in the mid-cycle growth phase supported by improvements in housing, while Europe remains mired in recession with the possibility of entering early stage recovery later in the year.[1]

We believe that economic fundamentals are improving in the U.S. and around the world. Opportunities in the U.S. are looking especially attractive as housing continues to rebound. Also a tailwind for the U.S. economy and markets is well-capitalized corporations, which are investing in new plant and equipment, as well as new hiring. Additional exploration and production of U.S. oil and gas resources could provide another support for growth.[1]

Private Equity Buyout Market

U.S. leveraged buyout volume decreased from $53.2 billion in the first quarter of 2013 to $14.8 billion in the second quarter of 2013 with the average LBO size decreasing slightly to $777.2 million in the second quarter, down from $786.2 million during the same period in 2012.[2] However, private equity buyers had sufficient capital to invest, credit was readily available and many companies continued to demonstrate solid performance. Large-cap transactions (defined by S&P as enterprise values over $1.0 billion) continued to represent a significant amount of the transactions during the quarter, with over 50% of LBO transaction volume greater than $1.0 billion of enterprise value.[2] According to data from S&P, public to private transactions represented approximately 50% of LBO transaction volume in the first half of 2013; however, the public to private transaction volume slowed in the second quarter of 2013. [2]

Similar to 2012, companies with strong growth profiles, high free cash flow and more predictable business models insulated from broad macroeconomic trends attracted premium multiples. Generally, private equity buyers appear willing to pay up for good companies, especially in cases where businesses demonstrate strong fundamentals, sustainable competitive advantages or compelling growth opportunities. The average purchase price multiple for all LBOs in the second quarter of 2013 excluding fees and expenses was 7.8x; this was down from the 2012 average multiple of 8.4x.[2] While valuation multiples in 2013 have declined somewhat, we believe the active competition from cash-rich strategic acquirers and private equity firms, combined with ample credit availability kept transaction valuation multiples at elevated levels, particularly for larger transactions. We believe a favorable opportunity continues to exist to invest at reasonable valuations in the small and mid-cap buyout markets, where the availability of credit is typically lower and equity contributions are higher. Given the lower absolute leverage levels employed in the small-to mid-cap market, co-investors have increasingly been utilized to fund the equity portion of these transactions.

In Europe, the Netherlands, the UK, France, and Germany were the most active countries by total LBO volume and the average purchase price multiple for all LBOs was 9.1x in the first half of 2013, down from 9.4x in 2012.[3] However, despite the multiple decline since 2012, valuation multiples within Europe remain elevated. The majority of transactions that were executed involved stable businesses with healthy cash flows which generally demand a higher valuation. In addition, with some signs of economic improvement, particularly in Germany, we believe buyers may be more willing to pay higher multiples. However, investment activity remains substantially below the peak buyout years prior to the financial crisis.

1. *Source: Neuberger Berman Investment Strategy Group.*
2. *S&P Q2 2013 U.S. Leveraged Buyout Review.*
3. *S&P Q2 2013 European Leveraged Buyout Review.*

MARKET COMMENTARY

Debt Markets

The loan and high yield markets have gained strength as investors seeking yield continued to allocate capital to income-oriented strategies. Private equity managers were very active in the credit markets as they re-priced existing credits, executed dividend recapitalizations and extended debt maturities. During the first six months of 2013, non-LBO activity was 73% of sponsored loan volume, and M&A volume increased 20% from the prior period. However, the number of transactions declined and 2013 volume is tracking to be lower than levels seen in 2010. Leverage levels in the first six months of 2013 for buyouts were at an average of 5.2x, slightly higher than levels seen in 2011 and 2012. For the first six months of 2013, the median yield for second lien was 9.0%, compared to 5.8% for high yield bonds, which demonstrates the yield premium an investor can receive for illiquid investments.

Fundraising Environment

During the second quarter of 2013, approximately $33.8 billion was raised in the U.S. buyout market, of which approximately $12.5 billion was raised by funds with a fund size under $2.5 billion.[2] While 2012 saw some improvements for managers raising funds greater than $2.5 billion, it remains to be seen whether this trend will continue in 2013. We do believe this will be limited to a small number of traditional buyout funds, consistent with 2012. Since the beginning of 2012, there have been fewer successful fundraises, leading to an ongoing reduction in the amount of capital raised. In Europe, during the second quarter of 2013, approximately $9.9 billion was raised in the buyout market, of which only $830 million was raised entirely by funds with a fund size under $2.5 billion[2]. We believe this is consistent with a current global trend of a flight to quality and targeting primarily esteemed and proven private equity managers.

1. *S&P Q2 2013 U.S. Leveraged Buyout Review.*
2. *Thomson Reuters through 30 June 2013. Excludes venture, mezzanine, fund of funds, and secondary fundraising.*

Our company is subject to, and an investment in our company's shares involves, substantial risks, which may adversely impact our business, financial condition, results of operations and/or the value of your investment. Investors in our company's Class A Ordinary Shares ("Class A Shares") and ZDP Shares should carefully consider such risks, which include, without limitation, those set out below. If any such risks occur, our business, financial condition, results of operations and the value of your investment would likely suffer.

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

On liquidation of our assets on any given day, the reported NAV may not match the liquidated cash value of such assets.
Where we are required or deem it necessary to liquidate some or all of our assets on any given day, the liquidated cash value of such assets may not match the reported NAV or portion of the reported NAV (in the case that not all of our assets are liquidated) attributable to such assets. Liquidation of our assets will be subject to a number of factors, including the availability of purchasers of our assets, liquidity and market conditions and, as such, the actual cash value of some or all of our assets may differ from the latest reported NAV (or portion of the reported NAV (in the case that not all of our assets are liquidated).

The shares could continue to trade at a discount to NAV.
The shares could continue to trade at a discount to NAV for a variety of reasons, including, without limitation, due to market conditions or to the extent investors undervalue the Investment Manager's investment management activities. Also, since there is generally a period of years before a new private equity fund has completed making its investments, return on our investments in such funds is not likely to be realized for a substantial time period, if at all, which could negatively impact the value of the shares. Additionally, unlike traditional private equity funds, we intend to continuously reinvest the cash we receive, except in limited circumstances (including in connection with our company's Capital Return Policy and Share Buy Back Programme). Therefore, the only way for investors to realize their investment is to sell their shares for cash. Accordingly, in the event that a holder of shares requires immediate liquidity, or otherwise seeks to realize the value of its investment in our company, through a sale of shares, the amount received by the holder upon such sale may be less than the underlying NAV of the relevant shares sold.

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

The availability of our credit facility and failure to continue to meet the financial covenants in our credit facility could have an adverse impact on our liquidity.
The availability of our credit facility is dependent on our continuing compliance with the covenants of our credit facility. We are currently in compliance with all of the covenants of our credit facility. However, certain events, including reductions in the NAV of our investment portfolio, could result in an event of default under the credit facility agreement. Where an event of default occurs, the lender may cancel the undrawn portion of our credit facility and declare the entire outstanding principal and interest immediately due. As a result, we may not have access to sufficient capital to meet our obligations (including unfunded commitments) and we could be forced to sell assets in order to cure the event of default or to repay our credit facility. Where we are obliged to sell assets from our investment portfolio to meet our obligations under our credit facility, such sale may be at an undervalue and may not reflect the estimated unaudited fair value that we have assigned to such asset(s). Further, where our credit facility is unavailable, our ability to make new investments or to honor funding obligations to which we are already committed may be severely restricted. We may be unable, or it may not be prudent or in our best interests, to enter into further agreements to borrow money or to refinance our credit facility.

