HARBOURVEST
GLOBAL PRIVATE EQUITY

Semi-Annual Report AND

Unaudited Consolidated Financial Statements

31 JULY 2013

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COMPANY OVERVIEW HarbourVest Global Private Equity Limited ("HVPE" or the "Company") is a Guernsey-incorporated company listed on the Specialist Fund Market of the London Stock Exchange and Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext Amsterdam, registered with the Netherlands Authority for the Financial Markets as a closed-end investment company pursuant to section 1:107 of the Dutch Financial Markets Supervision Act, and authorised as a closed-ended investment scheme in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and rule 6.02 of the Authorised Closed-ended Investment Scheme Rules 2008. HVPE is managed by HarbourVest Advisers L.P. (the "Investment Manager"), an affiliate of HarbourVest Partners, LLC ("HarbourVest"), a private equity firm whose history dates back to 1982. HarbourVest is headquartered in Boston and has committed more than $30 billion to investments.

The Company issued 83,000,000 shares at $10.00 per share in December 2007.

Key Highlights

By the Numbers

At or During the Six-Month Period Ended 31 July 2013

NAV
+4%

Share Price
+11%

Realised Uplift from Carrying Values
+35%

Gearing
11%

Cash Flows

Realised Proceeds	$99m
Invested in HarbourVest Funds	($54m)
Cash Flow Positive	**$45m**

Update on Strategic Initiatives

This section provides an update on the Strategic Initiatives announced in May 2013.

Distribution

- Following a shareholder vote to approve changes in the Company's articles, the Board has announced HVPE's initial distribution of $20 million ($0.24 per share) to shareholders. The payment is expected on 15 October 2013 and will take the form of a share redemption.

Listing and Governance Structure

- The Company remains committed to reviewing both HVPE's current listing and its governance. The Board and the Investment Manager have begun discussions on aspects of the current management agreement and received advice on the steps necessary to list on the Main Market of the London Stock Exchange.

Gearing and Commitments

- Gearing (net debt/NAV) has decreased from 15% to 11% during the first half of HVPE's financial year. The planned October distribution is expected to add approximately 2% to gearing, within the limits previously announced by the Board.
- HVPE committed $170 million to HarbourVest funds during the six-month period to 31 July 2013, demonstrating the Board's continued belief in the asset class and the Investment Manager's ability to grow NAV.

Mission Statement

"Deliver superior returns to shareholders by distinguishing HVPE as a **top performing, transparent, and easily accessible listed** private equity multi-manager fund."

Chairman's Letter

Dear Shareholders,

It is barely four months since I signed out my last letter as printed in the 2013 Annual Report. Those months have been relatively uneventful both for world economies and stock markets with, in general, steady improvement in economic activity and continued appreciation in markets. In the six months to 31 July 2013 the MSCI All Country World Index (USD) rose by 4.9%.

It was in the bond market that significant events unfolded. Ben Bernanke's testament to Congress on 22 May caused investors to reassess their strategies and in the six months to 31 July the yield on 10-year U.S. Treasuries rose from 1.98% to 2.58%. Although central banks have tried to manage expectations such that interest rate rises should not be expected for some significant time, some bond market investors have taken a different view. Nevertheless, the high yield bond market in the U.S. has continued to be active and private equity-backed companies have been able to raise debt to refinance balance sheets.

Asset Values, Discounts and Share Trading

During the six months to 31 July 2013 your company, HarbourVest Global Private Equity ("HVPE" or the "Company") made further progress with growth of Net Asset Value ("NAV") of 4.2% to $12.98 per share. Although the growth of NAV per share in the period was marginally exceeded by that of the MSCI All World Index, the valuation of private equity assets will often lag public markets. The real test of value comes at the time of realisation and as the Investment Manager sets out on page 23, significant uplifts in value have been delivered when companies undergo a liquidity event. During the six-month period, and over the 45 realised transactions amounting to 79% by value of all known transactions, the weighted average uplift from the immediately prior carrying value was 35%.

During the six-month period the Company's share price increased from $8.66 to $9.60 as the discount narrowed further to 26%. The listed private equity sector continued to benefit from increased confidence amongst investors. Nevertheless there is still considerable scope for further narrowing and the level of the discount is constantly in the focus of both the Board and Investment Manager. Persistent superior long-term growth in NAV per share should encourage lower discounts and as reported in my Chairman's Letter in the 2013 Annual Report, taking account of HarbourVest's historic returns to investors in the limited partnerships that it has managed, the Investment Manager has indicated to the Board that it would aim to grow your Company's NAV by at least 5% per annum in excess of mainstream listed market returns over the cycle.

Although the Company's shares are formally listed on both the Specialist Fund Market ("SFM") of the London Stock Exchange and NYSE Euronext a significant proportion of trading in the shares is conducted through the SFM and also other markets. It is estimated that during the six-month period, approximately 5.4% of the 82.7 million shares in issue changed hands.

Prospective Cash Distribution and Outlook for Leverage

In the May 2013 Chairman's Letter I reported that the Board had agreed, subject to the Company meeting certain criteria, to distribute over the two years of 2013 and 2014 approximately 50% of the expected net profit of the Company's successful co-investments in Absolute Private Equity Ltd. ("Absolute") and Conversus Capital L.P. ("Conversus"). Details of the proposals were set out in the Circular to shareholders dated 23 August 2013 which is available on the Company's website at www.hvgpe.com.

I am now able to confirm that the criteria for 2013 have been met and that, following shareholder approval to amend the Company's Articles, the Company will allocate $20 million to redeem a pro-rata proportion of every shareholder's holding at a price of $12.946 per share being 99.99% of the 31 August 2013 estimated NAV per share of $12.9478. The price has been struck at 100% of estimated NAV less the estimated direct costs incurred to authorise and process the distribution. It is anticipated that for every 100 shares held, 1.854 will be redeemed at $12.946 and this redemption will be the equivalent of a distribution of $0.24 per share currently held. Further it is anticipated that the redemption date for the distribution will be 8 October 2013 and that the proceeds of the redemptions will be sent to registered shareholders on 15 October 2013.

Immediately following the Conversus transaction in December 2012, the Company's net borrowings reached $177.3 million, equivalent to gearing of 16.5%. At 31 July 2013 those metrics had reduced to $130.1 million and 10.9% respectively and as at 31 August had remained relatively unchanged at $130.8 million and 10.6%. Following the redemption, net borrowings will rise by $20 million and gearing to approximately 12.7%. Whilst it is anticipated that the present portfolio will continue to be cash generative, and thus borrowings are expected to fall further, the Board will be prepared to use the Company's facility at Lloyds Bank to continue investing and for new opportunities which will benefit shareholders should those opportunities arise. The Lloyds Bank facility is for $500 million until December 2014 and thereafter for $300 million expiring in April 2018. Fuller details are set out on page 26 of this Report. The Company has demonstrated with the Absolute and Conversus transactions that it is capable of using its balance sheet innovatively and profitably for shareholders and in principle it would be prepared to do so again.

Following the 2013 redemption each shareholder's remaining holding will be approximately 1.9% smaller than today although the NAV per share will remain unchanged at an estimated $12.95 as will each shareholder's percentage ownership of the Company. Shareholders who wish to maintain the monetary value of their existing holding will have the option of buying further shares in the market.

Subject to unforeseen circumstances, as I see matters today I anticipate that the Company will meet the criteria for a similar redemption in 2014 and that such redemption will not need prior shareholder approval. The Company will make a formal announcement at the appropriate point in 2014 and I hope to be able to update shareholders in my Letter to accompany the 2014 Annual Report which will be published towards the end of May 2014.

Governance

In May I wrote that the Board and the Investment Manager would be "exploring the possibility of reviewing the Company's contractual arrangements and its Corporate Governance with a view to bringing these more into line with other listed private equity companies". Further I wrote that I did not expect progress on this matter to be rapid but that I would report further "later in the year".

I can confirm that the Company has received advice as to the steps that will need to be taken to allow the Company's shares to be listed on the Main Market of the London Stock Exchange. Even should those steps be taken, there remains at present the hurdle that, to permit this to happen in a conventional way, the percentage of shares held by shareholders resident in the U.S. would need to be reduced to significantly below 50%.

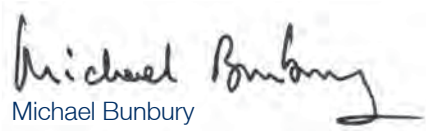
Both the Board and Investment Manager are committed to the review that I announced in May and the Company will make a further announcement in due course.

Conclusion

Different shareholders have different aspirations for the Company. However, subject to meeting those aspirations for a majority of shareholders both the Board and Investment Manager intend to see the Company continue to develop as one of the most innovative participants in the listed private equity sphere. Since 2010 the Company has undertaken a number of significant moves – for example the May 2010 secondary placing with Put Rights attached, the 2011 co-investment in Absolute and the 2012 co-investment in Conversus – and the Board and Investment Manager intend that the Company will continue to seek such opportunities.

As always I welcome feedback from shareholders and if requested, Stuart Howard or I, or any other director of the Company, will be happy to arrange a meeting or a telephone call.

Yours sincerely



Michael Bunbury
Chairman

26 September 2013

Investment Manager's Review

Results for the Six-Month Period Ended 31 July 2013

Financial Summary

	31 July 2013 (Actual)	31 January 2013 (Audited)
SUMMARY OF NET ASSET VALUE (in millions except per share and % data)		
Investment Portfolio	$1,190.8	$1,187.8
Cash and Cash Equivalents	12.9	5.3
Debt	(130.1)	(161.7)
Net Other Assets (Liabilities)	0.2	(1.2)
NAV	$1,073.8	$1,030.2
NAV per Share*	$12.98	$12.46
INVESTMENT PIPELINE (Unfunded Commitments)		
Allocated	$506.8	$399.6
Unallocated	66.6	59.9
Total Investment Pipeline	$573.4	$459.5

CASH FLOWS	Six Months Ended 31 July 2013	Financial Year Ended 31 January 2013
Investments in HarbourVest Funds	**$54.1**	**$105.0**
% of Investment Pipeline†	23.5%	23.2%
Investments in Co-Investments	**—**	**$93.9**
Realisations from HarbourVest Funds and Co-Investments	**$99.0**	**$203.3**
% of Investment Portfolio‡	16.7%	18.5%
Net Cash Flow	**$44.9**	**$4.4**
Cash + Remaining Available Credit Facility§	**$382.8**	**$343.6**

* 82.7 million shares outstanding
† Annualised percent of Investment Pipeline at prior financial year end.
‡ Annualised percent of Investment Portfolio at prior financial year end.
§ Available credit facility reflects amount available subject to most restrictive covenant limit applicable.

NAV increased

4%

Net Asset Value Changes

HVPE's Net Asset Value ("NAV") is $1,074 million, or $12.98 per share, a 4% increase in the six-month period ended 31 July 2013 ($12.46 at 31 January 2013).

Realised Gains

Realised gains were driven by continued liquidity within HVPE's underlying portfolio. Attractive M&A and IPO markets supported solid realisation activity. Liquidity events for HVPE's largest underlying holdings at 31 January 2013 include:

- June 2013 IPO of *CDW* (CDW)
- Sale of shares of *Kosmos Energy* (KOS), *The Nielsen Company* (NLSN), and *HCA* (HCA) in secondary offerings

Value Change

During the first part of 2013, the private equity market and HVPE benefited from a continued rising NAV environment within volatile public markets and despite eurozone concerns. The MSCI All Country World Index (USD) increased 4.9% during the six-month period ended 31 July 2013, driving value increases for publicly-held securities and supporting underlying growth. Changes in value were driven by a number of portfolio investments, the largest sources of which were developing U.S. buyout-focused fund-of-funds HarbourVest VIII Buyout; maturing U.S. venture-focused fund-of-funds HarbourVest VII Venture; and the 2012 purchase of the assets of Conversus Capital.

Management and Performance Fees

During the six-month period ended 31 July 2013, HVPE's share of fees charged within the HarbourVest funds was $6.8 million ($0.08 per share), management fees paid for co-investments were $0.7 million ($0.01 per share), and HarbourVest-related entities were allocated $4.4 million in carried interest ($0.05 per share).

Please refer to page 30 for additional information on fees.

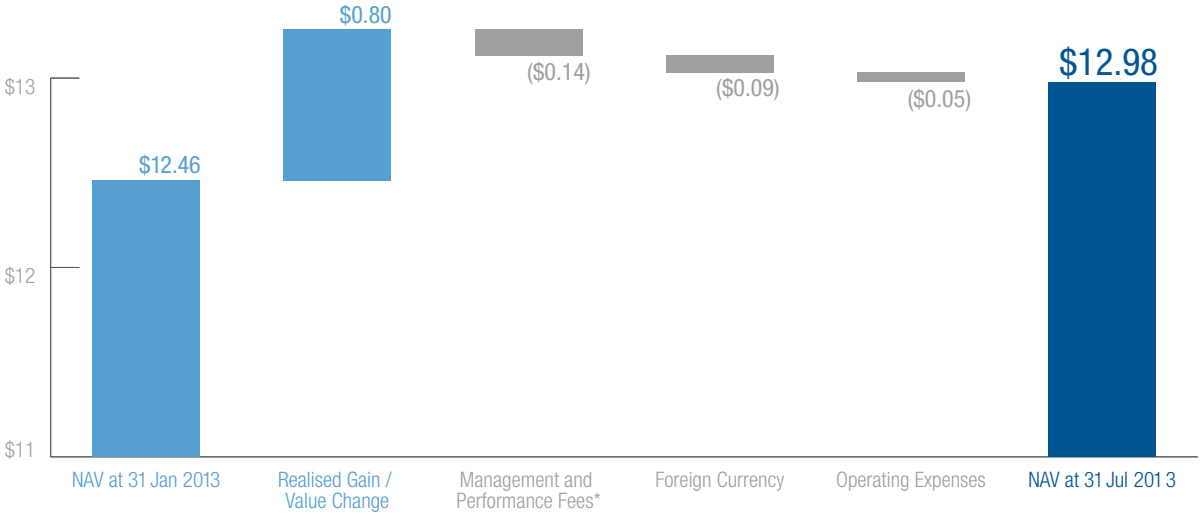
Foreign Currency

Euro weakness did affect HVPE's Investment Portfolio (the euro depreciated 2.0% against the U.S. dollar from 31 January 2013 to 31 July 2013), and the overall result of currency movement was a $0.09 per share loss. Please refer to **Management of Foreign Currency Exposure**.

