

# Monthly Factsheet

28 February 2018

Building Long-term Wealth by Investing in Private Companies

## What is HarbourVest Global Private Equity Limited?

HarbourVest Global Private Equity Limited ("HVPE" or the "Company") is a London listed, FTSE 250 private equity investment company with assets of \$1.7 billion (HVPE's functional currency is the US dollar) and a market capitalisation of approximately £1.0 billion (ticker: HVPE). HVPE invests in private companies and portfolios of private companies through funds managed by HarbourVest Partners, an innovative global private markets asset manager with more than 35 years of experience.

HVPE is designed to offer shareholders long-term capital appreciation by investing in a private equity portfolio diversified by geography, strategy, stage of investment, vintage year, and sector. By following a consistent and proven investment strategy, HVPE has delivered steady and robust NAV growth and has outperformed the public markets since inception, as measured by the FTSE All-World Total Return (TR) index.

## Why Invest

Holding shares in HVPE provides investors with a well-managed, ready-made global private equity programme and gives part-ownership of more than 7,500 underlying private companies\*, spanning investment stages from early venture to large-cap buyouts. Many of these companies have the potential to become tomorrow's household names.

## Estimated NAV per Share Reconciliation (movement through month) (\$)

21.01	(0.05)	0.00	(0.02)	(0.03)	20.91
NAV per Share at 31 Jan	Valuations gains/(losses) Fund-of-funds	Valuations gains/(losses) Direct funds	Operating expenses	Foreign currency	NAV per Share at 28 Feb

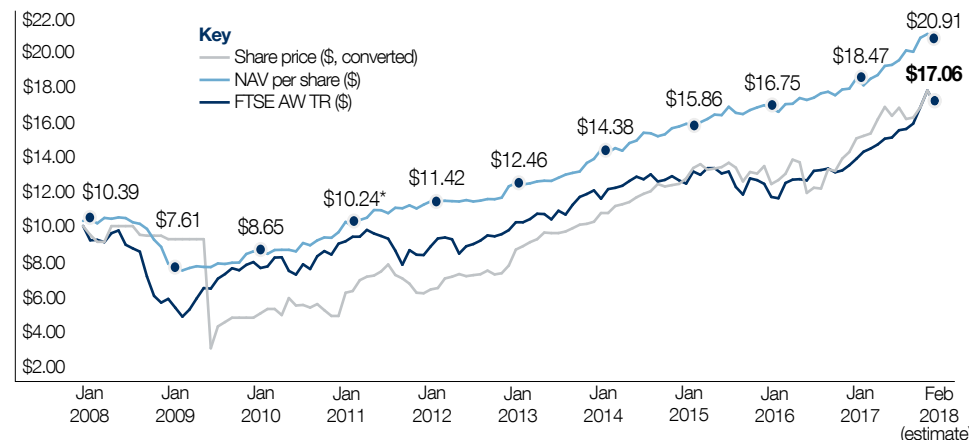
The NAV breakdown is an estimate. The entire portfolio was re-valued in December to reflect the Investment Manager's preliminary estimate of year-end 2017 valuation changes. The estimated 31 December 2017 figure will be updated as final valuations are received from underlying managers. See **Valuation Methodology** on page four for further details.

\* Holdings in publicly-traded companies, often resulting from IPOs in the private equity portfolio, represent 11% of HVPE's investment portfolio value.

## Summary of Estimated Net Asset Value ("NAV") at 28 February 2018

	28 February 2018	31 January 2018
In millions except per share and last traded price data		
Investment Portfolio	\$1,419.3	\$1,416.5
Cash and Cash Equivalents	\$246.9	\$257.0
Debt	\$0.0	\$0.0
Net Other Assets (Liabilities)	\$3.6	\$4.5
<b>Estimated NAV</b>	<b>\$1,669.8</b>	<b>\$1,678.0</b>
Remaining Available Credit Facility (undrawn)	\$500.0	\$500.0
<b>Estimated NAV per Share (\$)</b>	<b>\$20.91</b>	<b>\$21.01</b>
Estimated NAV per Share (£ equivalent)	£15.20	£14.81
<b>Last Traded Price (LSE) (£)</b>	<b>£12.40</b>	<b>£12.52</b>
Share Price (\$) (converted from £ at the rate indicated)	\$17.06	\$17.77
Discount to NAV	18%	15%
Foreign Exchange Rate (GBP/USD)	1.3760	1.4191

## Share Price and NAV per Share Movement Since Inception



\* Economic NAV per share. See January 2011 Annual Report for details.