The price attributed to the Class A Shares on Euronext Amsterdam and the SFM may vary significantly and the price attributed to the ZDP Shares on the SFM and the CISX may vary significantly.
The Class A Shares are admitted to trading on Euronext Amsterdam and the SFM and the ZDP Shares are admitted to trading on the SFM and the CISX. The price attributed to the Class A Shares or ZDP Shares, as the case may be, may vary significantly on one exchange versus the other. As such, no guarantee is given that investors will receive best pricing and execution on one market over another. We and our company accept no responsibility whatsoever with regards to the pricing of the Class A Shares and execution of trades therein on Euronext Amsterdam and the SFM, the pricing of the ZDP Shares and execution of trades therein on the SFM and the CISX, nor do we accept any responsibility for any pricing and/or execution variation between any of these exchanges. Investors are responsible for informing themselves as to the best pricing and execution available, in the case of the Class A Shares, on both Euronext Amsterdam and the SFM, and, in the case of the ZDP Shares, on both the SFM and the CISX.

The holders of ZDP Shares may not receive the final capital entitlement.
The holders of ZDP Shares may not receive the final capital entitlement and no guarantee is made by us or our company in relation to the payment thereof. The ZDP Shares, whilst ranking prior to the Class A Shares and the Class B Shares in respect of the repayment of up to 169.73 pence per ZDP Share from the assets of the investment portfolio, rank behind any borrowings of our company that remain outstanding. In addition, upon the occurrence of significant loss in value of the assets held in the investment portfolio, our company may be unable to pay the final capital entitlement or any part thereof to the holders of ZDP Shares.

Payment of the final capital entitlement to the holders of ZDP Shares may be dilutive to the NAV per Class A Share.
Payment of the final capital entitlement to the holders of the ZDP Shares may be dilutive to the NAV per Class A Share. Where our company does not generate investment returns in excess of the forecast gross redemption yield of 7.30% (in relation to which, no guarantee has been given) per annum (based on the issue price of the ZDP Shares), the NAV per Class A Share may be significantly diluted.

Material Contracts

NBPE, NB PEP Investments LP (Incorporated) and the Investment Manager entered into an Investment Management and Services Agreement on 25 July 2007 (as amended and restated on 25 January 2008), whereby the Investment Manager, subject to the overall supervision of the Directors, was appointed as NBPE's investment manager. NBPE and Heritage International Fund Managers Limited entered into an Administration Agreement on 3 July 2007 (as amended by side letter on 22 June 2009), whereby NBPE appointed Heritage International Fund Managers Limited to act as administrator and company secretary to NBPE. NBPE, as general partner, and NB PEP Associates LP (Incorporated), as special limited partner, entered into that certain limited partnership agreement of NB PEP Investments LP (Incorporated) on 25 July 2007, as amended and restated on 16 July 2008. NBPE is party to a Share Buy-Back Agreement with Jefferies International Limited ("JIL") in relation to the on market repurchases of class A shares on behalf of NBPE. The Share Buy-Back Agreement was initially entered into between NBPE and The Royal Bank of Scotland N.V. (London Branch) ("RBS N.V.") on 22 October 2010 and was subsequently amended and extended on 30 August 2011, novated on 7 November 2011 from RBS N.V. to The Royal Bank of Scotland plc ("RBS plc") in respect of repurchases of shares made on the Specialist Fund Market only, and extended on 29 November 2011. The Share Buy-Back Agreement was then novated by RBS NV and RBS plc to JIL on 1 March 2012 and the Board of Directors has approved an extension of the share buyback program from 31 August 2013 to 30 November 2013; the documentation for such extension is currently in process.

Shareholdings of the Directors

Talmai Morgan (Chairman):	10,000 Class A Shares
John Buser:	10,000 Class A Shares
John Hallam:	10,000 Class A Shares
Christopher Sherwell:	9,150 Class A Shares
Peter Von Lehe:	7,500 Class A Shares

Sale of Class A Shares

The Company understands that on 7 March 2013 Lehman Brothers Offshore Partners Limited sold 7,651,160 Class A Shares, equal to fifty per cent of its holding in the Company. The Company further understands that a placing has been conducted in respect of such shares by Jefferies International Limited among a number of institutional investors.

Major Shareholders

As at 30 June 2013, insofar as is known to NBPE, the following persons were interested, directly or indirectly, in 5% or more of the Class A Shares in issue (excluding Class A Shares held in treasury):

Class A Shareholder:	Lehman Brothers Offshore Partners Ltd.
Number of Class A Shares:	7,651,159

List of NBPE Subsidiaries

Name	Place of Incorporation (or Registration) and Operation	Proportion of Ownership Interest %
Directly Owned		
NB PEP Investments, LP (Incorporated)	Guernsey	99.9%
Indirectly Owned		
NB PEP Investments Limited	Guernsey	100.0%
NB PEP Investments DE, LP	United States	100.0%
NB PEP Investments LP Limited	Guernsey	100.0%
NB PEP Investments I, LP (Incorporated)	Guernsey	100.0%
NB PEP Holdings Limited	Guernsey	100.0%
Various holding entities for specific investments	United States	100.0%

Certain Information

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

Statement of Responsibility

We confirm that to the best of our knowledge:

- the financial statements have been prepared in conformity with U.S. generally accepted accounting principles, gives a true and fair view of the assets, liabilities, financial position and return of the Company included in consolidation as a whole as required by DTR 4.2.4R:;

- the Investment Manager's Report meets the requirements of an interim management report, and include a fair view of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Talmai Morgan
Director

John Hallam
Director

Date: 27 August 2013

INDEPENDENT ACCOUNTANT'S REPORT TO NB PRIVATE EQUITY PARTNERS LIMITED

Introduction

We have been engaged by the company to review the consolidated financial statements (the "financial statements") in the interim report for the six months ended 30 June 2013 which comprises the Consolidated Balance Sheet, Consolidated Condensed Schedule of Private Equity Investments, Consolidated Statement of Operations and Changes in Net Assets, Consolidated Statements of Cash Flows and the related explanatory notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The interim report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the DTR of the UK FCA.

The financial statements included in this interim report have been prepared in conformity with U.S generally accepted accounting principles.

Our responsibility

Our responsibility is to express to the company a conclusion on the financial statements in the interim report based on our review.

Scope of review

We conducted our review in accordance with International Standards on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements for the period ended 30 June 2013 do not give a true and fair view of the financial position of the company as at 30 June 2013 and of its financial performance and its cash flows for the six month period then ended in conformity with U.S. generally accepted accounting principles and the DTR of the UK FCA.