Operating Expenses

Operating expenses were $0.05 per share. Expenses include fees related to the credit facility and other expenses (compensation, travel, insurance, and directors' fees, as well as third party and other expenses).

CHANGES IN NAV PER SHARE



* Includes management fees associated with Absolute and Conversus asset purchases.

The Investment Manager

HarbourVest offers investors the opportunity to benefit from its experience, track record, organisational stability, consistent strategy, and proven process.

About HarbourVest

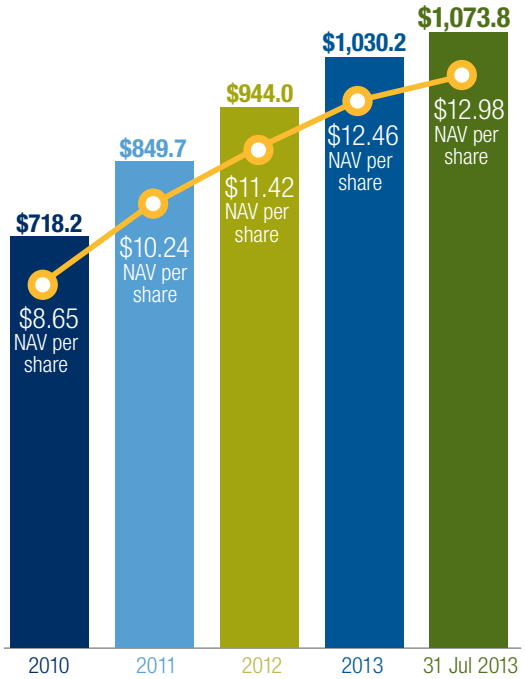
HarbourVest is a leading global private equity investment firm with a long history of innovation and success. The HarbourVest team has been investing in the private markets for more than 30 years, gaining invaluable expertise and developing long-term relationships with sought-after partners along the way. The team strives to generate strong returns through investing in premier partnership funds, in secondary investments, and directly in operating companies. A solid reputation throughout the industry gives HarbourVest access to a diverse range of high quality investment opportunities in the U.S., Latin America, Europe, Asia Pacific, and emerging markets.

Control Environment

In December 2012, the firm issued its fourth Type II SSAE 16 Report (formerly SAS 70) – Private Equity Fund Administration Report on Controls Placed in Operation and Tests of Operating Effectiveness for the period from 1 October 2011 to 30 September 2012, which was conducted by an independent auditor and documents controls across the firm's operations, including investment policy, reporting to clients, capital calls, distributions, cash management, and financial records.

HVPE NET ASSET VALUE GROWTH

($ millions except per share data)



The Investment Committee

Brooks Zug
Senior Managing Director and Founder
35 years
HVPE Director

Kathleen Bacon
Managing Director
19 years

Bill Johnston
Managing Director
30 years

Greg Stento
Managing Director
15 years

John Toomey
Managing Director
14 years
HVPE CFO from IPO through 2008

The Investment Committee leads HarbourVest's nearly 80 investment professionals that source, evaluate, and close private equity investments around the world. The global investment team uses a focused, consistent, and comprehensive process to evaluate assets and allow access to the primary partnerships, secondary purchases, and direct co-investments that it believes offer the strongest potential for returns.

HarbourVest Partners, LLC acts as general partner of HarbourVest Partners L.P., a limited partnership organised under the laws of the State of Delaware, which terms shall, as the context requires, include affiliates and predecessors of HarbourVest Partners, LLC. HarbourVest and its affiliates have locations in Boston, London, Hong Kong, Tokyo, Bogotá, and Beijing.

Past performance is no assurance that such results will be achieved in the future.

Market Review

U.S.

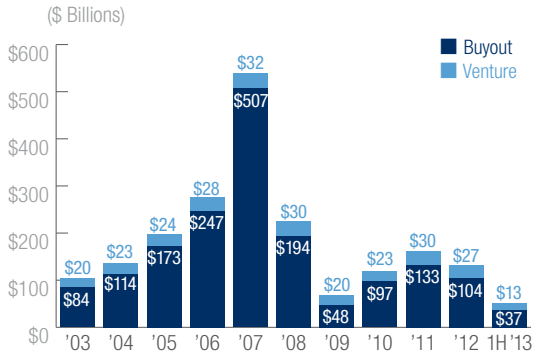
Continued Improving Climate

The U.S. economy continued to grow at a moderate pace, with GDP increasing 2.5% in the second quarter of 2013, compared to a 1.1% increase in the first quarter. Investors remain focused on the Federal Reserve and its plan for winding down the quantitative easing program that was used to help interest-sensitive sectors such as housing and autos and energise the economic recovery. Private equity fundraising, investment, and liquidity activity was mixed during the first half of 2013 compared to the same period in 2012.

U.S. buyout fundraising activity was slightly ahead of the 2012 pace with $44 billion raised during the first half of 2013 compared to $79 billion in all of 2012. The pipeline of new funds for 2013 is strong, but remains well below the peak of 2005 to 2008. Despite the availability of financing, new deal activity has been weak. U.S. disclosed transaction value of $37 billion during the first half of 2013 was below the annual pace of 2012. Buyout-backed M&A activity was relatively slow as deals were pulled into 2012 for tax reasons, but strong public markets supported IPO volume with 29 sponsor-backed offerings in the first half of 2013 raising $14 billion (above the $10 billion raised in all of 2012).

Venture capital fundraising was off to a slower start, with $7 billion raised, down 33% from the first half of 2012. First half 2013 investment activity totaled $13 billion, in line with the 10-year annual average investment pace of $25 billion. Within the venture market, capital invested has exceeded capital raised in eight of the past 10 years, a trend that continued during first half 2013. There were 30 venture-backed IPOs that raised $3 billion during first half 2013 (below the first half of 2012, which included the $16 billion *Facebook* IPO).

U.S. PRIVATE EQUITY INVESTMENTS



Source: *Thomson Reuters* (amount invested in U.S. companies by global firms)

Europe

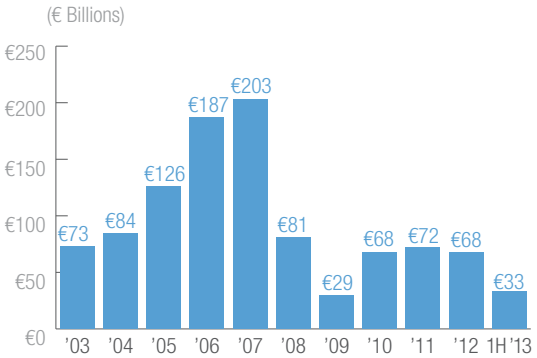
Early Evidence of Recovery

Recent economic data shows the return of growth in major European economies, with Germany and the U.K. both growing at 0.7% in the second quarter of 2013. The export-led recovery in Germany and a slowing GDP contraction in Italy and Spain combined to pull the Eurozone out of recession with a modest growth rate of 0.3% in the second quarter.

There were some positive signs of recovery in the private equity market. Fundraising in the first half of 2013 increased, demonstrating continued investor appetite for high quality European managers. Improving performance for European public equity markets opened the window for private equity-backed IPOs, and there were 11 offerings with a combined size of €3.5 billion in the first six months 2013, well above the 2012 total.

During the first six months of 2013, buyout fundraising increased over 2012 (€14 billion compared to €13 billion in the first half of 2012), but venture capital fundraising in Europe totaled just €1.3 billion, a 27% decrease from the first half of 2012. European fundraising activity is expected to be relatively modest in 2013 and 2014, as investors seek to increase their exposure to faster-growing regions around the world. This could lead to a moderation of pricing for deals and a gradual decline in competition in the European private equity market, as some managers struggle to raise capital. Managers also continue to focus more on secular growth businesses and industries where consolidation can drive growth. Buyout investment activity increased by 4% in value but decreased by 20% in volume versus the same period in 2012, and venture investment activity declined.

EUROPE PRIVATE EQUITY INVESTMENTS



Source: *Incisive Media*

Asia Pacific

Decelerating Growth; Increased Competition

Economic growth in the first half of 2013 decreased due to slowdowns across developing Asia. China's GDP growth in the second quarter of 2013 declined to 7.5%, its lowest in four years, and India's GDP did not meet expectations, with growth of 5.2% in the first half of 2013. The outlook for developing Asia has deteriorated, with GDP growth expected to reach 6.3% in 2013, while the outlook for developed Asia remains positive for 2013, driven by expectations of faster growth due to Japan's monetary easing.

Private equity investment activity is expected to decrease in 2013, as the forecast for economic growth is uncertain. Investors' demand for high quality managers across Asia remains, as investors increasingly look for differentiated teams that can capitalise on opportunities emerging from broader market volatility. A total of $16 billion was raised in the first six months of 2013, a 32% decline from the same period in 2012, while average fund sizes increased slightly. Deal flow and investment activity remained on pace with 2012 ($16 billion deployed) and are expected to increase in Southeast Asia; and Japan is projected to emerge as a destination of new capital. However, liquidity could remain challenging, due to a combination of volatile public markets, limited demand for IPOs, and currency issues in markets such as India and Vietnam. Exits increased in 2013, with $14 billion of proceeds during the first six months of 2013, up from $10 billion in 2012. IPOs increased over 2012, and trade sales continued to generate liquidity.

Rest of World

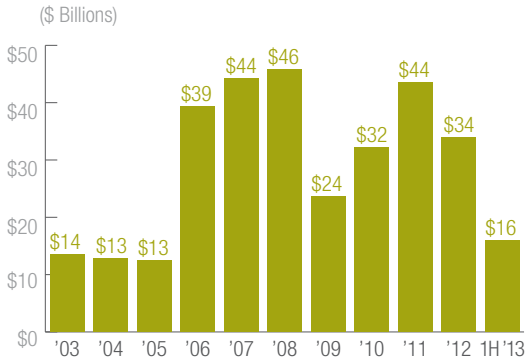
Continued Growth; Fundraising and Investment Activity Declined

The emerging market economies continue to experience GDP growth and are expected to expand by 5.3% during 2013. Latin America is expected to grow at 3.4%, Sub-Saharan Africa's GDP growth is forecast at 5.6% in 2013, and Turkey and Russia are both expected to grow 3.4%. The growth in domestic consumption and the rising demand for infrastructure are key drivers of expansion in the emerging markets, creating strong opportunities for private equity managers. Despite the long-term positive trends, however, the emerging markets continue to suffer shorter-term volatility.

Unlike the past two years, when large funds dominated the emerging markets fundraising environment, mid-market funds drove private equity fundraising in the first half of 2013. As a result, there was a decline in overall emerging markets fundraising in the first half of the year, with approximately $4 billion raised. The fundraising environment for emerging markets is expected to continue to be favourable as investors seek exposure to growth markets against a backdrop of weaker growth in more developed economies.

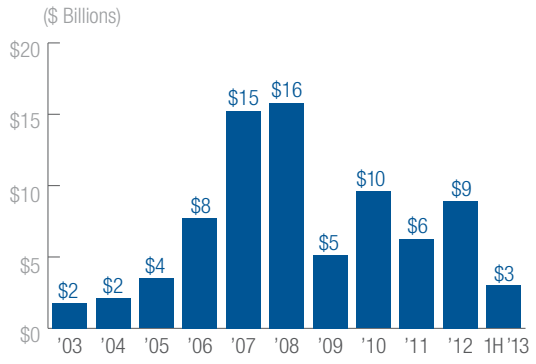
Investment activity in the first half of 2013 has been healthy but lower than the past few years, with $2.5 billion deployed in 136 deals in the first half of 2013, compared to $9 billion in 388 deals in 2012. Investment activity should increase in the second half of 2013 as emerging markets managers focus on investing the new pools of capital they have raised over the past two years.

ASIA PACIFIC PRIVATE EQUITY INVESTMENTS



Source: *AVCJ, APER, EMPEA,* supplemented by HarbourVest analysis of other activity in the market. Excludes investments by RMB funds.

REST OF WORLD PRIVATE EQUITY INVESTMENTS



Source: *EMPEA*

All data refers to calendar years unless otherwise noted.

Secondary Market

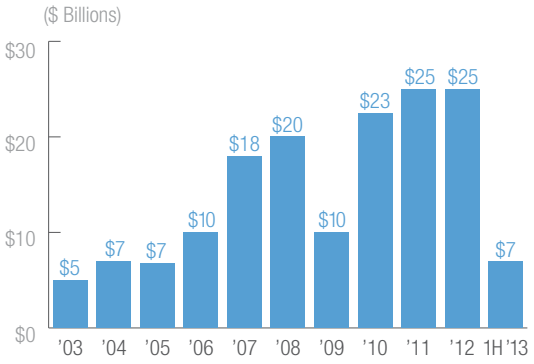
Deal Flow Increasing in Latter Half of 2013

Secondary investment activity across the industry slowed significantly in the first half of 2013 relative to prior years. *Cogent Partners* estimates a total of $7 billion in completed secondary deals in the first half of 2013, less than half of the prior two years' first half totals. This decline was driven by the strength of the public markets and record liquidity during the period. Distributions from private equity portfolios through realisation activity resulted in record levels of liquidity for investors. While secondary market pricing increased during the first half of the year (which could benefit sellers), there was a general lack of urgency by potential sellers in accessing the secondary market.

More recently, activity has increased significantly, evidenced by several large secondary sales reported publicly and HarbourVest's growing pipeline of opportunities. Many of the deals involve portfolios of limited partnership interests, and there is a strong pipeline of fund restructuring, secondary direct, and structured transactions expected to drive market activity in the second half of 2013. Given increased activity in the third quarter, transaction volume in the second half of 2013 could far outpace the first half, leading to another strong year of secondary market activity.

HarbourVest-managed funds committed $195 million to two transactions in the first half of 2013, well below the $1 billion invested in nine deals in all of 2012. This slowdown in commitments is consistent with the lack of activity in the broader market. Based on a strong pipeline and significant third quarter activity, second half 2013 deal flow and investment activity are expected to increase.