Share price as reported by the London Stock Exchange. NAV per share converted into sterling at daily closing exchange rates (Bloomberg)

## Estimated NAV per Share at 28 February 2018

31 January: \$21.01

**\$20.91**

## Share Price at 28 February 2018

31 January: £12.52

**£12.40**

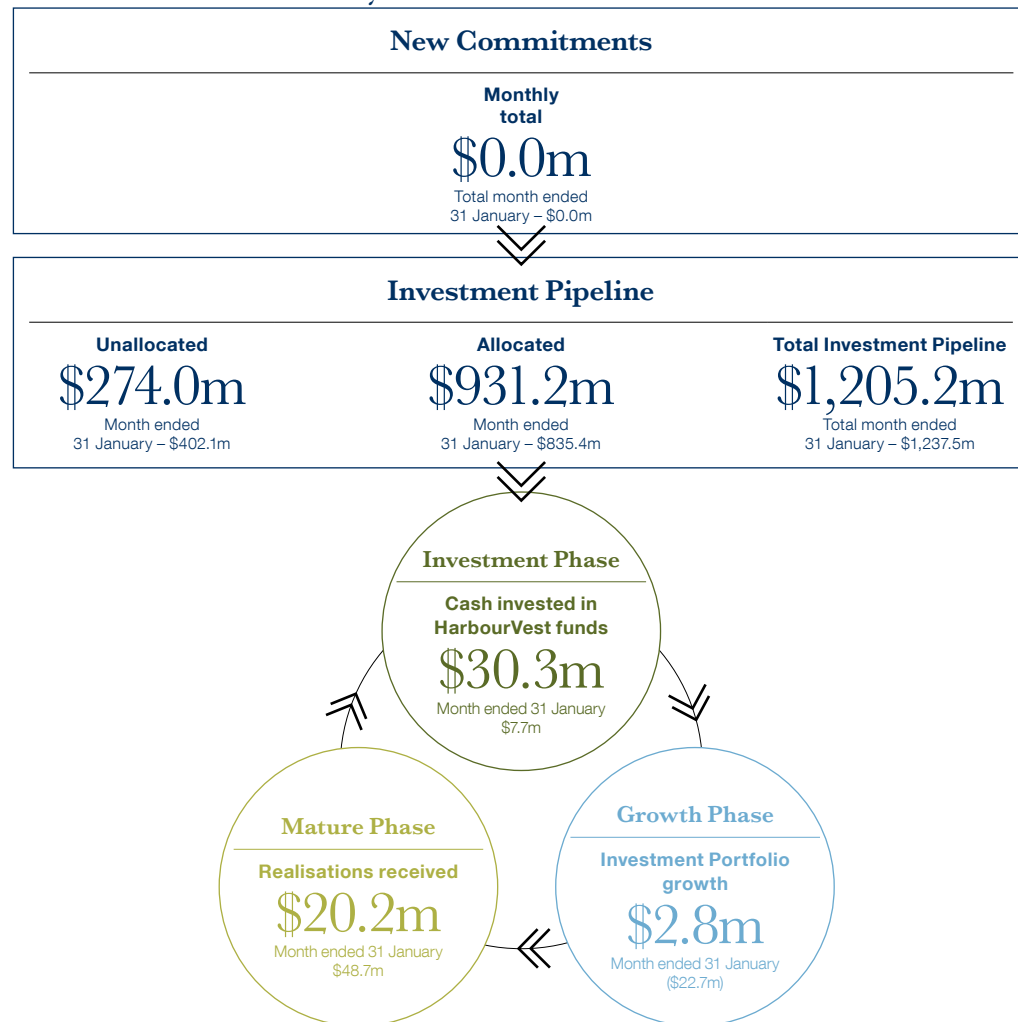
## February Highlight

In February, the Board approved revisions to HVPE's five-year portfolio construction targets ("Strategic Asset Allocation"). The adjustments by strategy were an increase in allocation to Direct investments from 15% to 20%, with a decrease in Primary investments from 60% to 55%. The changes by stage were an increase in Mezzanine and Real Assets from 5% to 10%, with a decrease in Buyouts from 65% to 60%. These revisions reflect the Board and Investment Manager's current perspective on the best means of achieving long-term NAV growth for shareholders.

## The Private Equity Cycle

HVPE invests in and alongside HarbourVest-managed funds which focus on primary fund commitments, secondary investments and direct co-investments in operating companies. These in turn drive a steady pace of direct and