KPMG Channel Islands Limited
Chartered Accountants
27 August 2013

CONSOLIDATED BALANCE SHEETS
30 JUNE 2013 AND 31 DECEMBER 2012

Assets	2013 (Unaudited)	2012 (Audited)
Private equity investments		
(cost of $536,469,038 at 30 June 2013 and $504,669,883 at 31 December 2012)	$ 609,837,748	$ 564,013,476
Cash and cash equivalents	57,352,917	64,042,937
Restricted cash	3,364,018	3,364,018
Distributions receivable from Investments	1,062,120	24,249,375
Other assets	3,190,314	3,665,585
Total assets	**$ 674,807,117**	**$ 659,335,391**
Liabilities		
Liabilities:		
Zero dividend preference share liability	$ 64,735,168	$ 66,783,351
Payables to Investment Manager and affiliates	2,057,026	1,900,667
Carried interest payable	1,805,648	3,105,876
Accrued expenses and other liabilities	10,900,916	8,674,541
Net deferred tax liability	2,179,227	1,725,897
Total liabilities	**$ 81,677,985**	**$ 82,190,332**
Net assets		
Class A shares, $0.01 par value, 500,000,000 shares authorized,		
51,940,972 shares issued, and 48,790,564 shares outstanding at 30 June 2013 and 31 December 2012	$ 519,410	$ 519,410
Class B shares, $0.01 par value, 100,000 shares authorized,		
10,000 shares issued and outstanding	100	100
Additional paid-in capital	525,157,490	525,157,490
Retained earnings (deficit)	76,087,233	60,130,710
Less cost of treasury stock purchased (3,150,408 shares)	(9,248,460)	(9,248,460)
Total net assets of the controlling interest	592,515,773	576,559,250
Net assets of the non-controlling interest	613,359	585,809
Total net assets	**$ 593,129,132**	**$ 577,145,059**
Total liabilities and net assets	**$ 674,807,117**	**$ 659,335,391**
Net asset value per share for Class A and Class B shares	**$ 12.14**	**$ 11.81**
Net asset value per zero dividend preference share (Pence)	**128.74**	**124.32**

The accounts were approved by the board of directors on 27 August 2013 and signed on its behalf by

Talmai Morgan **John Hallam**

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED CONDENSED SCHEDULES OF PRIVATE EQUITY INVESTMENTS
30 JUNE 2013 AND 31 DECEMBER 2012

Private equity investments	Cost	Fair Value	Unfunded Commitment	Private Equity [(3)] Exposure
2013 (Unaudited)				
Fund investments	$ 277,517,043	$ 330,682,654	$ 84,509,336	$ 415,191,990
Direct co-investments-equity [(1)]	127,440,247	146,772,554	101,240,242	248,012,796
Direct co-investments-direct yielding [(2)]	131,511,748	132,382,540	35,701,235	168,083,775
	$ 536,469,038	**$ 609,837,748**	**$ 221,450,813**	**$ 831,288,561**
2012 (Audited)				
Fund investments	$ 302,173,001	$ 350,579,296	$ 88,282,702	$ 438,861,998
Direct co-investments-equity [(1)]	120,406,752	130,480,173	104,867,320	235,347,493
Direct co-investments-direct yielding [(2)]	82,090,130	82,954,007	42,576,232	125,530,239
	$ 504,669,883	**$ 564,013,476**	**$ 235,726,254**	**$ 799,739,730**

Private equity investments in excess of 5% of net asset value	Fair Value
2013 (Unaudited)	
NB Crossroads Fund XVIII	
Large-cap Buyout	$ 11,527,954
Mid-cap Buyout	30,355,733
Special Situations	7,456,063
Venture	9,542,329
	58,882,079
2012 (Audited)	
NB Crossroads Fund XVII	$ 30,739,835
NB Crossroads Fund XVIII	
Large-cap Buyout	11,849,427
Mid-cap Buyout	29,624,057
Special Situations	8,669,801
Venture	9,262,452
	59,405,737

(1) Including investments made through NB Alternatives Direct Co-investment Program.
(2) Including investments made through NB Healthcare Credit Investment Program.
(3) Private Equity Exposure is the sum of Fair Value and Unfunded Commitment.

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED CONDENSED SCHEDULES OF PRIVATE EQUITY INVESTMENTS (CONTINUED)
30 JUNE 2013 AND 31 DECEMBER 2012

Geographic diversity of private equity investments (1)	Fair Value 2013 (Unaudited)	Fair Value 2012 (Audited)
North America	$ 487,419,590	$ 457,368,682
Europe	75,757,669	80,459,054
Asia / Rest of World	36,138,759	12,083,769
Not classified	10,521,730	14,101,971
	$ 609,837,748	**$ 564,013,476**

Industry diversity of private equity investments (2)	Fair Value 2013 (Unaudited)	Fair Value 2012 (Audited)
Diversified / Undisclosed / Other	15.0%	16.3%
Industrials	13.0%	13.7%
Consumer / Retail	12.9%	9.9%
Financial Services	11.7%	11.7%
Healthcare	11.5%	10.9%
Energy / Utilities	10.6%	10.4%
Business Services	9.5%	9.0%
Technology / IT	8.2%	8.8%
Communications / Media	5.5%	6.6%
Transportation	2.1%	2.7%
	100.0%	**100.0%**

Asset class diversification of private equity investments (3)	Fair Value 2013 (Unaudited)	Fair Value 2012 (Audited)
Large-Cap Buyout	7.8%	8.8%
Large-Cap Buyout Co-Invest	8.7%	8.4%
Mid-cap Buyout	16.4%	17.9%
Mid-cap Buyout Co-Invest	14.8%	13.1%
Special Situation	18.8%	22.3%
Special Situation Co-Invest	0.3%	0.3%
Direct Yielding Co-Invest	21.7%	17.5%
Growth/Venture	8.0%	7.9%
Secondary Purchases	3.5%	3.8%
	100.0%	**100.0%**

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

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

(3): Asset class diversification is based on the net asset value of underlying fund investments and co-investments.

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE SIX MONTH PERIODS ENDED 30 JUNE 2013 AND 2012
(UNAUDITED)

	2013	2012
Interest and dividend income	$ 6,879,581	$ 3,567,978
Expenses		
Carried interest	1,805,648	-
Investment management and services	4,032,004	3,948,356
Administration and professional	1,148,200	1,032,809
Finance costs		
Zero dividend preference shares	2,420,223	2,272,906
Credit facility	1,059,064	703,521
	10,465,139	7,957,592
Net investment income (loss)	**$ (3,585,558)**	**$ (4,389,614)**
Realized and unrealized gains (losses)		
Net realized gain (loss) on investments, net of tax expense of $2,108,344 for 2013 and $3,374,669 for 2012	$ 15,057,028	$ 13,679,634
Net change in unrealized gain (loss) on investments, net of tax expense of $453,330 for 2013 and $48,961 for 2012	14,272,716	210,589
Net realized and unrealized gain (loss)	29,329,744	13,890,223
Net increase (decrease) in net assets resulting from operations	$ 25,744,186	$ 9,500,609
Less net increase (decrease) in net assets resulting from operations attributable to the non-controlling interest	27,550	9,501
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	**$ 25,716,636**	**$ 9,491,108**
Net assets at beginning of period attributable to the controlling interest	576,559,250	544,370,547
Less dividend payment	(9,760,113)	-
Less cost of stock repurchased and cancelled (443,352 shares for 2012)	-	(3,113,538)
Net assets at end of period attributable to the controlling interest	**$ 592,515,773**	**$ 550,748,117**
Earnings (loss) per share for Class A and Class B shares of the controlling interest	***$ 0.53***	***$ 0.19***

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTH PERIODS ENDED 30 JUNE 2013 AND 2012
(UNAUDITED)

	2013	2012
Cash flows from operating activities:		
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	$ 25,716,636	$ 9,491,108
Net increase (decrease) in net assets resulting from operations attributable to the non-controlling interest	27,550	9,501
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net realized (gain) loss on investments	(15,057,028)	(13,679,634)
Net change in unrealized (gain) loss on investments	(14,272,716)	(210,589)
In-kind payment of interest income	(915,346)	(680,058)
Amortization of finance costs	492,230	430,662
Amortization of purchase premium (OID)	(95,829)	-
Change in restricted cash	-	(3,364,018)
Change in other assets	(383,438)	(213,390)
Change in payables to Investment Manager and affiliates	(1,143,869)	148,639
Change in accrued expenses and other liabilities	763,839	1,901,911
Net cash provided by (used in) operating activities	(4,867,971)	(6,165,868)
Cash flows from investing activities:		
Distributions from private equity investments	76,282,885	43,680,176
Proceeds from sale of private equity investments	614,997	10,333,578
Contributions to private equity investments	(11,784,171)	(12,480,149)
Purchases of private equity investments	(57,175,647)	(64,225,436)
Net cash provided by (used in) investing activities	7,938,064	(22,691,831)
Cash flows from financing activities:		
Dividend payment	(9,760,113)	-
Stock repurchased and cancelled	-	(3,113,538)
Net cash provided by (used in) financing activities	(9,760,113)	(3,113,538)
Net increase (decrease) in cash and cash equivalents	**(6,690,020)**	**(31,971,237)**
Cash and cash equivalents at beginning of period	64,042,937	77,942,489
Cash and cash equivalents at end of period	**$ 57,352,917**	**$ 45,971,252**
Supplemental cash flow information		
Net taxes paid	**$ 1,964,156**	**$ 2,666,129**
Supplemental non-cash flow investing activities		
Payable for investment purchased	**$ 3,364,018**	**$ 3,364,018**

The accompanying notes are an integral part of the consolidated financial statements.
See accompanying independent review report.