SECONDARY INVESTMENTS



Source: *Dow Jones Private Equity Analyst, Columbia Strategy, Cogent Partners, Preqin Secondary Market Monitor, HarbourVest*

Listed Private Equity

Narrowing of Discounts

During 2012 and the first half of 2013, the listed private equity asset class experienced strong share price growth, driven by a combination of a robust equity rally and a recognition that discounts represented a good buying opportunity. Despite a narrowing of the discount in both the direct and fund-of-funds spaces, HVPE's Investment Manager believes that there is still value to be obtained via strong NAV performance and profitable exits. Share trading volumes have also improved.

HVPE's Investment Manager and Board of Directors remain confident that the overall listed private equity market will continue to grow but that the competitive landscape will be shaped by fewer but larger players.

Investment Manager's Outlook

Overall, HVPE's Investment Manager remains confident about both the near and long-term potential of private equity markets and the Company. HVPE, its Investment Manager, and its Board of Directors remain focused on ongoing investment activity to position HVPE for the long term. As the more mature portion of the portfolio provides ongoing realisations and liquidity to fund the new investments, the actively-investing funds provide the opportunity for ongoing NAV development and ever-evolving diversification across geographies, strategies, vintage years, and industries. All investment decisions continue to be based on the potential impact on portfolio diversification, commitment levels and coverage, value creation for existing shareholders, and the Investment Manager's assessment of the economic outlook.

HVPE's recent investments in Absolute and the assets of Conversus are generating liquidity. Please refer to page 14 for further information.

Changes in Investment Portfolio

Investment Gain Driven by Realisations and Increasing Valuations

The value of the Investment Portfolio increased by $3 million to $1,191 million during the six-month period. This was due to investments of $54 million in HarbourVest funds, a value gain of $48 million, and realisations of $99 million.

New Investments

During the six-month period, HVPE invested $54.1 million in HarbourVest funds. The largest investment was a total of $15.3 million to HarbourVest 2013 Direct Fund (formerly known as HarbourVest 2012 Direct Fund), a $50 million HVPE commitment that is building a portfolio of co-investments. Investments are detailed in the **Investment and Commitment Activity** section below.

Investment Gain

The $48 million investment gain during the six-month period was driven mainly by:

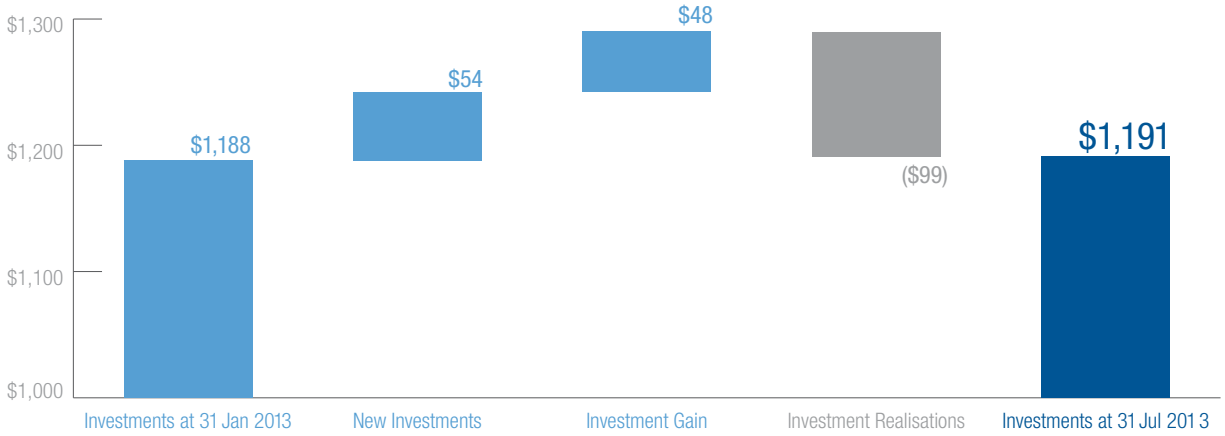
- **HarbourVest VIII Buyout ($10 million)**
  Value drivers include:
  - Unrealized valuation increases for U.K.-based *Freightliner Group* and mobile storage solution provider *PODS Enterprises*, held via Arcapital Bank
  - Increasing prices per share for *Restoration Hardware* (RH), held via Catterton Partners, as well as *Pinnacle Foods* (PF) and *SeaWorld* (SEAS), held via Blackstone Partners.
  - April 2013 acquisition of *Actient Pharmaceuticals* (held via GTCR) by Auxilium Pharmaceuticals
- **HarbourVest VII Venture ($8 million)**
  - Value drivers include the May 2013 IPO of *Tableau Software* (DATA), held via New Enterprise Associates; an unrealised valuation increase for *LendingClub* (via Canaan Partners); and *Actian Corporation's* 2013 acquisitions of Pervasive Software and ParAccel (Garnett & Helfrich)
- **Conversus Capital ($8 million)**
  - Larger sources of gain include funds managed by Thomas H. Lee, Apollo, Clayton, Dubilier & Rice, and Carlyle
- **Dover VIII ($5 million)**
  - Gain driven primarily by investment in Conversus Capital

Investment Realisations

HVPE received $99.0 million from its HarbourVest fund investments and co-investments in Absolute and Conversus Capital. The largest source of realisations was a total of $14.3 million received from the December 2012 purchase of the assets of Conversus Capital, which has returned over 15% of invested capital through 31 July 2013. Realisations are detailed in the **Realisation Activity** section below.

8%
of portfolio realised during six-month period

CHANGES IN INVESTMENT PORTFOLIO ($ millions)



Investment and Commitment Activity

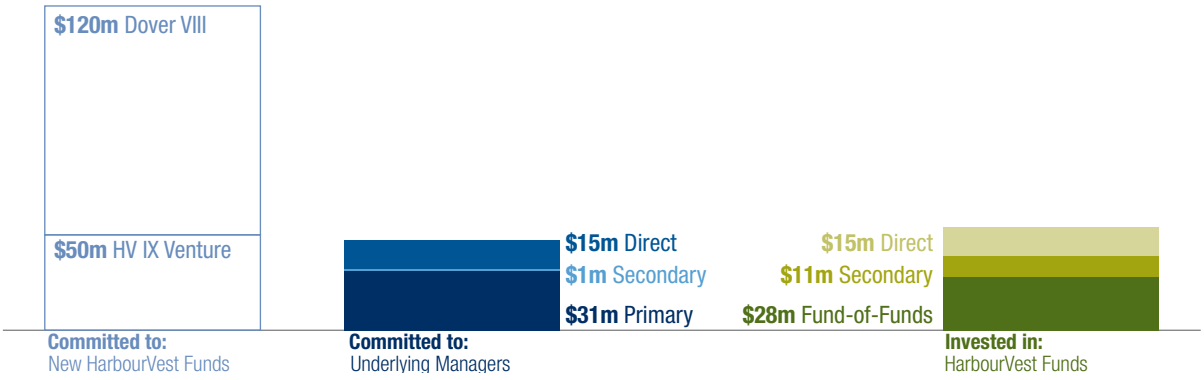
Investments in HarbourVest Funds and New Commitments

HVPE invests capital into its existing HarbourVest funds (which in turn make new partnership, secondary, and direct investments), makes co-investments in innovative transactions alongside HarbourVest funds, and commits capital to newly-formed HarbourVest funds.

INVESTMENT AND COMMITMENT ACTIVITY

HVPE increased its commitments to HarbourVest Funds by **$170m** and HarbourVest Funds committed **$47m** to Underlying Managers

HVPE invested **$54m** in HarbourVest Funds



Investments in HarbourVest Funds

During the six-month period, HVPE invested $54.1 million in 14 HarbourVest funds, which is above the amount invested during the six-month period ended 31 July 2012 but only approximately 27% of the financial year 2013 total, which included the $93.9 million purchase of the assets of Conversus Capital.

Invested ($ millions)	Six Months Ended 31 July 2013	Financial Year 2013	Six Months Ended 31 July 2012
Fund-of-Funds	$27.5	$82.6	$26.4
Direct Funds	$15.3	$9.8	$7.5
Secondary Funds	$11.3	$12.6	$2.0
Total Invested in HarbourVest Funds	$54.1	$105.0	$35.9
Co-Investments	—	$93.9	—
TOTAL	**$54.1**	**$198.9**	**$35.9**

The largest individual HarbourVest fund investments included:

- $15.3 million to HarbourVest 2013 Direct Fund, which made co-investments in *Lightower Fiber Networks, Securus Technologies, Erico Global,* and *Ingham Enterprises*.
- $10.3 million to global secondary fund Dover VIII to fund HVPE's increased commitment.

Commitments to HarbourVest Funds ($170 million)

HVPE increased its commitments to HarbourVest's global secondary fund and venture fund-of-funds.

Additional $120 million Committed to Dover VIII, HarbourVest's Global Secondary Fund
In April and June 2013, HVPE increased its commitment to HarbourVest's most recent global secondary fund, Dover VIII, by $120.0 million, bringing the total commitment to $180.0 million. Dover VIII is designed to take advantage of HarbourVest's position as a leading buyer of existing private equity assets. Dover VIII invests in global secondary purchases of venture capital, leveraged buyout, and other private equity assets. HVPE invested $10.3 million in Dover VIII and received $4.2 million of realisations from Dover VIII during the six months ended 31 July 2013. Dover VIII participated in the purchase of the assets of Conversus alongside HVPE, resulting in a gain for HVPE over the financial period.

Additional $50 million Committed HarbourVest IX Venture Fund, Bringing Total HarbourVest IX Programme Commitment to $100 million
In July 2013, the Company increased its commitment to U.S. venture-focused fund-of-funds HarbourVest IX Venture by $50.0 million. HVPE has committed a total of $100.0 million to Harbourvest's Fund IX programme ($70.0 million to HarbourVest IX Venture, $25.0 million to HarbourVest IX Buyout, and $5.0 million to HarbourVest IX Credit Opportunities).

HarbourVest IX Venture is building a portfolio of investments primarily in U.S.-based venture capital funds, as well as secondary and direct investments. The Fund participated in the December 2012 purchase of the assets of Conversus alongside HVPE and other HarbourVest-managed funds. HarbourVest IX Venture has committed to funds managed by Battery Ventures, Accel Partners, Lightspeed Venture Partners, Spark Capital, Kleiner Perkins Caufield & Byers, and others. The largest companies in the portfolio include several high profile venture-backed companies, including *Twitter, Wayfair, Cvent* (CVT; August 2013 IPO), and *Tremor Video* (TRMR; June 2013 IPO).

These commitments are complementary to HVPE's existing portfolio of HarbourVest funds and highlight the Company's consistent and ongoing commitments to compelling investment opportunities.

HarbourVest Funds' Ongoing Commitments to Managers ($47 million)
HarbourVest funds made commitments to:

- 20 primary partnerships ($31 million)
- 1 secondary investment ($1 million)
- 5 direct investments ($15 million)

The largest new primary commitments were made to partnerships managed by:

Manager	Geography	Strategy
Anchorage Capital Partners	Asia Pacific (Australia)	Small Buyouts
Battery Ventures	U.S.	Balanced Venture and Growth Equity
Capitalworks Equity Partners	Rest of World (South Africa)	Small Buyouts
CGS Management	Europe (German Speaking)	Small Buyouts
CVC Capital Partners	Europe	Large Buyouts
Insight Venture Management	U.S.	Growth Equity
NG Management	Rest of World (Latin America)	Small Buyouts
Spark Capital	U.S.	Early Stage Venture
Third Rock Ventures	U.S.	Early Stage Venture
TowerBrook Capital Partners	Europe	Medium Buyouts

Portfolio Review

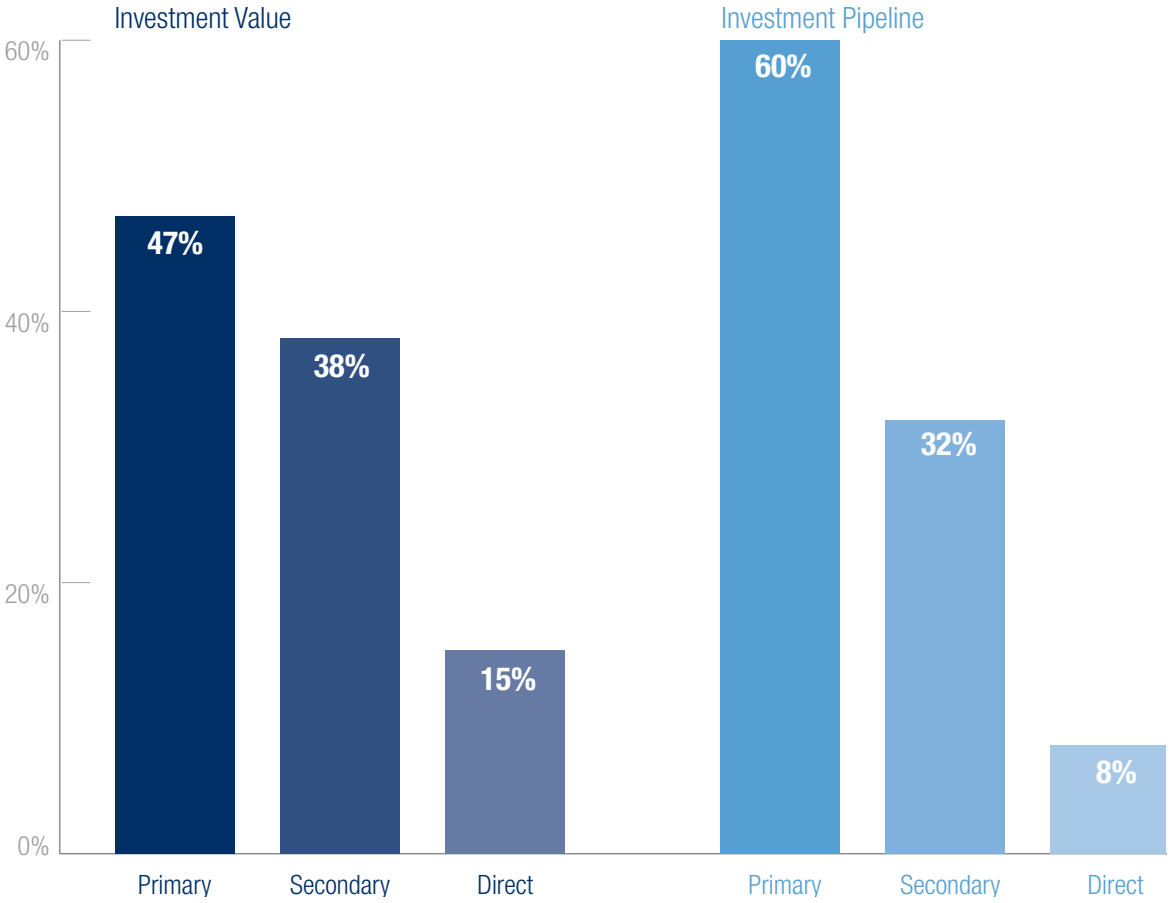
Portfolio Diversification

The Investment Manager believes diversification does help minimise some risks associated with those of an investment in a single private equity fund or a listed fund managed by a single underlying manager.