indirect investment into private company opportunities. These investments develop and grow over a period of several years, before being realised. Proceeds from these realisations then provide the fuel for new commitments and the lifecycle continues.

### Month ended 28 February 2018



## Investments (Investment Phase)

In February, capital calls by underlying partnerships (by value) were split between buyout, venture and credit & real asset strategies at 42%, 33% and 25%, respectively. Of the total value of calls, 70% were from partnerships that had a US investment focus.

### Top Five Investing Partnerships

Partnership	Amount invested
<b>CIFC Secondary Opportunities Fund I</b>	\$3.9m
<b>Berkshire Fund IX</b>	\$1.2m
<b>Thoma Bravo Discover Fund</b>	\$1.1m
<b>Summa Equity I</b>	\$0.8m
<b>DCM Ventures China Fund (DCM VIII)</b>	\$0.5m

## Realisations (Mature Phase)

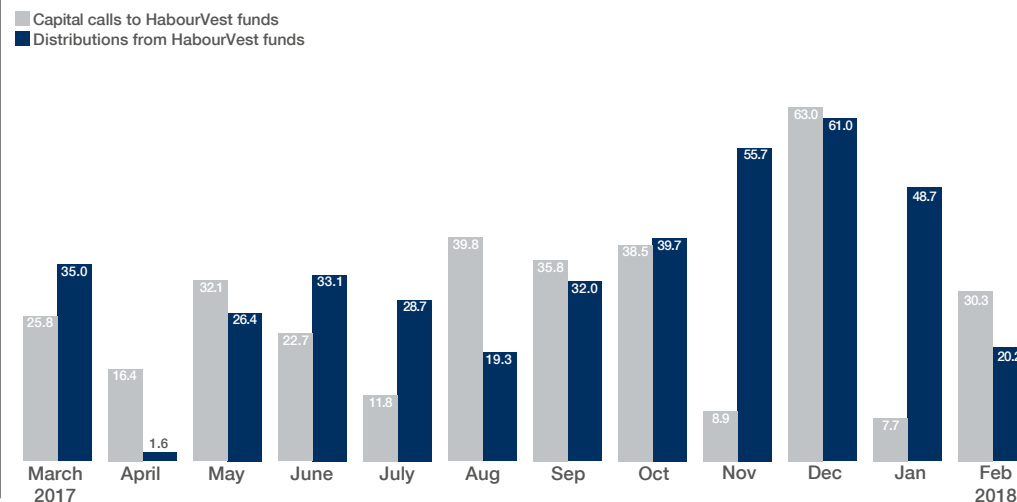
During February, there were a total of 32 liquidity events across HVPE's underlying portfolio. This was one less than January's 33 events and compares to a last 12-month average of 39. In February there were 29 M&A events and 3 IPOs.