Note 1 – Organization

NB Private Equity Partners Limited and its subsidiaries (the "Company", "We", or "Our") is a closed-end investment company registered in Guernsey. Our registered office is Heritage Hall, Le Marchant Street, St. Peter Port, Guernsey GY1 4HY. We invest in private equity through private equity funds and co-investments. We may also make opportunistic investments. Our Class A ordinary shares are listed and admitted to trading on Euronext Amsterdam by NYSE Euronext and on the Specialist Fund Market of the London Stock Exchange plc under the symbol "NBPE". Our zero dividend preference shares (see note 6) are listed and admitted to trading on the Daily Official List of the Channel Islands Stock Exchange and the Specialist Fund Market of the London Stock Exchange under the symbol "NBPZ".

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

The Company is managed by NB Alternatives Advisers LLC ("NB Alternatives" or "Investment Manager") pursuant to an investment management and services agreement. NB Alternatives is a subsidiary of Neuberger Berman Group LLC ("NBG").

Note 2 – Summary of Significant Accounting Policies and Risks

Basis of Presentation

These consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss and are prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"), as allowed by rules published in the Netherlands to effect implementation of the EU Transparency Directive. These consolidated financial statements are presented in United States dollars.

Market Risk

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

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

Credit Risk

Credit risk is the risk of losses due to the failure of a counterparty to perform according to the terms of a contract. The Company may invest in a range of debt securities directly or in funds which do so. Until such investments are sold or are paid in full at maturity, the Company is exposed to credit risk relating to whether the issuer will meet its obligations when the securities come due. Distressed debt securities by nature are securities in companies which are in default or are heading into default and will expose the Company to a higher than normal amount of credit risk.

The cash and other liquid securities held can subject the Company to a concentration of credit risk. The Investment Manager attempts to mitigate the credit risk that exists with cash deposits and other liquid securities by regularly monitoring the credit ratings of such financial institutions and evaluating from time to time whether to hold some of the Company's cash and cash equivalents in U.S. Treasuries or other highly liquid securities.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Investment Manager mitigates this risk by monitoring the sufficiency of cash balances and availability under the credit facility to meet expected liquidity requirements for investment funding and operating expenses.

Use of Estimates

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

Principles of Consolidation

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

Cash and Cash Equivalents

Cash and cash equivalents are valued at cost plus accrued interest, which approximates fair value. These balances represent amounts held with financial institutions that are readily accessible to pay expenses or fund investments. As of 30 June 2013 and 31 December 2012, $60,716,935 and $67,406,955 (including restricted cash) are held with JPMorgan Chase, respectively.

Restricted Cash

As of 30 June 2013 and 31 December 2012, we are required to maintain a cash balance of at least $3,364,018 by an investment purchase agreement with a deferred payment provision. The payment is due on 30 December 2013.

Valuation of Investments

The Company carries private equity investments on its books at fair value in accordance with U.S. GAAP. We use the best information we have reasonably available to determine or estimate fair value. Valuations of the investments are reviewed and approved quarterly by the Investment Manager. Publicly traded securities are valued based on quoted prices as of the last day of the relevant period less discounts to reflect legal restrictions associated with the securities, if any, that affect marketability. We determine such values for publicly traded securities held directly as well as known public positions held in the underlying private equity investments on a look-through basis. We estimate fair value for private interests based on a methodology that begins with the most recent information available from the general partner of the underlying fund or the lead investor of a direct co-investment, and considers subsequent transactions, such as drawdowns or distributions, as well as other information judged to be reliable that reports or indicates valuation changes, including realizations and other portfolio company events. If we conclude that it is probable that we will sell an investment, we adjust our carrying value to the amount we expect to realize from the sale, exclusive of transaction costs. Direct yielding investments are comprised of second lien or subordinated debt securities, for which there is generally no comparable public market. To determine fair value, we take into account the relevant following inputs: comparable market transactions, discount rates, cash flow projections, and/or liquidity, credit and market risk factors, company performance, current capital structure, applicable market trading and transaction comparables, applicable market yields, timing of future expected cash flows, and any recent trades in the secondary market for the security.

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

Investment Income

We earn interest and dividends from our direct investments and from our cash and cash equivalents. We record dividends when they are declared and interest when earned, provided we know the information or are able to reliably estimate it. Otherwise, we record the investment income when it is reported to us by the private equity investments. Discounts received or premiums paid in connection with the acquisition of loans are amortized into interest income using the effective interest method over the contractual life of the related loan. Payment-in-kind (PIK) interest is computed at the contractual rate specified in the loan agreement for any portion of the interest which may be added to the principal balance of a loan rather than paid in cash by obligator on the scheduled interest payment date. PIK interest is added to the principal balance of the loan and recorded as interest income.

Operating Expenses

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

Realized Gains and Losses on Investments

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

Net Change in Unrealized Gains and Losses of Investments

Gains and losses arising from changes in value are recorded as an increase or decrease in the unrealized gains or losses of investments based on the methodology described above.

Carried Interest

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

Currency Translation

Investments denominated in a currency other than U.S. dollars are translated into U.S. dollar equivalents using spot rates as of the valuation date. The Company does not separate the changes relating to currency exchange rates from those relating to changes in the fair value of the investments held. These fluctuations are combined and included in the net change in unrealized gain (loss) on investments in the Consolidated Statements of Operations and Changes in Net Assets. For the six month periods ended 30 June 2013 and 2012, the effect of translation to U.S. dollars decreased valuations of foreign investments by approximately $265,577 and $412,501, respectively.

The Company has unfunded commitments denominated in a currency other than U.S. dollars. These unfunded commitments are in Euro and amounted to €7,604,551 at 30 June 2013 and €7,991,662 at 31 December 2012; they have been included in the Consolidated Condensed Schedules of Private Equity Investments at the U.S. dollar exchange rate in effect at 30 June 2013 and 31 December 2012. The effect on the unfunded commitment of the change in the exchange rate between Euros and U.S. dollars was a decrease in the U.S. dollar obligation of $135,178 for 30 June 2013 and $161,947 for 31 December 2012.

Income Taxes

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

Generally, income that we derive from our investments may be subject to taxes imposed by the U.S. or other countries and will impact our effective tax rate.

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

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

We recognize a tax benefit in the consolidated financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. To date, we have not provided any reserves for taxes as all related tax benefits have been fully recognized. Although we believe we have adequately assessed for our uncertain tax positions, we acknowledge that these matters require significant judgment and no assurance can be given that the final tax outcome of these matters will not be different.

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

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

Forward Foreign Exchange Contracts

Forward foreign exchange contracts are reported at fair value. See note 7.