- Secondary portfolio includes Absolute and the assets of Conversus, which make up 21% of the Investment Portfolio (these investments are profiled in Co-Investments)
- No single company represents more than 1.2% of the Investment Portfolio
- The Investment Portfolio is made up of 6,200 companies, of which the top 100 represent 30% of the value

HVPE's diversification is intended to create a comprehensive private equity portfolio that is well positioned across market cycles.

PORTFOLIO ALLOCATION BY INVESTMENT VALUE AND AMOUNT UNFUNDED



Co-Investments

	CONVERSUS® CAPITAL	absolute private equity
Year of Investment	**2012**	**2011**
HVPE Invested*	$94 million	$85 million
Portfolio	200+ partnerships; 1,800 companies	80 partnerships; 1,000 companies
Purchase Price Discount to NAV at Closing	20%	30%
Value at 31 July 2013	30% increase over purchase price (including realisations received since closing)	44% increase over purchase price (including realisations received since closing)
Gain During Six-Month Period	$8 million	$1 million
Gain Sources	Thomas H. Lee Equity Fund VI Apollo Investment Fund VII Clayton, Dubilier & Rice Fund VII Carlyle V (offset by smaller losses)	Blackstone Capital Partners IV GRP II (Upfront Ventures) Warburg Pincus Private Equity X (offset by losses for Warburg Pincus International Partners and others)
Realisations During Six-Month Period	$14 million	$13 million
Realisation Sources	Clayton, Dubilier & Rice Fund VII Trident III Diamond Castle Partners IV KKR Millennium, 2006 Funds Apollo Funds V, VI, VII	Warburg Pincus International Partners Bain Capital IX Coinvestment Fund Warburg Pincus Private Equity X Bay Partners X
Realisations Received Since Closing	$14 million (15% of investment)	$22 million (26% of investment)

2012 Conversus Capital Investment

During the six-month period ended 31 July 2013, the Conversus Capital portfolio generated a $0.10 increase in NAV per share ($8.0 million gain) for HVPE. Through 31 July, Conversus has generated $14 million of realisations for HVPE, and the Company is valuing the portfolio at a 30% increase over the purchase price (including realisations received since closing).

The gain in value was driven by continued strong performance within the underlying portfolio, which has benefited further from liquidity afforded by momentum in the public equity and credit markets. Top performing underlying partnerships within the Conversus Capital portfolio in the first half of calendar year 2013 included Thomas H. Lee Equity Fund VI, Apollo Investment Fund VII, and Clayton, Dubilier & Rice Fund VII.

* Excludes exposure through HarbourVest-managed funds

Portfolio Diversification is a Key Component of HVPE's Strategy

The Company achieves its diversification by investing in a broad selection of HarbourVest funds, which in turn make primary, secondary, and direct investments and provide access to underlying investments that are further diversified.

Vintage Year and Year of Investment

- HVPE's vintage year diversification is measured using the year of initial capital call for primary partnerships and direct funds and the year of formation for secondary investments. Year of investment diversification is based on the year the underlying portfolio company investment was made.
- Investments spread over a range of 23 vintage years dating back to 1986.
- Within the 2005 to 2007 vintage year, the portfolio remains well diversified by strategy with 2005 to 2007 buyouts representing 34% of the investment portfolio (2005 to 2007 large buyout investments represent 15% of the investment portfolio).
- By year of investment, approximately 68% of the investment portfolio is prior to 2005 and post 2007.

Strategy

- Venture capital assets (early stage, balanced, and growth equity) make up 30% of the investment portfolio, unchanged from 31 January 2013.
- Buyout investments make up 65% of the investment portfolio, with 18% of the total portfolio in large buyout transactions (defined as funds of more than $7 billion in size). This compares to 64% at 31 January 2013.

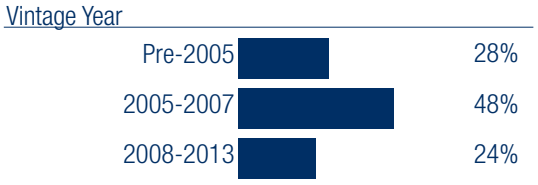
Geography

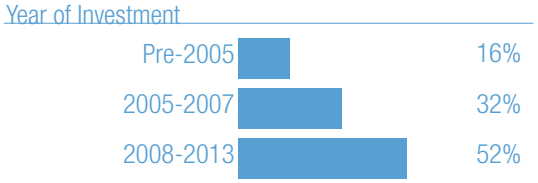
The geographic diversification varies significantly across venture and buyout

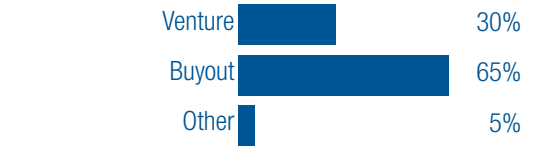
- Within venture, approximately 81% is held in the U.S., with 11% in Europe and 8% in the rest of the world.
- Within buyout, approximately 64% is held in the U.S., with 27% in Europe and 9% in the rest of the world.
- Underlying partnerships are based in 37 countries and denominated in 8 different currencies.

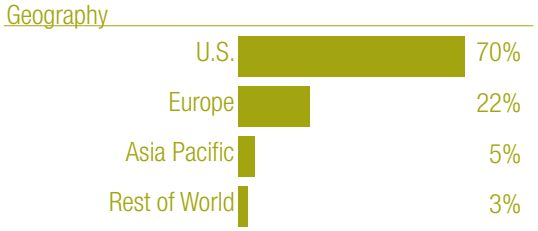
Industry

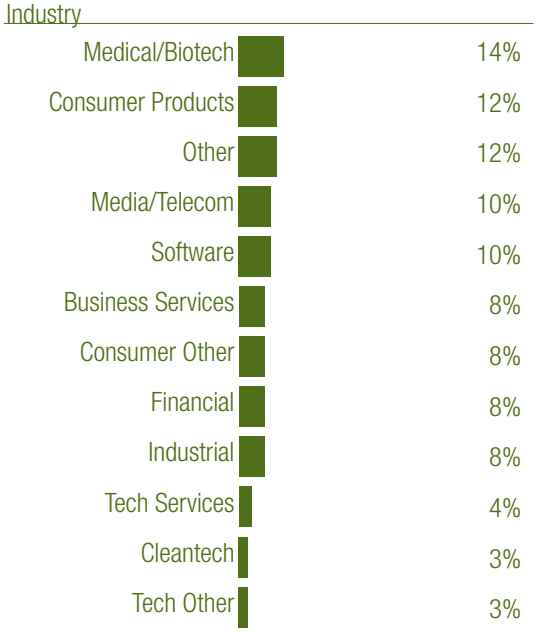
- HVPE's broadly diversified industry allocation is positioned defensively in the current economic environment.
- Diversification reflects HVPE's significant venture capital allocation with meaningful exposure to technology, software, media/telecom, and cleantech (30%) and medical/biotech (14%).











Performance by Strategy and Vintage Year

During the six-month period, Venture (6% gain) outperformed Buyout (5%).

Buyout Performance

Buyout valuations (often benchmarked to public markets) improved alongside positive public markets and increased investor confidence.

- Small buyouts (which make up 15% of the investment portfolio) outperformed large and small buyouts with a gain of 5.8%.

- Examples of buyout-backed companies generating realised or unrealised gains include:
  - *Freightliner*
  - *PODS Enterprises*
  - *Restoration Hardware* (RH)
  - *Actient Pharmaceuticals* (acquired by Auxilium Pharmaceuticals)
  - *Pinnacle Foods* (PF)
  - *SeaWorld Parks & Entertainment* (SEAS)
  - *Hilton Hotels* (IPO filing September 2013)
  - *Fairway Market* (FWM)
  - *Addus HomeCare* (ADUS)
  - *Roadrunner Transportation* (RRTS)

Venture Performance

The venture market (often less correlated to public markets and less exposed to credit markets) had continued positive performance during the six-month period, although growth was hampered by some declining public stock prices for venture-backed public holdings.

Within the venture portfolio, early stage investments (11% of the investment portfolio) had a 6.3% gain, outperforming balanced venture (5.9% gain) and growth equity investments (5.5% gain).

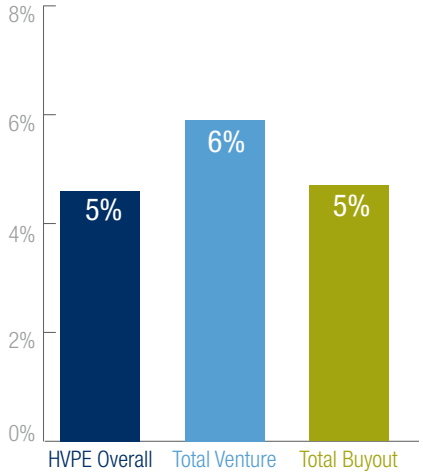
- Examples of venture-backed companies generating realised and unrealised gains include (some of which completed IPOs the first half of the financial year):
  - *Tableau Software* (DATA)
  - *LendingClub*
  - *Actian Corporation* (acquired Pervasive Software and ParAccel)
  - *Clovis Oncology* (CLVS)
  - *Shutterstock* (SSTK)
  - *Okairos* (sold to GlaxoSmithKline)
  - *NetFlix* (NFLX)
  - *ExactTarget* (ET) (sold to Salesforce.com)
  - *Groupon* (GRPN)
  - *Millennium Laboratories*

Performance by Vintage Year

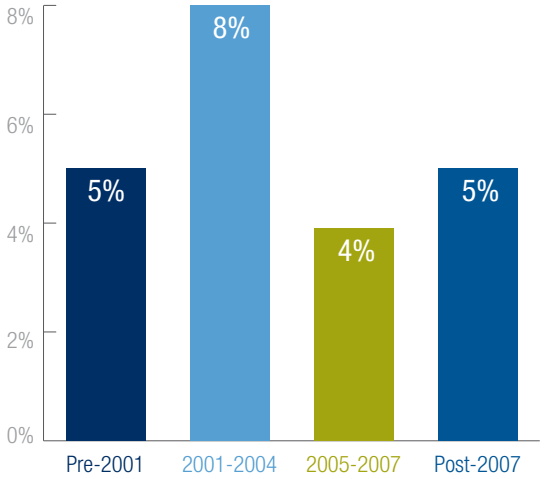
- 28% of the portfolio dates from 2004 and prior, which differentiates HVPE for its ability to generate cash.
- The mature portion of the portfolio (pre-2005) outperformed the more recent portfolio (post-2007) as it continues to harvest its investments.

INVESTMENT PORTFOLIO GROWTH

By Strategy



By Vintage Year



Largest Managers at 31 July 2013

The largest private equity managers based on the Investment Portfolio are listed here in alphabetical order. As the investment manager of the HarbourVest direct funds, HarbourVest Partners, LLC is the largest manager held in HVPE, although not listed here.

- No external manager represents more than 3.2% of Investment Portfolio
- HVPE's investments provided exposure to 737 fund interests across multiple high-quality managers (compared to 719 at 31 January 2013)

Manager	Region	Strategy
Apollo Management	U.S.	Buyout
Bain Capital	U.S.	Buyout
The Blackstone Group	U.S.	Buyout
CVC Capital Partners	Europe	Buyout
GTCR	U.S.	Buyout
Kohlberg Kravis Roberts	U.S.	Buyout
New Enterprise Associates	U.S.	Venture
Thomas H. Lee	U.S.	Buyout
TPG Capital	U.S.	Buyout
Warburg Pincus	U.S./Europe	Buyout/Venture

Largest Underlying Companies at 31 July 2013

The largest portfolio company investments based on the Investment Portfolio are listed here. Companies in bold are held at least in part in HarbourVest direct funds.

- No single portfolio company represents more than 1.2% of Investment Portfolio
- No single public holding represents more than 1.2% of Investment Portfolio
- 18% of the Investment Portfolio is made up of publicly-listed securities

Company	Strategy	% of Investment Value at 31 JUL 2013	Location	Status	Description
Kosmos Energy (KOS)	Buyout	1.19%	U.S.	Public	Oil exploration and production
CDW Corporation (CDW)*	**Buyout**	**0.90**	**U.S.**	**Public**	**Multi-branded information technology services**
Capsugel	**Buyout**	**0.85**	**U.S.**	**Private**	**Drug delivery systems**
Wayfair (CSN Stores)	**Venture**	**0.67**	**U.S.**	**Private**	**Online home goods retailer**
Earth Networks†	**Venture**	**0.65**	**U.S.**	**Private**	**Localised convergence content**
Zalando	Venture	0.61	Germany	Private	Online fashion retailer
The Sun Products Corporation	**Buyout**	**0.60**	**U.S.**	**Private**	**Private-label household products**
York Risk Services Group	**Buyout**	**0.56**	**U.S.**	**Private**	**Insurance claims management services**
ReCommunity (FCR)†	**Buyout**	**0.56**	**U.S.**	**Private**	**Recycling centres**
MEG Energy Corporation (MEG)	Buyout	0.54	Canada	Public	Oil exploration and production

* CDW completed IPO in June 2013
† Company not included in largest ten companies at 31 January 2013

Valuation Policy

Valuations Represent Fair Market Value Under U.S. GAAP

HVPE's 31 July 2013 NAV is based on the 30 June 2013 NAV of each HarbourVest fund, adjusted for changes in the value of public securities, foreign currency, known material events, cash flows, and operating expenses during July 2013. The valuation of each HarbourVest fund is presented on a fair value basis in accordance with U.S. generally accepted accounting principles (U.S. GAAP). The investments in Absolute and Conversus are valued at underlying NAV at 30 June 2013.