### Top Five Distributing Partnerships

Partnership	Total proceeds received	Partnership's largest distribution in month (company)
<b>Medicxi Ventures I</b>	\$1.2m	Impact Biomedines
<b>PAI Europe V</b>	\$1.1m	Kiloutou SA
<b>Hummer Winblad Venture Partners V</b>	\$1.0m	Mulesoft
<b>Sterling Capital Partners III</b>	\$0.7m	IO Data Centers
<b>TPG Partners VI</b>	\$0.6m	Taylor Morrison

## 12 Month Cash Flow (\$m)

### 1 March 2017 to 28 February 2018



## Managing HVPE

### Credit facility

If in future investments exceed realisations for a sustained period, it is important that HVPE is able to access funding as required to meet any shortfall. In addition to a cash balance of \$246.9 million, the Company has a credit facility of \$500.0 million, which is currently undrawn. The credit facility was

extended in early December 2017 and now expires in December 2022.

### Investment Pipeline and commitment ratios

The Board and Investment Manager make reference to three key ratios when assessing the Company's commitment levels, as shown here.

## Total Commitment Ratio at 28 February 2018

(Total exposure to private markets investments as a percentage of NAV)

Investment Portfolio + Investment Pipeline	\$2,625m
Divided by the NAV	\$1,670m
	<b>157%</b>

## Rolling Coverage Ratio at 28 February 2018

(A measure of medium-term commitment coverage)

Cash + Available Credit Facility (\$) + Current Year Estimated Realisations (\$)	\$1,107m
Divided by the Next Three Years' Estimated Investments	\$1,150m
	<b>96%</b>

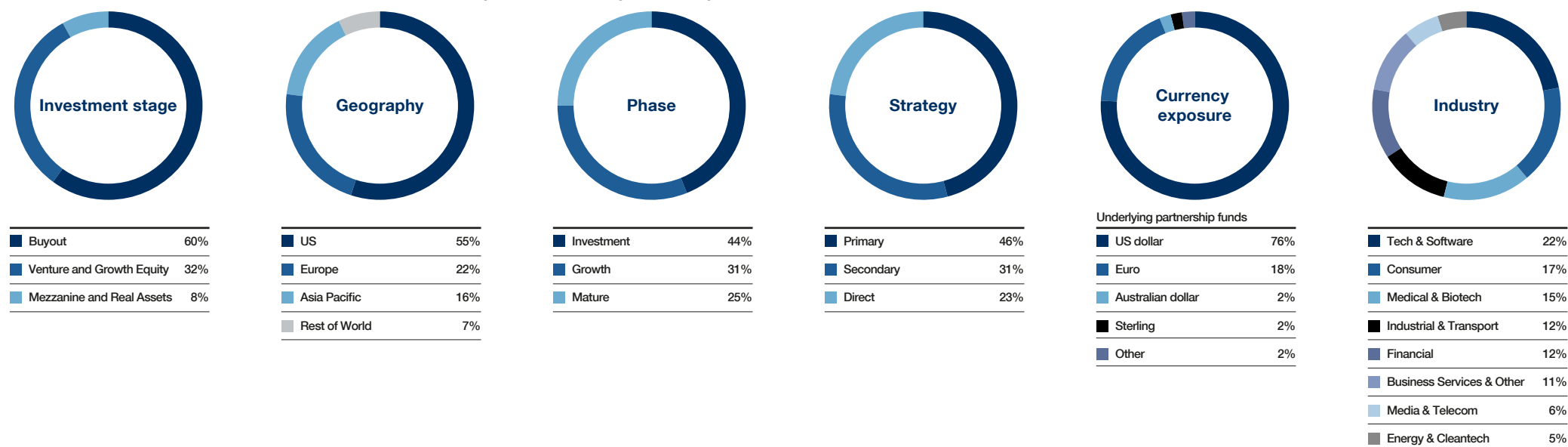
## Commitment Coverage Ratio at 28 February 2018

(Short-term liquidity as a percentage of total Investment Pipeline)

Cash + Available Credit Facility	\$747m
Divided by the Investment Pipeline	\$1,205m
	<b>62%</b>

## Diversification at 28 February 2018

Consistent with HVPE's investment objective, the investment manager strives to manage risk through diversification within the portfolio.