Forward foreign exchange contracts involve elements of market risk in excess of the amounts reflected on the consolidated financial statements. We bear the risk of an unfavorable change in the foreign exchange rate underlying the forward foreign exchange contract as well as risks from the potential inability of the counterparties to meet the terms of their contracts.

Reclassifications

Certain amounts in the 2012 financial statements have been reclassified to conform to the 2013 presentation.

Recent Accounting Pronouncements

In June 2013, the FASB issued ASU 2013-08, Financial Services — Investment Companies Topic 946 ("ASU 2013-08") which amends the scope, measurement, and disclosure requirements for investment companies. ASU 2013-08 (i) amends the criteria for an entity to qualify as an investment company, (ii) requires an investment company to measure noncontrolling ownership interests in other investment companies at fair value rather than using the equity method of accounting, and (iii) introduces new disclosures. This guidance is effective for NBPE's fiscal year beginning January 1, 2014. Earlier application is prohibited. The adoption of this guidance is not expected to have a material impact on NBPE's financial results and consolidated financial statements.

Note 3 – Agreements, including related party transactions

Management and Administration

We pay the Investment Manager a management fee calculated at the end of each calendar quarter equal to 37.5 basis points (150 basis points per annum) of the net asset value of our private equity and opportunistic investments. For purposes of this computation, the net asset value is reduced by the net asset value of any investment for which the Investment Manager is separately compensated as investment manager. For the six month periods ended 30 June 2013 and 2012, the management fee expenses were $3,732,524 and $3,654,905, respectively.

We also pay the Investment Manager for certain accounting and administrative services at the rate of 2.5 basis points per quarter (10 basis points per annum) applied to the net asset value of our private equity and opportunistic investments at the end of each calendar quarter, computed as described above. The amounts incurred by the Company for the six month periods ended 30 June 2013 and 2012 for these services were $299,480 and $293,451 respectively.

We pay to Heritage International Fund Managers Limited ("Heritage"), an affiliate of the Trustee, a fee for providing certain administrative functions relating to certain corporate services and Guernsey regulatory matters affecting the Company. Fees for these services are paid as invoiced by Heritage. We paid Heritage $130,296 and $66,431 for the six month periods ended 30 June 2013 and 2012, respectively, for such services.

For the six month periods ended 30 June 2013 and 2012, we paid our independent directors a total of $97,500 and $97,500 respectively.

Expenses related to the Investment Manager are included in investment management and services in the Consolidated Statements of Operations and Changes in Net Assets. Administration and professional expenses include fees for directors, audit and tax, trustee, legal, listing, and other items.

Special Limited Partner's Noncontrolling Interest in Subsidiary

An affiliate of the Investment Manager is a Special Limited Partner in a consolidated partnership subsidiary. At 30 June 2013 and 31 December 2012, the noncontrolling interest of $613,359 and $585,809 represented the Special Limited Partner's capital contribution to the partnership subsidiary and income allocation, respectively.

The following table reconciles the carrying amount of net assets, net assets attributable to the controlling interest and net assets attributable to the noncontrolling interest at 30 June 2013 and 31 December 2012.

	Controlling Interest	Noncontrolling Interest	Total
Net assets balance, 31 December 2011	$ 544,370,547	$ 546,548	$ 544,917,095
Net increase (decrease) in net assets resulting from operations	36,115,960	39,261	36,155,221
Stock repurchased and cancelled	(3,927,257)	-	(3,927,257)
Net assets balance, 31 December 2012	**$ 576,559,250**	**$ 585,809**	**$ 577,145,059**
Net increase (decrease) in net assets resulting from operations	25,716,636	27,550	25,744,186
Dividend Payment	(9,760,113)	-	(9,760,113)
Net assets balance, 30 June 2013	**$ 592,515,773**	**$ 613,359**	**$ 593,129,132**

Carried Interest

The Special Limited Partner is entitled to a carried interest in an amount that is, in general, equal to 7.5 percent of our consolidated net increase in net assets resulting from operations, adjusted by withdrawals, distributions, and capital contributions, for a fiscal year in the event that our internal rate of return for such period, based on our net asset value, exceeds 7.5 percent. If losses are incurred for a period, no carried interest is earned and such loss amounts are carried forward to be included in the calculations for future periods. Such loss amounts are reduced proportionately to give effect to the distributions to the general partner of the partnership subsidiary during the performance period. Carried interest is reduced by the amount of carried interest that we paid during the period on any investment for which the Investment Manager serves as investment manager. Carried interest is also accrued and paid on any economic gain that we realize on treasury stock transactions. (See note 10). Carried interest is accrued periodically and paid at the conclusion of the fiscal year. As of 30 June 2013 and 31 December 2012, $1,805,648 and $3,105,876 carried interest was accrued, respectively.

Shares Owned by Lehman Brothers

Lehman Brothers Holdings Inc. and/or one or more related entities owns 7,651,159 shares of our Class A ordinary shares, most of which were acquired at the initial public offering. Resale of these shares is not restricted.

Investments with the Investment Manager's Platform

The Company holds limited partner interests in private equity funds and funds of funds managed and sponsored by the Investment Manager. These investments will not result in any duplicative Neuberger Berman investment management fees and carry charged to NBPE. As of 30 June 2013 and 31 December 2012, the aggregate net asset value of these funds was approximately $133.2 million and $122.4 million, respectively, and associated unfunded commitments were $149.4 million and $160.5 million, respectively.

We own a 50% interest in NB Fund of Funds Secondary 2009 LLC ("NBFOFS"). Other funds managed by the Investment Manager own the remaining interest. NBFOFS holds a portfolio of private equity funds acquired in a secondary transaction. NBFOFS pays no fees or carry and we bear our share of any direct expenses of NBFOFS.

As of 30 June 2013, we have committed $125 million and funded $25.3 million to the NB Alternatives Direct Co-investment Program and committed $50 million and funded $15.0 million to the NB Healthcare Credit Investment Program.

Note 4 – Fair Value of Financial Instruments

We categorize our investments and other financial instruments as follows based on inputs to valuation techniques.

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).

The following tables detail the Company's financial assets and liabilities that were accounted for at fair value as of 30 June 2013 and 31 December 2012 by level. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Assets (Liabilities) Accounted for at Fair Value			
As of 30 June 2013	**Level 1**	**Level 2**	**Level 3**	**Total**
Private equity investments	$ 3,759,014	$ -	$ 606,078,734	$ 609,837,748
Forward foreign exchange contract	-	-	(3,789,065)	(3,789,065)
Totals	**$ 3,759,014**	**$ -**	**$ 602,289,669**	**$ 606,048,683**
As of 31 December 2012				
Private equity investments	$ 3,054,372	$ -	$ 560,959,104	$ 564,013,476
Forward foreign exchange contract	-	-	(156,114)	(156,114)
Totals	**$ 3,054,372**	**$ -**	**$ 560,802,990**	**$ 563,857,362**

The Company has assessed its positions and concluded that all of its private equity investments are classified as level 3 with the exception of one publicly traded co-investment classified as level 1 as of 30 June 2013 and 31 December 2012.

There were no transfers between the levels during the six month period ended 30 June 2013 or the year ended 31 December 2012. The Company accounts for transfers at the end of the reporting period in which such transfers occur.

The following table summarizes the changes in the fair value of the Company's level 3 private equity investments for the six month period ended 30 June 2013.