The Investment Manager attempts to obtain financials from a minimum of 75% of the underlying investments for each of HVPE's HarbourVest funds to calculate NAV (in most cases it is over 90% or close to 100%). For each fund, the accounting team then reconciles investments, realisations, and unrealised / realised gains and losses to the financials. The team also reviews underlying partnership valuation polices.

Please refer to the **Unaudited Consolidated Financial Statements** and **Notes to Consolidated Financial Statements** for additional information on HVPE's valuation policy.

Realisation Activity

Realisations from HarbourVest Funds and Co-Investments

Total realisations of $99 million during the six-month period are approximately half the prior financial year total. Maturing U.S. and international fund-of-funds and direct and secondary funds distributed proceeds from IPOs, the sale of publicly-traded shares, and M&A events. HVPE received additional realisations from Absolute and its initial realisations from Conversus during the period. Liquidity events continued to be active across the portfolio.

During the financial year, HVPE received $71.8 million from 15 HarbourVest funds (including HSLE) and $27.2 million from its co-investments in Absolute and Conversus.

Realised ($ millions)	Six Months Ended 31 July 2013	Financial Year 2013	Six Months Ended 31 July 2012
Fund-of-Funds	$54.9	$155.3	$64.8
Direct Funds*	$4.3	$26.2	$13.9
Secondary Funds	$12.6	$12.4	$8.6
Total Received from HarbourVest funds	$71.8	$193.9	$87.3
Co-Investments			
Absolute	$12.9	$9.4	$5.8
Conversus	$14.3	—	—
TOTAL	**$99.0**	**$203.3**	**$93.1**

* 2013 direct fund realisations include distributions and dividends from publicly-listed European senior loan fund HSLE.

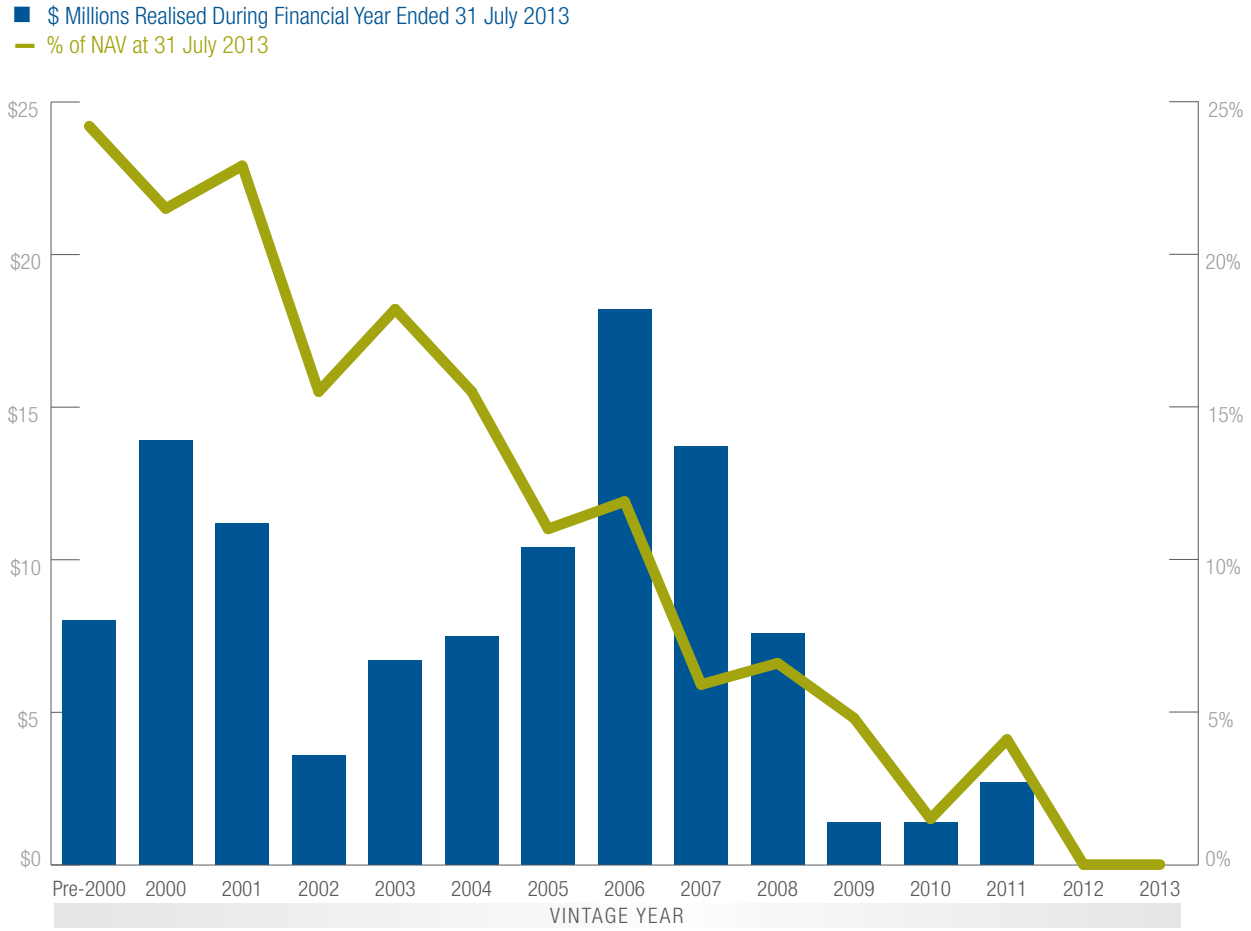
Larger Sources of Realisations

- **$14 million / Conversus**
  - HVPE received net proceeds from the diversified portfolio of investments acquired from Conversus Capital in December 2012, the largest of which were distributions received from Clayton, Dubilier & Rice Fund VII, Trident III, Diamond Castle Partners IV, and funds managed by KKR (Millennium and 2006 Funds) and Apollo (Funds V, VI, and VII). The investment has returned 15% of the amount funded since its purchase.
- **$13 million / Absolute**
  - HVPE received proceeds from Absolute Private Equity's diversified portfolio of private equity investments, including Warburg Pincus International Partners, Bain Capital IX Coinvestment Fund, Warburg Pincus Private Equity X, and Bay Partners X. Since its de-listing, Absolute has generated four cash dividends over the past five quarters.
- **$10 million / HarbourVest VIII Buyout**
  - Developing U.S. buyout focused fund-of-funds distributed proceeds from its primary partnership, secondary, and direct portfolios. Sources include the sale of shares of direct holdings *Adesa* (KAR), *The Nielsen Company* (NLSN), and *SeaWorld Parks & Entertainment* (SEAS), which completed an IPO in April 2013; and the recapitalization of direct holding *RCN Telecom Services.* Additional sources include the sale of shares of *Alterra* (ALTE), *Kosmos Energy* (KOS), *TeamHealth* (TMH), *TDC* (TDC), *TRW Automotive* (TRW), and *Whole Foods Market* (WFM); and the sales of *Hulu, Lightower Fiber Networks, Q9 Networks,* and *TMW Systems.*
- **$10 million / HarbourVest VI Partnership**
  - Mature U.S. fund-of-funds formed in 1999 is currently harvesting investments via both M&A activity and the sale of publicly-traded shares.

Portfolio Realisations

The largest portion of realisations received during the six-month period were from the 2000, 2006, and 2007 vintage years, highlighting the liquidity potential for a portfolio diversified over many years. The mature portfolio is driving current realisations, which is expected to continue in future years.

PORTFOLIO REALISATIONS BY VINTAGE YEAR



Liquidity Events

The positive trend for liquidity events continued through the six-month period. Continuing liquidity events within the underlying portfolio enable ongoing cash realisations. Liquidity events for underlying HVPE companies are highlighted on the following pages.

Venture Portfolio

90 M&A Events I 24 IPOs

Buyout / Other Portfolio

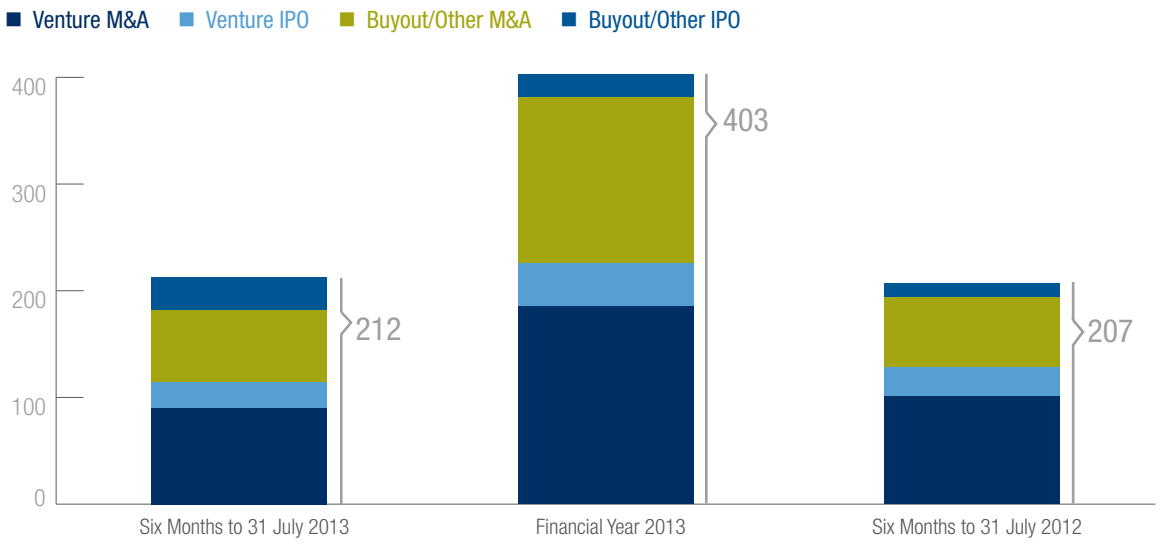
68 M&A Events I 30 IPOs

The number of venture liquidity events continued to outpace buyouts in the M&A markets during the six months ended 31 July 2013, but buyout-backed IPOs outpaced venture IPOs, reversing the recent trend. The ongoing and consistent liquidity demonstrates that a well-diversified portfolio can continue to generate cash despite and within a challenging economic environment.

There were 212 M&A and IPO events during the six-month period, representing 7% of HVPE's NAV. This is on pace to exceed the 403 events during the financial year ended 31 January 2013 and above the 207 during the six-month period ended 31 July 2012. Highlights include:

- HVPE has received initial cash proceeds from the June 2013 sale of *CyOptics* to *Avago Technologies* (AVGO) for approximately $430 million. CyOptics is held via Jerusalem Venture Partners and TA Associates.
- HVPE has received cash from the sale of shares of *BazaarVoice* (BV), *ExactTarget* (ET), *Fairway Market* (FWM), *HellermanTyton Group* (HTY), *Infoblox* (BLOX), *Kayak Software* (KYAK) (agreed to be sold to priceline.com in May 2013), *Palo Alto Networks* (PANW), *SeaWorld Parks & Entertainment* (SEAS), *Splunk* (SPLK), *Tumi* (TUMI), and other holdings that completed IPOs in 2012 and 2013.
- HVPE has received cash from the April 2013 merger of direct holding *Sidera Networks* with Lightower.

LIQUIDITY EVENTS



Realisations

Largest Underlying Companies Realisations at 31 July 2013

$2 million* | May 2011 IPO
2013 sale of shares

- HVPE Holding (31 January 2013): 1.60%
  - Blackstone
  - Warburg Pincus (via Absolute and Conversus)

June 2013 IPO

- HVPE Holding (31 January 2013): 0.86%
  - 2007 Direct, HarbourVest VIII Buyout (direct)
  - Madison Dearborn (primary, secondary, via Absolute)
  - Providence Equity Partners (primary, secondary, via Absolute)

$1 million*
Partial sale to Kinnevik
€287 million | October 2012

- HVPE Holding (31 January 2013): 0.56%
  - Holtzbrinck Ventures

$3 million* | January 2011 IPO
2013 sale of shares

- HVPE Holding (31 January 2013): 0.51%
  - HarbourVest VIII Buyout (direct)
  - Blackstone (primary, secondary, via Absolute)
  - Carlyle
  - Hellman & Friedman
  - KKR (primary and via Conversus)
  - Thomas H. Lee (primary, secondary, via Conversus)

$3 million* | March 2011 IPO
2013 sale of shares

- HVPE Holding (31 January 2013): 0.43%
  - Bain Capital (primary, secondary, via Absolute)
  - KKR (primary, secondary, via Conversus)

* Approximate HVPE proceeds received to date.

35%
Uplift

35% Uplift on Carrying Value at Realisation

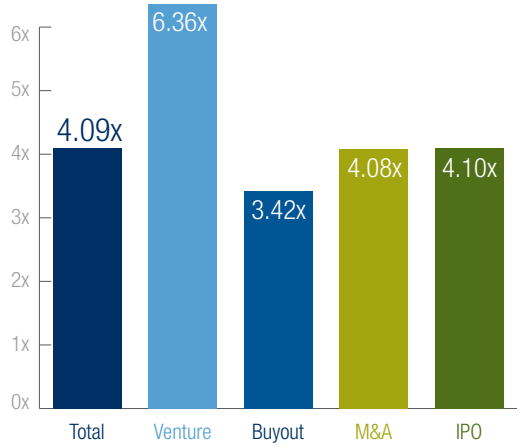
HVPE received a total of $99 million from HarbourVest funds and co-investments during the six-month period. The top 45 realisations within the portfolio were achieved at an uplift to carrying value of 35% and at an average multiple of 4.0 times cost.

Within the largest realisations, the venture companies achieved a weighted average uplift of 58%, and the buyout companies achieved an uplift of 27%. Carrying value is defined as the value at the month end prior to the first announcement of a transaction.