**Notes:** The diversification by net asset value analysis is based on the fair value of the underlying investments, as estimated by the investment manager. Diversification by stage, phase, and geography is based on the estimated net asset value of partnership investments within HVPE's fund-of-funds and company investments within HVPE's co-investment funds. Industry diversification is based on the reported value of the underlying company investments for both fund-of-funds and co-investment funds. Some of the funds held in HVPE have not been fully invested. The composition of investments by phase, stage, geography, strategy, and industry may change as additional investments are made and existing investments are realised. By phase, mature includes vintage years pre-2008, growth includes vintage years 2009 to 2013, and investment includes vintage years 2014 to 2018.

## Performance as at 28 February 2018

	1 year	3 Years	5 years	Since Inception (2007)
NAV per share (\$)	15.7%	32.3%	72.0%	109.1%
Share price total return (\$)	12.5%	28.0%	91.6%	69.6%
Share price total return (£)	1.2%	43.6%	110.3%	149.2%
FTSE All-World TR (\$)	19.4%	29.7%	66.7%	70.3%

## Key Information

<b>Exchange</b>	London Stock Exchange
<b>Ticker</b>	HVPE
<b>Market capitalisation</b>	£1.0 billion
<b>Shares in issue</b>	79.9 million
<b>Listing date</b>	6 December 2007 (Euronext)* 9 September 2015 (LSE MM)
<b>Financial year end</b>	31 January
<b>ISIN</b>	GG00BR30MJ80
<b>SEDOL</b>	BR30MJ8
<b>Bloomberg</b>	HVPE:LN
<b>Reuters</b>	HVPEa.L
<b>Base currency</b>	US Dollar

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## Registered Office

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## Investment Manager

**HarbourVest Advisers L.P.**

c/o HarbourVest Partners, LLC  
One Financial Center  
Boston MA 02111  
USA



**Valuation Methodology:** HVPE carries its investments at fair value in accordance with US generally-accepted accounting principles. HVPE's Investment Manager uses the best information it has available to estimate fair value. Fair value for private equity assets is based on the most recent financial information provided by the Investment Manager, adjusted for known investment operating expenses and subsequent transactions, including investments, realisations, changes in foreign currency exchange rates, and changes in value of public securities. HVPE's investment manager has estimated calendar fourth quarter 2017 valuations for HarbourVest fund-of-funds and direct funds using fund level activity, known transactions, preliminary direct portfolio company values, comparable public index movements, and discussions with general partners with whom it has invested. The Company's audited NAV and financial statements for the financial year ended 31 January 2018 will be published in May 2018. Until then, HVPE's estimated monthly NAV will continue to reflect the best information available to the investment manager, including adjustments to the estimated 31 December 2017 valuations as actual results are received from the underlying managers. The estimated NAV will also be adjusted monthly to reflect changes in the value of publicly-held securities in the portfolio, foreign currency movement, cashflows, and any known material events. The investment manager expects the Company's NAV to reflect final HarbourVest direct fund year-end valuations in March and April 2018, followed by final year-end valuations for HarbourVest fund-of-funds in April and May 2018. All investments are subject to risk. Past performance is no guarantee of future returns. Prospective investors are advised to seek expert legal, financial, tax, and other professional advice before making any investment decision. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results. This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the securities described herein. This report was prepared using financial information contained in HVPE's books and records as of the reporting date. This information is believed to be accurate but has not been audited by a third party. This report describes past performance, which may not be indicative of future results. HVPE does not accept liability for actions taken on the basis of the information provided. The representative of HVPE in Switzerland is Hugo Fund Services SA, 6 Cours de Rive, 1204 Geneva. The Paying Agent in Switzerland is Banque Cantonale de Genève, 17 Quai de l'Île, CH-1211 Geneva 2, Switzerland. The distribution of Interests in Switzerland must exclusively be made to qualified investors. Copies of the Prospectus, Articles of Association and annual and semi-annual reports can be obtained free of charge from the Representative. The place of performance for Interests of HVPE offered or distributed in or from Switzerland is the registered office of the Representative.

\* Delisted from Euronext in October 2016