(dollars in thousands)

For the Six Month Period Ended 30 June 2013

	Large-cap Buyout	Mid-cap Buyout	Special Situations	Growth/ Venture	Diversified	Secondary Purchases	Direct Yielding	Private Equity Investments
Balance, 31 December 2012	$ 91,154	$ 177,771	$ 131,936	$ 32,093	$ 30,740	$ 14,311	$ 82,954	$ 560,959
Purchases of investments and/or contributions to investments	141	8,157	1,617	3,665	618	452	48,264	62,914
Realized gain (loss) on investments	2,658	1,769	8,974	219	3,396	511	5,667	23,194
Changes in unrealized appreciation (depreciation) of investments still held at the reporting date	4,844	8,820	(517)	(1,017)	(788)	968	1,008	13,318
Changes in unrealized appreciation (depreciation) of investments sold during the period	-	-	-	-	-	-	-	-
Distributions from investments	(6,621)	(9,269)	(25,119)	(1,013)	(4,871)	(1,903)	(5,510)	(54,306)
Balance, 30 June 2013	**$ 92,176**	**$ 187,248**	**$ 116,891**	**$ 33,947**	**$ 29,095**	**$ 14,339**	**$ 132,383**	**$ 606,079**
Balance, 30 June 2013 through fund investments	$ 43,308	$ 97,838	$ 115,354	$ 30,749	$ 29,095	$ 14,339	$ -	$ 330,683

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2013 (UNAUDITED) AND 31 DECEMBER 2012 (AUDITED)
SEE ACCOMPANYING INDEPENDENT REVIEW REPORT

The following table summarizes the changes in the fair value of the Company's level 3 private equity investments for the year ended 31 December 2012.

(dollars in thousands)

For the Year Ended 31 December 2012

	Large-cap Buyout	Mid-cap Buyout	Special Situations	Growth/ Venture	Diversified	Secondary Purchases	Direct Yielding	Private Equity Investments
Balance, 31 December 2011	$ 79,072	$ 171,988	$ 170,526	$ 28,265	$ 35,952	$ 15,648	$ 33,433	$ 534,884
Purchases of investments and/or contributions to investments	6,495	25,686	5,684	6,993	1,401	568	60,228	107,055
Realized gain (loss) on investments	4,350	11,176	10,260	3,551	3,420	1,738	1,212	35,707
Changes in unrealized appreciation (depreciation) of investments still held at the reporting date	9,615	(9,533)	14,850	803	(682)	(290)	504	15,267
Changes in unrealized appreciation (depreciation) of investments sold during the year	-	-	-	-	-	-	-	-
Distributions from investments	(8,378)	(21,546)	(69,384)	(7,519)	(9,351)	(3,353)	(12,423)	(131,954)
Balance, 31 December 2012	**$ 91,154**	**$ 177,771**	**$ 131,936**	**$ 32,093**	**$ 30,740**	**$ 14,311**	**$ 82,954**	**$ 560,959**
Balance, 31 December 2012 through fund investments	$ 45,613	$ 98,768	$ 130,155	$ 30,992	$ 30,740	$ 14,311	$ -	$ 350,579

The following table summarizes the valuation methodologies and inputs used for private equity investments categorized in level 3 as of 30 June 2013.

(dollars in thousands)

Private Equity Investments	Fair Value 30 June 2013	Valuation Methodologies	Unobservable Inputs[1]	Ranges (Weighted Average) [2]	Impact to Valuation from an Increase in Input [3]
Fund investments	$ 330,683	See note 2	Net Asset Value	N/A	N/A
Direct co-investments - equity					
Large-cap Buyout	48,867	Market Comparable Companies	LTM EBITDA	7.1x-11.9x (9.0x)	Increase
Mid-cap Buyout	89,411	Market Comparable Companies	LTM EBITDA	4.0x-14.1x (9.7x)	Increase
		Market Comparable Companies	Book Value	1.1x-1.5x	Increase
		Market Comparable Companies	$/kW	$487	Increase
		Residual Value	Escrow	70%	Increase
		Market Approach	Liquidity Discount	10%	Decrease
		Other	Book Value	1.0x	Increase
Special Situations	1,538	Market Comparable Companies	LTM EBITDA	6.8x	Increase
Growth/ Venture	3,197	Market Comparable Companies	LTM Revenue	1.8x	Increase
			LTM EBITDA	9.4x	Increase
Direct co-investments - direct yielding	132,383	Market Comparable Companies	LTM EBITDA	7.2x-10.4x (8.3x)	Increase
		Market Yield Analysis	Discount Rate	10.4%-22.0% (12.3%)	Decrease
		Discounted Cash Flow	Discount Rate	8.0%-21.0% (13.0%)	Decrease
		Black Scholes Model	Risk Free Rate	1.7%-2.6% (1.9%)	Increase
		Black Scholes Model	Average Volatility	60.0%-66.9% (62.6%)	Increase
		Black Scholes Model	Liquidity Discount	25.0%-50.0%	Decrease
		Other	Book Value	1.0x	Increase
Total	$ 606,079				

(1) *LTM means Last Twelve Months, EBITDA means Earnings Before Interest Taxes Depreciation and Amortization.*
(2) *Inputs weighted based on fair value of investments in range.*
(3) *Unless otherwise noted, this column represents the directional change in the fair value of level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.*

The following table summarizes the valuation methodologies and inputs used for private equity investments categorized in level 3 as of 31 December 2012.

(dollars in thousands) Private Equity Investments	Fair Value 31 Dec. 2012	Valuation Methodologies	Unobservable Inputs[1]	Ranges (Weighted Average) [2]	Impact to Valuation from an Increase in Input [3]
Fund investments	$ 350,579	See note 2	Net Asset Value	N/A	N/A
Direct co-investments - equity					
Large-cap Buyout	45,541	Market Comparable Companies	LTM EBITDA	7.0x-11.7x (8.3x)	Increase
Mid-cap Buyout	79,004	Market Comparable Companies	LTM EBITDA	4.9x-12.7x (8.7x)	Increase
		Market Comparable Companies	Book Value	1.0x-1.5x	Increase
		Market Comparable Companies	$/kW	$465	Increase
		Residual Value	Escrow	70%	Increase
		Market Approach	Liquidity Discount	10%	Decrease
		Other	Book Value	1.0x	Increase
Special Situations	1,781	Market Comparable Companies	LTM EBITDA	4.2x	Increase
Growth/ Venture	1,100	Market Comparable Companies	LTM Revenue	1.6x	Increase
Direct co-investments - direct yielding	82,954	Market Comparable Companies	LTM EBITDA	6.6x-10.2x (8.6x)	Increase
		Market Comparable Companies	YTM IRR	10%	Increase
		Market Yield Analysis	Discount Rate	13%	Decrease
		Market Yield Analysis	YTM IRR	10%-14%	Increase
		Discounted Cash Flow	Discount Rate	10.9%-13.0% (12.4%)	Decrease
		Black Scholes Model	Risk Free Rate	1.8%-2.0%	Increase
		Black Scholes Model	Average Volatility	62.1%-66.9%	Increase
		Black Scholes Model	Liquidity Discount	25%-51.2%	Decrease
		Other	Book Value	1.0x	Increase
Total	$ 560,959				

(1) LTM means Last Twelve Months, EBITDA means Earnings Before Interest Taxes Depreciation and Amortization, YTM IRR means Yield To Maturity Internal Rate of Return.
(2) Inputs weighted based on fair value of investments in range.
(3) Unless otherwise noted, this column represents the directional change in the fair value of level 3 investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

Since 31 December 2012, there have been no changes in valuation methodologies within level 2 and level 3 that have had a material impact on the valuation of financial instruments.

Generally, our private equity investments have a defined term and no right to withdraw. We receive distributions as the underlying investments are liquidated. The pace of liquidation depends on a number of factors. We estimate that the liquidation of our current portfolio will continue for another 10-15 years.