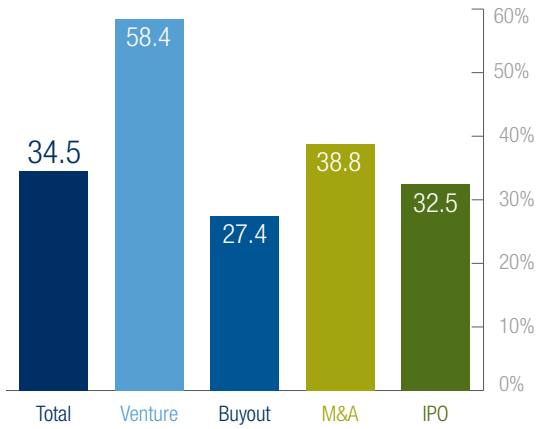
While private equity valuations are subjective based on observable inputs, the realisations experienced within the HVPE portfolio substantially exceed carrying value.

UPLIFT FROM PREVIOUS CARRYING VALUE ON COMPANY REALISATIONS

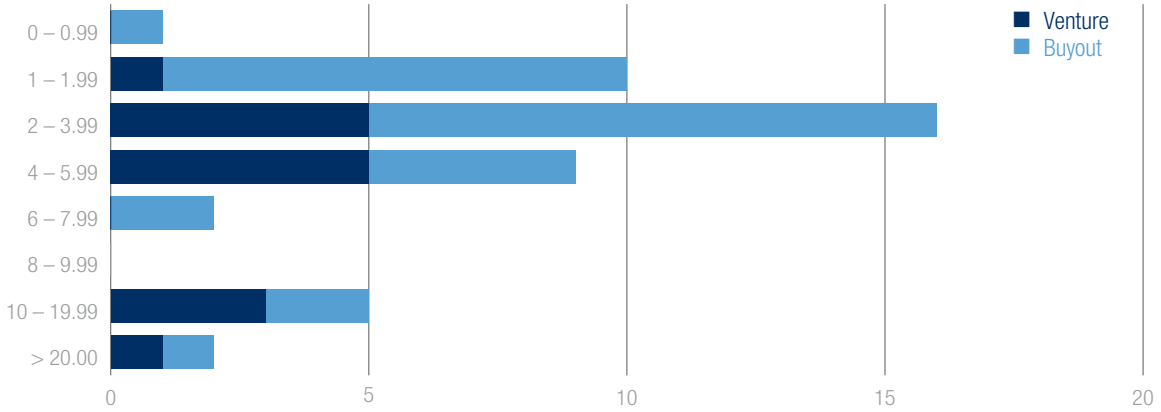
Weighted Average Multiple on the Cost of Investment



Weighted Average Uplift % on the Carrying Value*



Multiple Range



* Uplift represents weighted average return for the largest M&A realisations representing approximately 79% of total during the financial period.

IPOs

Six-Months Ended 31 July 2013

Venture

June 2013 | $100m
- Genetic disorder treatments

June 2013 | $129m
- Data access solution hardware

March 2013 | $104m
- Revenue management application software

June 2013 | $78m
- Neuromuscular disease therapy

May 2013 | $73m
- Metabolic disease treatment

March 2013 | $81m
- Wireless infrastructure for energy

May 2013 | $254m
- Visual analytic software solutions

June 2013 | $75m
- Online video platform

February 2013 | $101m
- Online payment services

Buyout

February 2013 | $248m
- Wood, paper, and packaging products

June 2013 | €812m
- Belgian postal operator

June 2013 | $396m
- Multi-branded information technology services

April 2013 | $177m
- Urban food retailer

April 2013 | $347m
- Fixed satellite services

March 2013 | $580m
- Branded food products

May 2013 | $948m
- Drug development services

April 2013 | $702m
- Entertainment parks

April 2013 | $237m
- Specialty chemicals

Cash Flows

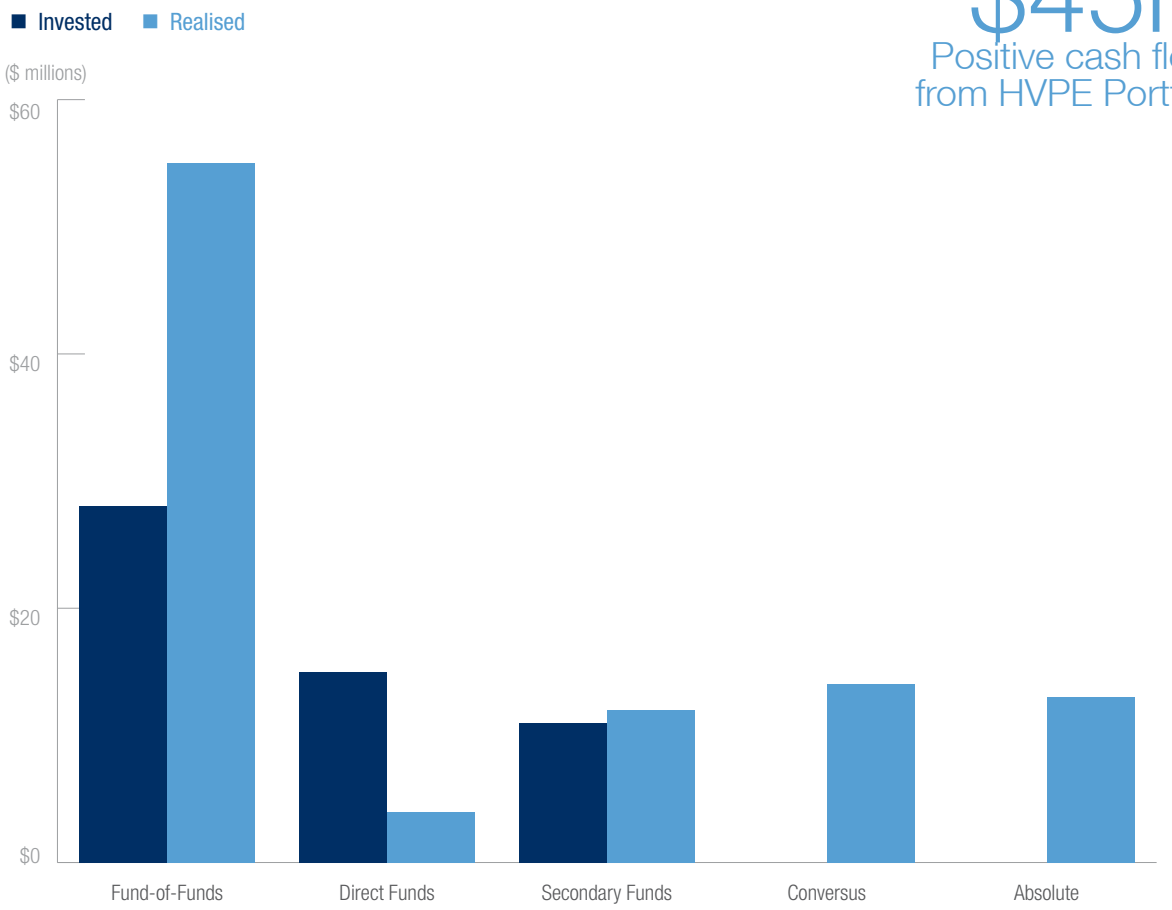
Net Positive Cash Flows in Five of the Six Months of Period

HVPE had net positive cash flows of $45 million during the six-months ended 31 July 2013.

- Fund-of-funds were $27.4 million cash flow positive as the mature funds in the portfolio continue to harvest investments, offsetting investments in the funds currently building their portfolios
- Direct funds (including HSLE) were $11.0 million cash flow negative as distributions and dividends received from HSLE were offset by investments in new co-investments in HarbourVest 2013 Direct Fund
- HVPE received a total of $27.2 million from the co-investments in Absolute Private Equity and Conversus Capital

The younger funds in the portfolio continue to invest capital in underlying investments, while realisations are received from the more mature funds and co-investments that are harvesting their portfolios. Some proceeds from co-investments, fund-of-funds, direct and secondary funds can be used to fund new investments in the recent commitments to HarbourVest IX, HIPEP VI, HarbourVest 2013 Direct Fund, and Dover VIII.

CASH FLOWS



$45m
Positive cash flows from HVPE Portfolio

Balance Sheet Management and Commitments

Gearing

The Investment Manager seeks to utilise the strength of HVPE's balance sheet to benefit shareholders. The strength of the balance sheet is reflected in the Company's ability to:

- Purchase co-investments
- Commit capital to new HarbourVest funds
- Meet its ongoing HarbourVest fund commitments

At 31 July 2013, a total of $130.1 million is outstanding on HVPE's credit facility. This is a $31.6 million decrease from 31 January 2013, including all foreign currency-denominated borrowings. During the six-month period, the Company repaid a total of $39.2 million and borrowed $8.3 million.

The $117.2 million of Net Debt (outstanding debt less cash of $12.9 million) indicates a Net Leverage Ratio (Net Debt divided by NAV) of 11%, which has decreased from 15% at 31 January 2013.

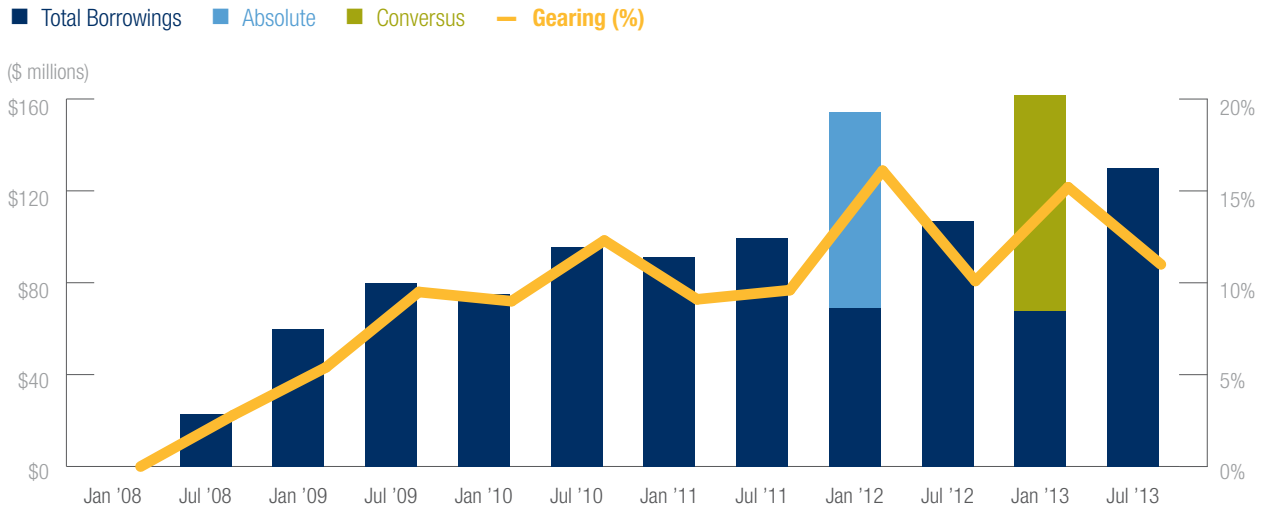
Credit Facility

HVPE's balance sheet strength and flexibility is supported by its $500 million multi-currency credit facility with Lloyds TSB Bank plc (formerly the Bank of Scotland plc). The Company's existing credit facility was refinanced in April 2013.

Under the terms of the agreement, HVPE may borrow, repay, and re-borrow to fund commitments and working capital requirements through to the facility's expiry date in April 2018. The facility will remain at $500 million until December 2014 and reduce to $300 million thereafter. The Company has pledged substantially all of its assets as collateral for such borrowings. The applicable Libor margin scales up from 210 basis points over Libor in 2013 to 290 basis points over in 2015 and beyond for borrowings of less than $100 million. In addition, a further 50 basis points will be payable on the total sum drawn if borrowings exceed $100 million, together with a further 25 basis points on the total sum drawn if borrowings should be greater than $200 million.

The credit facility contains financial covenants that limit the Company's indebtedness to 40% of assets (Asset Test Covenant), with the calculated value of the assets also subject to certain diversification tests. All financial covenants are tested and calculated on a quarterly basis. In addition, other covenants confer customary limitations that restrict HVPE's ability to make unduly concentrated commitments to funds, incur additional indebtedness or liens above the facility level, pay dividends above certain levels, or merge, consolidate, or substantially change its business without bank approval.

GEARING



Commitment Ratios

When analysing HVPE's commitment exposure, the Investment Manager believes that the most meaningful measure is allocated commitments, which include only those commitments that have been allocated to underlying partnerships or HarbourVest secondary and direct funds. This measure is consistent with the commitment levels disclosed by peers and reflects the commitments most likely to be called over the near to medium term.

COMMITMENT LEVEL RATIO

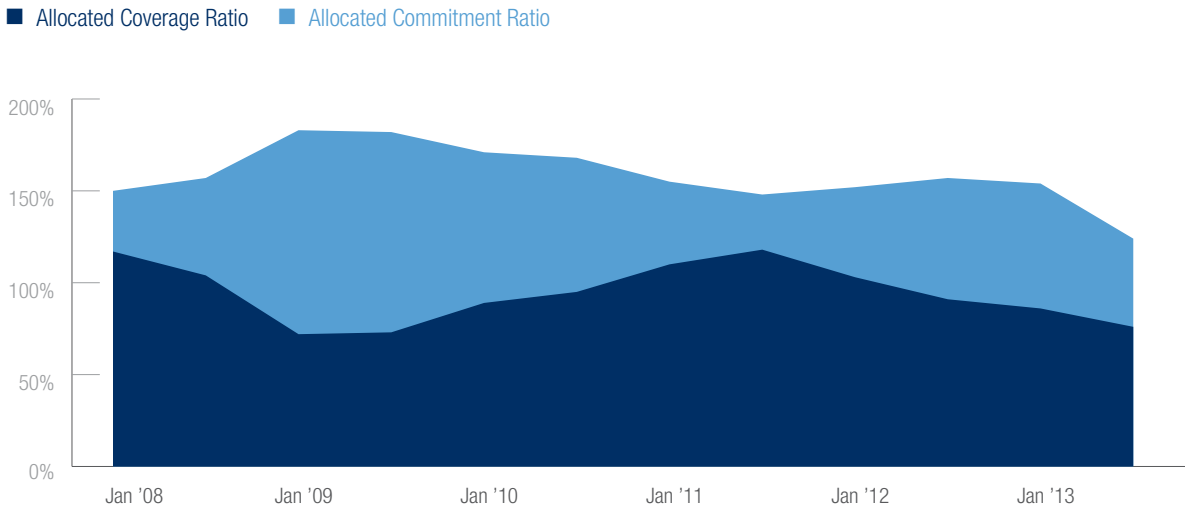
Investment Portfolio + Investment Pipeline	$1,764m		
NAV	**$1,074m**	=	**164%** (160% at 31 January 2013)

COMMITMENT COVERAGE RATIO

Cash + Available Credit Facility	$383m		
Total Commitments	**$573m**	=	**67%** (75% at 31 January 2013)

Note HVPE's credit facility will decrease to $300 million in January 2015.