Our special situations investments include hedge funds valued at approximately $20.2 million and $20.5 million at 30 June 2013 and 31 December 2012 respectively. As of 30 June 2013, one hedge fund amounting to $0.7 million is redeemable quarterly with a 60 day advance notice. Another hedge fund amounting to $19.5 million is not redeemable for the first two to three years following investment, and has rolling two year lock-up periods thereafter. Hedge funds generally have a right to restrict redemptions in order to avoid a forced sale of underlying assets.

Note 5 – Credit Facility

On 12 December 2012, a subsidiary of the Company amended an agreement with Lloyds Banking Group (Bank of Scotland) regarding a senior secured revolving credit facility (the “Original Facility”) of up to $250 million due to expire in August 2014 to provide for a revised senior secured revolving credit facility (the “2012 Facility”) of up to $200 million that expires in April 2017. At 30 June 2013 and 31 December 2012, there were no amounts outstanding. Substantially all assets are pledged pursuant to the following:

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

Under both the 2012 Facility and the Original Facility, the Company is required to meet certain portfolio diversification tests, a minimum fund/co-investment threshold, maximum exposure limitations, a maximum debt to value ratio, a maximum debt to secured assets ratio and a maximum over-commitment test. In addition, both the 2012 Facility and the Original Facility limit the incurrence of additional indebtedness, investments, dividends, transactions with affiliates, asset sales, acquisitions, mergers, repurchase of shares, liens or other matters customarily restricted in such agreements. The zero dividend preference shares (note 6) and the forward foreign exchange contract (note 7) are compliant with the credit facility agreements. At 30 June 2013 and 31 December 2012, the Company met all requirements under the 2012 Facility and the Original Facility, respectively.

Under the 2012 Facility, all borrowings bear interest tiered based on loan value. For a loan value less than or equal to $65 million, the interest rate is calculated as LIBOR or Euribor, as appropriate, plus 2.80% per annum. For a loan value in excess of $65 million and less than or equal to $150 million, the interest rate is calculated as LIBOR or Euribor, as appropriate, plus 3.30% per annum. For a loan value greater than $150 million, the interest rate is calculated as LIBOR or Euribor, as appropriate, plus 3.65% per annum. Under the Original Facility, all borrowings bear interest at a floating rate, calculated as LIBOR or Euribor, as appropriate, plus 1.35% per annum.

In addition, under the 2012 Facility, we are required to pay a commitment fee calculated as 80 basis points per annum on the daily balance of the unused facility amount. Under the Original Facility we are required to pay a commitment fee calculated as 40 basis points per annum on the daily balance of the unused facility amount.

For the six month period ended 30 June 2013, we incurred and expensed no interest and $791,111 for commitment fees related to the 2012 Facility. For the six month period ended 30 June 2012, we incurred and expensed no interest and $505,555 for commitment fees related to the Original Facility. As of 30 June 2013 and 31 December 2012, unamortized capitalized debt issuance costs (included in other assets) were $2,072,561 and $2,340,514 respectively. For the six month period ended 30 June 2013, capitalized amounts are being amortized on a straight-line basis over the term of the 2012 Facility. For the six month period ended 30 June 2012, capitalized amounts are being amortized on a straight-line basis over the term of the Original Facility. Such amortization amounted to $267,953 and $197,966 for the six month periods ended 30 June 2013 and 2012, respectively.

An active market for debt that is similar to that of the 2012 Facility does not exist. Management estimates the fair value of the 2012 Facility based on comparison to debt instruments with comparable characteristics. Management has estimated that the fair values of the 2012 Facility, based on the balance outstanding, are approximately $0 and $0 at 30 June 2013 and 31 December 2012 respectively.

Note 6 – Zero Dividend Preference Shares

On 30 November 2009 the Company issued 30,000,000 zero dividend preference shares ("ZDP Shares"). On 16 April 2010 the Company issued additional 2,999,999 ZDP Shares. The additional ZDP Shares rank pari passu with the first ZDP Shares. The holders of the ZDP Shares are entitled to a redemption amount of 100.0 pence per ZDP Share as increased daily at such a daily compound rate as would give a final entitlement of 169.73 pence on 31 May 2017, resulting in an effective interest rate of 7.3% annually. The ZDP shares rank prior to the class A and B shares in respect of repayment of the final entitlement. However, they rank behind any borrowings that remain outstanding. They carry no entitlement to income and their entire return takes the form of capital.

The following table reconciles the liability for ZDP shares for the six month period ended 30 June 2013 and the year ended 31 December 2012.

Zero dividend preference shares	Pounds Sterling		U.S. Dollars	
Liability, 31 December 2011	£	38,316,627	$	59,551,702
Accrued interest		2,800,061		4,420,882
Unamortized premium		(11,652)		(19,027)
Currency conversion		-		2,829,794
Liability, 31 December 2012	£	41,105,036	$	66,783,351
Accrued interest		1,459,617		2,295,508
Premium amortization		(6,525)		(9,812)
Currency conversion		-		(4,333,879)
Liability, 30 June 2013	£	42,558,128	$	64,735,168

Capitalized offering costs are being amortized using the effective interest rate method. The unamortized balance at 30 June 2013 and 31 December 2012 is $1,075,504 and $1,210,031, respectively.

Note 7 – Forward Foreign Exchange Contract

The Company entered into a forward foreign exchange contract to economically hedge, in part, the currency risk associated with the pounds sterling contractual liability for the ZDP shares.

The contract provides that we will purchase £40,000,000 on 17 May 2017 for $64,820,000 from the Lloyds Banking Group (Bank of Scotland). The contract further provides that the security interests granted to the bank under the credit facility as described in note 5 also apply to any amounts we may owe the bank pursuant to this contract. As of 30 June 2013 and 31 December 2012, the fair value of the forward foreign exchange contract was a liability of $3,789,065 and $156,114 included in accrued expenses and other liabilities in the Consolidated Balance Sheets. The change in unrealized gain/(loss) on the Forward Foreign Exchange Contract for the six month periods ended 30 June 2013 and 2012 is ($3,632,951) and $395,972, respectively. Actual trade prices or firm bids may vary significantly from the valuation because of factors including hedging and transaction costs, credit considerations, bid-ask spreads, position size and market liquidity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2013 (UNAUDITED) AND 31 DECEMBER 2012 (AUDITED)
SEE ACCOMPANYING INDEPENDENT REVIEW REPORT

Note 8 – Income Taxes

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

	30 June 2013	30 June 2012
Current tax expense	$ 2,108,344	$ 3,374,669
Deferred tax expense (benefit)	453,330	48,961
Total tax expense (benefit)	$ 2,561,674	$ 3,423,630

	30 June 2013	31 December 2012
Gross deferred tax assets	$ 3,397,066	$ 3,397,066
Valuation allowance	(3,036,897)	(3,036,897)
Net deferred tax assets	360,169	360,169
Gross deferred tax liabilities	2,539,396	2,086,066
Net deferred tax liabilities	**$ 2,179,227**	**$ 1,725,897**

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

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

Note 9 – Earnings (Loss) per Share

The computations for earnings (loss) per share for the six month periods ended 30 June 2013 and 2012 are as follows:

	For the Six Month Periods Ended 30 June	
	2013	2012
Net increase (decrease) in net assets resulting from operations attributable to the controlling interest	$ 25,716,636	$ 9,491,108
Divided by weighted average shares outstanding for Class A and Class B shares of the controlling interest	48,800,466	49,171,752
Earnings (loss) per share for Class A and Class B shares of the controlling interest	**$ 0.53**	**$ 0.19**

Note 10 – Treasury Stock

The Company continues to maintain a liquidity enhancement policy that is intended to enhance and strengthen the liquidity in the trading of the Company’s class A ordinary shares. The Company's Liquidity Enhancement Agreement with ABN AMRO Bank N.V. London Branch, which had been in force since 21 July 2008 (and which was subsequently renewed with The Royal Bank of Scotland N.V. ("RBS") on 29 June 2010), expired on 28 June 2011. Under the terms of Share Buy Back Programme (described below), the Liquidity Enhancement Agreement was suspended from 21 October 2010 to 28 June 2011.

On 22 October 2010, we launched a new Share Buy-Back Programme in order to begin implementing the Capital Return Policy. The Share Buy-Back Programme, which commenced in October 2010, is the subject of periodic review by the Board. The Board of Directors has approved an extension of the Share Buyback Program from 31 August 2013 to 30 November 2013; the documentation for such extension is currently in progress. Under the terms of the Share Buy-back Programme, Jefferies International Limited (“JIL”) has been appointed to effect on-market repurchases of Shares on behalf of NBPE on Euronext Amsterdam and/or the Specialist Fund Market of the London Stock Exchange. Shares bought back under the Share Buy-Back Programme will be cancelled.

The aggregate number of class A ordinary shares which may be repurchased pursuant to the Share Buy-back Agreement is limited to 6,776,250 shares (being 12.5 per cent of the total number of class A ordinary shares outstanding as of 21 October 2010, the day before the Share Buy-back Programme commenced). The Company may increase such maximum, subject to any limits to the authority granted to the Company by its shareholders to effect share repurchases. The Company currently has shareholder authority to repurchase shares in the market, the aggregate value of which may be up to 14.99 percent of its net asset value on 1 January in the relevant year in which the buyback is made. The maximum price which may be paid for a class A ordinary share is an amount equal to the higher of (i) the price of the last independent trade and (ii) the highest current independent bid, in each case, with respect to the class A ordinary shares on the relevant exchange (being the Specialist Fund Market of the London Stock Exchange or Euronext Amsterdam by NYSE Euronext).

The following table summarizes the Company's shares at 30 June 2013 and 31 December 2012.

		30 June 2013		31 December 2012
Class A shares outstanding		48,790,564		48,790,564
Class B shares outstanding		10,000		10,000
		48,800,564		48,800,564
Class A shares held in treasury - number of shares		3,150,408		3,150,408
Class A shares held in treasury - cost	$	9,248,460	$	9,248,460
Class A shares repurchased and cancelled - number of shares		2,269,028		2,269,028
Class A shares repurchased and cancelled - cost	$	16,523,000	$	16,523,000

Note 11 – Financial Highlights

Per share operating performance (based on average shares outstanding during the period)	**For the Six Month Period Ended 30 June 2013**	**For the Year Ended 31 December 2012**
Beginning net asset value	$ 11.81	$ 11.03
Stock repurchased and cancelled	-	0.05
Net increase in net assets resulting from operations:		
Net investment income (loss)	(0.07)	(0.22)
Net realized and unrealized gain (loss)	0.60	0.95
Dividend payment	(0.20)	-
Ending net asset value	**$ 12.14**	**$ 11.81**

Total return (based on change in net asset value per share)	**For the Six Month Periods Ended 30 June 2013**	**30 June 2012**
Total return before carried interest	3.13%	2.09%
Carried interest	(0.34%)	-
Total return after carried interest	**2.79%**	**2.09%**

Net investment income (loss) and expense ratios (based on weighted average net assets)	**For the Six Month Periods Ended (Annualized) 30 June 2013**	**30 June 2012**
Net investment income (loss)	(1.25%)	(1.96%)
Expense ratios:		
Expenses before interest and carried interest	2.22%	2.15%
Interest expense	0.80%	0.79%
Carried interest	0.63%	-
Total	**3.65%**	**2.94%**

Individual shareholder returns may differ from the ratios presented based on differing entry dates into the Company.

Note 12 – Commitments and Contingencies

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

Note 13 – Subsequent Events

The Board of Directors of the Company declared on 30 July 2013 a dividend payment and will pay $0.21 on each ordinary share on 30 August 2013 with dividend record date on 9 August 2013.

There have been no other subsequent events through 27 August 2013, the date the consolidated financial statements were issued, that requires recognition or disclosure in the consolidated financial statements.

VALUATION METHODOLOGY

Equity

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

Debt

We estimate the enterprise value of each portfolio company and compare such amount to the total amount of the company's debt as well as the level of debt senior to our interest. Estimates of enterprise value are based on a specific measure (such as EBITDA, free cash flow, net income, book value or NAV) believed to be most relevant for the given company and compares this metric in relation to comparable company valuations (market trading and transactions) based on the same metric. In determining the enterprise value, we will further consider the companies' acquisition price, credit metrics, historical and projected operational and financial performance, liquidity as well as industry trends, general economic conditions, scale and competitive advantages along with other factors deemed relevant. Valuation adjustments are made if estimated enterprise value does not support the value of the debt security we are invested in and securities senior to our position.

If the principal repayment of debt and any accrued interest is supported by the enterprise value analysis described above, we will next consider current market conditions including pricing quotations for the same security and yields for similar investments. To the extent market quotations for the security are available, we will take into account current pricing and liquidity. Liquidity may be estimated by the spread between bid and offer prices and other available measures of market liquidity, including number and size of recent trades and liquidity scores. If we believe market yields for similar investments have changed substantially since the pricing of our security, we will perform a discounted cash flow analysis, based on the expected future cash flows of the debt securities and current market rates. We will also consider the maturity of the investment, compliance with covenants and ability to pay cash interest when estimating the fair value of our debt investment.

FORWARD LOOKING STATEMENTS

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

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

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

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

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

OVERVIEW OF THE INVESTMENT MANAGER

About NB Alternatives

The NB Alternatives group of Neuberger Berman (the "Investment Manager") has 26 years of investing experience specializing in co-investments, direct-yielding investments, private equity funds and secondary investments and has built relationships with leading private equity fund managers over that time.

The Investment Manager makes all of our investment decisions, and we have delegated to the Investment Manager the day-to-day management and operations of our business. The Investment Manager's investment decisions are made by its Investment Committee (the "Investment Committee"), which currently consists of seven members with an aggregate of approximately 190 years of professional experience. The sourcing and evaluation of our investments is conducted by the Investment Manager's team of over 60 investment professionals who specialize in co-investments, direct-yielding investments and fund investments. In addition, the Investment Manager's staff of approximately 110 administrative and finance professionals are responsible for our administrative, financial management and reporting needs. The Investment Manager currently maintains offices in New York, London, Dallas and Hong Kong.

About Neuberger Berman

Neuberger Berman is a private, independent, employee-controlled investment manager. It partners with institutions, advisors and individuals throughout the world to customize solutions that address their needs for income, growth and capital preservation. With more than 1,900 professionals focused exclusively on asset management, it offers an investment culture of independent thinking. Founded in 1939, the company provides solutions across equities, fixed income, hedge funds and private equity, and had $214 billion in assets under management as of 30 June 2013. For more information, please visit our website at www.nb.com.

DIRECTORS, ADVISORS AND CONTACT INFORMATION

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

ZDP Share Information
Trading Symbol: NBPZ
Exchanges: Specialist Fund Market of the London Stock Exchange and the Daily Official List of the Channel Islands Stock Exchange
Admission Date: 1 December 2009
Base Currency: GBP
Bloomberg: NBPEGBP LN
Reuters: NBPEO.L
ISIN: GG00B4ZXGJ22
SEDOL: B4ZXGJ2

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