COMMITMENT LEVEL RATIOS



Management of Foreign Currency Exposure

Despite euro movement affecting HVPE's Investment Portfolio, the overall result of currency movement is broadly neutral.

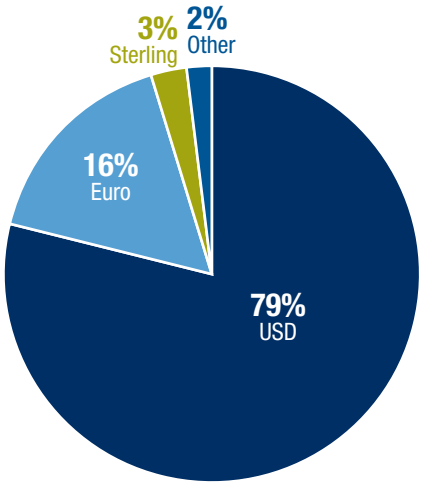
- The portfolio includes two euro-denominated HarbourVest funds; and one sterling-denominated HarbourVest fund
- Approximately 16% of underlying holdings are denominated in euros
- Euro-denominated investment pipeline of €79 million

Foreign currency movement affects HVPE's investments (assets), borrowings (liabilities) on the credit facility, and its investment pipeline. HVPE has exposure to foreign currency movements through the foreign currency-denominated assets within the portfolio and through foreign currency-denominated unfunded commitments, which are long term in nature. The Company's most significant currency exposure is to euros. HVPE attempts to hedge its euro exposure by maintaining a portion of its drawn debt in euros so that this and the euro unfunded investment commitments are broadly equal to the euro-denominated assets. The Company does not actively use derivative or other products to hedge the currency exposure.

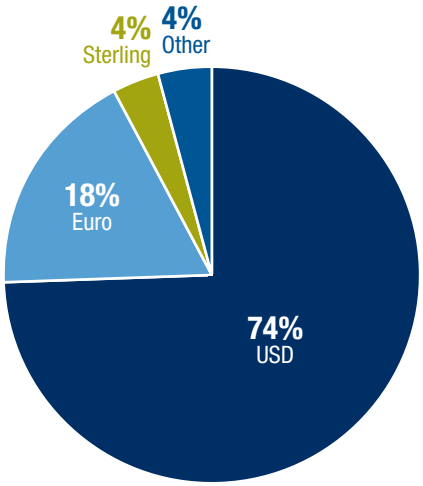
From an asset perspective, HVPE had exposure to the following currencies via its partnership holdings at 31 July 2013 (approximate):

EXPOSURE TO FOREIGN CURRENCIES

Assets



Liabilities



Investment Pipeline

HVPE's Investment Pipeline of future commitments is $573.4 million, a $113.9 million increase from 31 January 2013.

The Investment Manager considers a number of factors before new commitments are made:

- Current commitment levels within the investment pipeline
- Anticipated rate of investment
- Future expected realisations
- The economic environment
- The existing credit facility
- Commitment and coverage ratios
- Existing portfolio and strategy

HVPE makes commitments to HarbourVest funds, which in turn commit capital to underlying partnerships and/or companies. As a result of this investment structure, HVPE's expected investment schedule differs significantly from its listed peers.

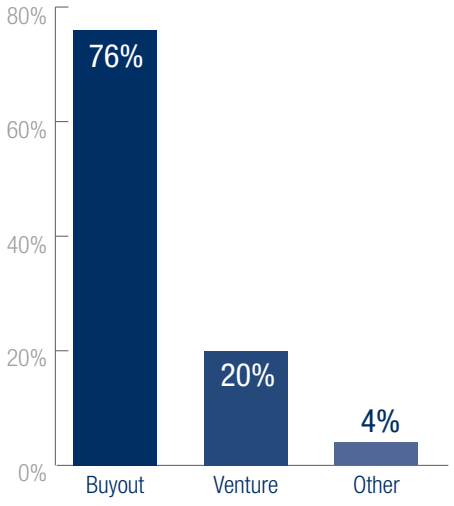
Extended Investment Period

Most listed fund-of-funds vehicles make commitments directly to newly-formed third party partnerships, which are expected to invest most of their commitments over three to five years. In contrast:

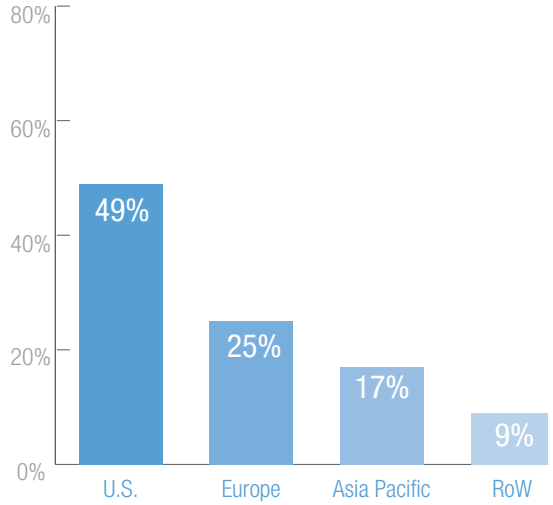
- HVPE makes the majority of its commitments to newly-formed HarbourVest funds, which typically have a seven to nine-year investment period.
- This extended investment period reflects the fact that HarbourVest funds commit capital to partnerships over a period of three to four years, which in turn build their portfolios and generally invest most capital over the next three to five years.
- This model allows an increase in the level of commitments that HVPE can support in contrast to some of its listed peers.

DIVERSIFICATION OF INVESTMENT PIPELINE

By Strategy



By Geography



Allocated and Unallocated Investment Pipeline

In order to reflect the differences in expected drawdown periods appropriately, the Company divides its investment pipeline into "allocated" and "unallocated" segments. Of the Company's total investment pipeline of $573.4 million:

- 88% has been allocated by HarbourVest funds to underlying investments. This increase from 31 January 2013 is based on HVPE's increased commitments to secondary fund Dover VIII and HarbourVest IX Venture.
- 12% has not yet been allocated to underlying partnerships.

All of the Company's commitments to HarbourVest direct and secondary funds are classified as "allocated" commitments because their drawdown profiles are closer to those of third party partnerships. The Investment Manager anticipates that the Company's allocated commitments will be drawn down over a three to five-year period. In contrast, the commitments that have not been allocated are expected to be drawn over a longer period of up to seven to nine years.

Diversification of the Investment Pipeline

The mix of HVPE's investment pipeline should indicate the potential evolution of the portfolio over time. There is no prescriptive policy in place, and new commitments are considered on merit, along with the factors described above.

HVPE's portion of the investment pipeline related to the fund-of-funds portfolios is shown on a look-through basis to the underlying partnerships. The 2013 commitments to HarbourVest's recent secondary fund and venture fund-of-funds illustrate HVPE's continued dedication to a diversified portfolio and a willingness to invest around the globe in new opportunities as they become available.

Fees

Management Fees and Performance Allocations

As an investor in HarbourVest funds, HVPE is charged the same management fees and is subject to the same performance allocations as other investors in those funds. In HVPE's Unaudited Consolidated Financial Statements, these fees are included in the change in NAV for the HarbourVest funds. However, for the purposes of the NAV analysis, they have been reclassified as direct HVPE expenses in order to provide a comprehensive and transparent view of operating costs.

HVPE pays a management fee for any co-investments consistent with the fees charged by the HarbourVest fund alongside which the co-investment is made. The table below profiles the management fees and performance allocations of the HarbourVest funds in which the Company is invested.

Strategy	Current Management Fee*	Performance Allocation	% of Portfolio
Primary Investments	0.83%	None	47%
Secondary Investments	0.81%	10% – 12.5%	17%
Direct Investments	0.54%	10% – 20%	15%
Co-Investments	0.88%	11% – 12.5%	21%

* Annualised

The management fee is the current average annual management fee charged by the HarbourVest funds as a percentage of committed capital. This amount will vary from year to year as the actual management fee charged by any given fund typically increases during the first few years of a fund's term and then decreases in the later years of the fund's term. These amounts do not reflect the management fees and carried interest paid to the managers of any underlying investments within the HarbourVest funds.

During the six-month period ended 31 July 2013, HVPE's share of fees charged within HarbourVest funds was $6.8 million ($0.08 per share), management fees paid for co-investments were $0.7 million ($0.01 per share), and HarbourVest related entities were allocated $4.4 million in carried interest ($0.05 per share).

Recent Events

HVPE Publishes Estimated NAV at 31 August 2013

HVPE publishes its estimated NAV on a monthly basis. These reports are available at the Company's website, generally within 15 days after month end.

At 31 August 2013, HVPE's estimated NAV per share was $12.95, a $0.03 decrease from the NAV per share of $12.98 at 31 July 2013. During August, HVPE invested $9.4 million in HarbourVest fund-of-funds and a co-investment fund and received $14.5 million in realisations, resulting in net positive cash flows of $5.1 million. HVPE is $50.0 million cash flow positive during the first seven months of the financial year.

At the end of August, a total of $130.8 million is outstanding against the credit facility, a $0.7 million increase from 31 July due to foreign currency movement. The Company also has $17.7 million in cash on its balance sheet. At 31 August 2013, liquid resources (cash and available credit facility) represent 77% of commitments allocated to underlying partnerships and 69% of total commitments.

Distribution

On 26 September 2013, HVPE's shareholders approved a $20 million distribution to be made in the form of a share redemption, which is expected to be paid in October 2013.

About the Board

Board of Directors

Sir Michael Bunbury
Chairman,
Independent Director

D. Brooks Zug
Director

Peter Wilson
Director

Jean-Bernard Schmidt
Independent Director

Andrew W. Moore
Independent Director

Keith B. Corbin
Independent Director

Alan Hodson
Independent Director

Andrew Moore and Brooks Zug were appointed directors on incorporation on 18 October 2007. Sir Michael Bunbury, Jean-Bernard Schmidt, and Keith Corbin were appointed on 19 October 2007. During the financial period ended 31 July 2013, Alan Hodson and Peter Wilson were appointed directors on 30 April 2013 and 31 May 2013, respectively.

Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the gain or loss for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements have been properly prepared in accordance with The Companies (Guernsey) Law, 2008, the requirements of NYSE Euronext and the London Stock Exchange, and the applicable regulations under Dutch law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors is aware, there is no relevant audit information of which the Company's auditor is unaware, and each has taken all the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Statement by Responsible Persons in Accordance with the FMSA Transparency Decree Implementation Directive Transparency Issuing Institutions

The directors confirm:

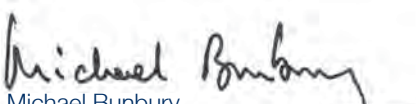
1. The compliance of the accompanying Unaudited Consolidated Financial Statements with the requirements of U.S. generally-accepted accounting principles.
2. The fairness of the management review included in the management report.

Audit Committee

An Audit Committee has been established consisting of Mr. Keith Corbin (Chairman), Mr. Andrew Moore, and Mr. Jean-Bernard Schmidt. The Audit Committee examines the effectiveness of the Company's internal control systems, the annual and interim reports and financial statements, the auditor's remuneration and engagement, as well as the auditor's independence and any non-audit services provided by them. The Audit Committee ensures that the Company's contracts of engagement with the Investment Manager, Administrator, and other service providers are operating satisfactorily so as to ensure the safe and accurate management and administration of the Company's affairs and business and are competitive and reasonable for the shareholders. Additionally, the Audit Committee makes appropriate recommendations to the Board and ensures that the Company complies to the best of its ability with applicable laws and regulations and adheres to the tenet of generally-accepted codes of conduct.

The Audit Committee receives information from the Secretary's compliance department and the external auditor.

By Order of the Board



Michael Bunbury
Chairman

Keith Corbin
Chairman of the Audit Committee

26 September 2013

Unaudited Consolidated Financial Statements

Consolidated Financial Statements

Consolidated Statement of Assets and Liabilities
31 July 2013 and 31 January 2013

In U.S. Dollars

	31 July 2013 (Unaudited)	31 January 2013 (Audited)
ASSETS		
Investments *(Note 4)*	1,190,771,434	1,187,773,735
Cash and equivalents	12,952,298	5,265,357
Other assets	4,459,880	259,848
Total assets	1,208,183,612	1,193,298,940
LIABILITIES		
Debt facility payable *(Note 6)*	130,131,763	161,726,211
Accounts payable and accrued expenses	4,176,440	960,675
Accounts payable to HarbourVest Advisers L.P. *(Note 9)*	48,722	374,453
Total liabilities	134,356,925	163,061,339
NET ASSETS	**$1,073,826,687**	**$1,030,237,601**
NET ASSETS CONSIST OF		
Class A shares, Unlimited shares authorised, 82,700,000 shares issued and outstanding, no par value	1,073,826,586	1,030,237,500
Class B shares, 10,000 shares authorised, 101 shares issued and outstanding, no par value	101	101
NET ASSETS	**$1,073,826,687**	**$1,030,237,601**
Net asset value per share for Class A shares	**$12.98**	**$12.46**
Net asset value per share for Class B shares	**$1.00**	**$1.00**

The accompanying notes are an integral part of the consolidated financial statements.

The Unaudited Consolidated Financial Statements were approved by the Board on 26 September 2013 and were signed on its behalf by:

Michael Bunbury
Chairman

Keith Corbin
Chairman of the Audit Committee

Consolidated Statement of Operations
For the Six-Month Period Ended 31 July 2013 and the Year Ended 31 January 2013

In U.S. Dollars

	31 July 2013 (Unaudited)	31 January 2013 (Audited)
REALISED AND UNREALISED GAINS (LOSSES) ON INVESTMENTS		
Net realised gain (loss) on investments	23,476,190	88,124,567
Net change in unrealised appreciation (depreciation) on:		
Investments	23,721,302	8,006,021
Translation of other assets and liabilities denominated in foreign currency	1,229,720	(1,806,175)
Net change in unrealised appreciation (depreciation)	24,951,022	6,199,846
NET GAIN ON INVESTMENTS	**48,427,212**	**94,324,413**
INVESTMENT INCOME		
Dividends	245,376	511,837
Interest from cash and equivalents	984	5,487
Total investment income	246,360	517,324
EXPENSES		
Interest expense *(Note 6)*	1,422,414	2,322,323
Non-utilisation fees *(Note 6)*	867,091	1,526,572
Management fees *(Note 3)*	663,804	988,338
Professional fees	646,457	674,174
Investment services *(Note 3)*	626,314	1,264,950
Financing expenses	226,202	50,000
Directors' fees and expenses *(Note 9)*	199,101	416,203
Other expenses	433,103	1,383,066
Total expenses	5,084,486	8,625,626
NET INVESTMENT LOSS	**(4,838,126)**	**(8,108,302)**
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$43,589,086**	**$86,216,111**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Net Assets
For the Six-Month Period Ended 31 July 2013 and the Year Ended 31 January 2013

In U.S. Dollars

	31 July 2013 (Unaudited)	31 January 2013 (Audited)
INCREASE IN NET ASSETS FROM OPERATIONS		
Net realised gain (loss) on investments	23,476,190	88,124,567
Net change in unrealised appreciation (depreciation)	24,951,022	6,199,846
Net investment loss	(4,838,126)	(8,108,302)
Net increase in net assets resulting from operations	43,589,086	86,216,111
NET ASSETS AT BEGINNING OF PERIOD	1,030,237,601	944,021,490
NET ASSETS AT END OF PERIOD	**$1,073,826,687**	**$1,030,237,601**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows
For the Six-Month Period Ended 31 July 2013 and the Year Ended 31 January 2013

In U.S. Dollars

	31 July 2013 (Unaudited)	31 January 2013 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations	43,589,086	86,216,111
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by (used in) operating activities:		
Net realised (gain) loss on investments	(23,476,190)	(88,124,567)
Net change in unrealised (appreciation) depreciation	(24,951,022)	(6,199,846)
Contributions to private equity investments	(54,122,290)	(105,013,301)
Purchase of private equity investments	—	(93,894,011)
Distributions from private equity investments	98,808,125	203,280,388
Change in other assets	(4,200,032)	369,129
Change in accounts payable to HarbourVest Advisers L.P.	(325,731)	327,101
Change in accounts payable and accrued expenses	3,215,765	408,901
Net cash provided by (used in) operating activities	38,537,711	(2,630,095)
FINANCING ACTIVITIES		
Proceeds from debt facility drawings	8,300,000	105,100,000
Payments on debt facility	(39,150,770)	(99,403,746)
Net cash (used in) provided by financing activities	(30,850,770)	5,696,254
NET INCREASE IN CASH AND EQUIVALENTS	7,686,941	3,066,159
CASH AND EQUIVALENTS AT BEGINNING OF PERIOD	5,265,357	2,199,198
CASH AND EQUIVALENTS AT END OF PERIOD	**$12,952,298**	**$5,265,357**
SUPPLEMENTAL DISCLOSURE		
Interest paid	$1,421,880	$2,323,170

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Schedule of Investments at 31 July 2013 (Unaudited)

In U.S. Dollars

U.S. Funds	Unfunded Commitment	Amount Invested*	Distributions Received	Fair Value	Fair Value as a % of Net Assets
HarbourVest Partners IV-Partnership Fund L.P.	2,800,000	13,506,820	10,613,903	992,761	0.1%
HarbourVest Partners V-Direct Fund L.P.	—	4,365,345	4,638,206	493,415	0.0
HarbourVest Partners V-Partnership Fund L.P.	2,220,000	46,709,079	37,507,324	9,605,156	0.9
HarbourVest Partners VI-Direct Fund L.P.	1,312,500	46,722,408	29,395,895	14,213,761	1.3
HarbourVest Partners VI-Partnership Fund L.P.	5,821,875	203,976,174	149,421,945	83,202,904	7.7
HarbourVest Partners VI-Buyout Partnership Fund L.P.	500,000	8,583,048	6,280,400	2,767,069	0.3
HarbourVest Partners VII-Venture Partnership Fund L.P.†	7,618,750	129,990,448	61,428,046	110,483,750	10.3
HarbourVest Partners VII-Buyout Partnership Fund L.P.†	6,300,000	71,967,291	39,792,876	49,027,604	4.6
HarbourVest Partners VIII-Cayman Mezzanine & Distressed Debt Fund L.P.	11,500,000	38,701,553	13,910,387	33,755,312	3.1
HarbourVest Partners VIII-Cayman Buyout Fund L.P.	61,250,000	191,508,801	50,566,211	188,832,290	17.6
HarbourVest Partners VIII-Cayman Venture Fund L.P.	7,750,000	42,441,736	9,673,003	44,925,593	4.2
HarbourVest Partners 2007 Cayman Direct Fund L.P.	6,250,000	93,876,849	19,976,526	93,754,589	8.7
HarbourVest Partners 2013 Cayman Direct Fund L.P.	34,750,000	15,250,000	—	14,670,759	1.4
HarbourVest Partners IX-Cayman Buyout Fund L.P.	21,312,500	3,687,500	—	3,864,988	0.4
HarbourVest Partners IX-Cayman Credit Opportunities Fund L.P.	4,300,000	700,000	—	867,583	0.1
HarbourVest Partners IX-Cayman Venture Fund L.P.	58,100,000	12,225,714	—	12,757,872	1.2
Total U.S. Funds	**231,785,625**	**924,212,766**	**433,204,722**	**664,215,406**	**61.9**

International / Global Funds	Unfunded Commitment	Amount Invested*	Distributions Received	Fair Value	Fair Value as a % of Net Assets
HarbourVest International Private Equity Partners III-Partnership Fund L.P.	3,450,000	147,728,557	129,308,013	17,525,961	1.6%
HarbourVest International Private Equity Partners IV-Direct Fund L.P.	—	61,452,400	43,623,932	8,544,421	0.8
HarbourVest International Private Equity Partners IV-Partnership Fund L.P.	5,000,000	124,772,051	93,695,274	50,030,228	4.6
Dover Street VII Cayman Fund L.P.††	8,750,000	91,250,000	28,287,820	97,406,371	9.1
Dover Street VIII Cayman Fund L.P.	164,700,000	15,424,389	4,172,513	21,581,912	2.0
HIPEP V - 2007 Cayman European Buyout Companion Fund L.P.‡	10,098,877	56,004,695	7,693,936	53,342,185	5.0
HIPEP VI-Cayman Partnership Fund L.P.§	95,109,300	37,644,850	—	36,800,138	3.4
HIPEP VI-Cayman Asia Pacific Fund L.P.	32,500,000	17,687,431	—	15,661,304	1.5
HIPEP VI-Cayman Emerging Markets Fund L.P.	20,400,000	9,659,489	676,492	8,931,766	0.8
HVPE Avalon Co-Investment L.P.	1,643,962	85,135,136	22,329,623	100,220,784	9.3
HVPE Charlotte Co-Investment L.P.	—	93,894,011	14,336,170	108,071,074	10.1
HarbourVest Senior Loans Europe**	—	14,409,000	6,861,941	8,439,884	0.8
Total International / Global Funds	**341,652,139**	**755,062,009**	**350,985,714**	**526,556,028**	**49.0**
TOTAL INVESTMENTS	**$ 573,437,764**	**$1,679,274,775**	**$ 784,190,436**	**$1,190,771,434**	**110.9%**

* Includes purchase of limited partner interests for shares and cash at the time of HVPE's IPO.

† Includes ownership interests in HarbourVest Partners VII-Cayman Partnership entities.

‡ Fund denominated in euros. Commitment amount is €47,450,000.

§ Fund denominated in euros. Commitment amount is €100,000,000.

** Fund denominated in British pounds. 10,000,000 shares held at 31 July 2013. Cumulative distributions include dividends received which are included as part of dividend income in the Consolidated Statement of Operations.

†† Includes ownership interest in Dover Street VII (AIV 1) Cayman Fund L.P.

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Schedule of Investments at 31 January 2013 (Audited)

In U.S. Dollars

U.S. Funds	Unfunded Commitment	Amount Invested*	Distributions Received	Fair Value	Fair Value as a % of Net Assets
HarbourVest Partners IV-Partnership Fund L.P.	2,800,000	13,506,820	10,613,903	1,241,599	0.1%
HarbourVest Partners V-Direct Fund L.P.	—	4,365,345	4,638,206	486,115	0.0
HarbourVest Partners V-Partnership Fund L.P.	2,220,000	46,709,079	36,286,324	11,792,890	1.1
HarbourVest Partners VI-Direct Fund L.P.	1,312,500	46,722,408	29,395,895	12,315,329	1.2
HarbourVest Partners VI-Partnership Fund L.P.	6,468,750	203,329,299	139,360,067	90,430,308	8.8
HarbourVest Partners VI-Buyout Partnership Fund L.P.	550,000	8,533,048	5,633,306	3,270,045	0.3
HarbourVest Partners VII-Venture Partnership Fund L.P. †	9,275,000	128,334,198	54,869,517	107,017,440	10.4
HarbourVest Partners VII-Buyout Partnership Fund L.P. †	6,650,000	71,617,291	34,318,640	50,634,207	4.9
HarbourVest Partners VIII-Cayman Mezzanine & Distressed Debt Fund L.P.	11,500,000	38,701,553	9,895,267	35,897,241	3.5
HarbourVest Partners VIII-Cayman Buyout Fund L.P.	65,000,000	187,758,801	40,354,762	185,751,749	18.0
HarbourVest Partners VIII-Cayman Venture Fund L.P.	9,750,000	40,441,736	6,797,325	43,269,599	4.2
HarbourVest Partners 2007 Cayman Direct Fund L.P.	6,250,000	93,876,849	19,976,526	91,912,329	8.9
HarbourVest Partners 2013 Cayman Direct Fund L.P.	50,000,000	—	—	—	—
HarbourVest Partners IX-Cayman Buyout Fund L.P.	21,312,500	3,687,500	—	3,900,582	0.4
HarbourVest Partners IX-Cayman Credit Opportunities Fund L.P.	4,300,000	700,000	—	824,457	0.1
HarbourVest Partners IX-Cayman Venture Fund L.P.	16,600,000	3,400,000	—	3,551,807	0.4
Total U.S. Funds	**213,988,750**	**891,683,927**	**392,139,738**	**642,295,697**	**62.3**

International / Global Funds	Unfunded Commitment	Amount Invested*	Distributions Received	Fair Value	Fair Value as a % of Net Assets
HarbourVest International Private Equity Partners III-Partnership Fund L.P.	3,450,000	147,728,557	125,333,818	21,093,959	2.0%
HarbourVest International Private Equity Partners IV-Direct Fund L.P.	—	61,452,400	43,623,932	8,770,001	0.9
HarbourVest International Private Equity Partners IV-Partnership Fund L.P.	5,625,000	124,147,051	85,533,109	57,378,382	5.6
Dover Street VII Cayman Fund L.P. ††	9,750,000	90,250,000	19,861,610	102,624,571	10.0
Dover Street VIII Cayman Fund L.P.	54,900,000	5,100,000	—	10,458,360	1.0
HIPEP V - 2007 Cayman European Buyout Companion Fund L.P. ‡	12,564,308	53,809,183	6,713,796	52,036,924	5.0
HIPEP VI-Cayman Partnership Fund L.P.§	103,200,400	31,696,300	—	30,659,877	3.0
HIPEP VI-Cayman Asia Pacific Fund L.P.	34,000,000	16,187,431	—	14,011,901	1.4
HIPEP VI-Cayman Emerging Markets Fund L.P.	20,400,000	9,659,489	—	9,426,079	0.9
HVPE Avalon Co-Investment L.P.	1,643,962	85,135,136	9,376,718	111,993,172	10.9
HVPE Charlotte Co-Investment L.P.	—	93,894,011	—	114,378,855	11.1
HarbourVest Senior Loans Europe**	—	14,409,000	2,554,214	12,645,957	1.2
Total International / Global Funds	**245,533,670**	**733,468,558**	**292,997,197**	**545,478,038**	**53.0**
TOTAL INVESTMENTS	**$459,522,420**	**$1,625,152,485**	**$685,136,935**	**$1,187,773,735**	**115.3%**

* Includes purchase of limited partner interests for shares and cash at the time of HVPE's IPO.
† Includes ownership interests in HarbourVest Partners VII-Cayman Partnership entities.
‡ Fund denominated in euros. Commitment amount is €47,450,000.
§ Fund denominated in euros. Commitment amount is €100,000,000.
** Fund denominated in British pounds. 10,000,000 shares held at 31 January 2013. Cumulative distributions include dividends received which are included as part of dividend income in the Consolidated Statement of Operations.
††Includes ownership interest in Dover Street VII (AIV 1) Cayman Fund L.P.

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 Company Organisation and Investment Objective

HarbourVest Global Private Equity Limited (the "Company" or "HVPE") is a closed-end investment company registered with the Registrar of Companies in Guernsey under The Companies (Guernsey) Law, 2008 and the Netherlands Authority for the Financial Markets (AFM). The Company's registered office is Anson Place, Mill Court, La Charroterie St. Peter Port, Guernsey GY1 1EJ. The Company was incorporated and registered in Guernsey on 18 October 2007. HVPE is designed to offer shareholders long-term capital appreciation by investing in a diversified portfolio of private equity investments. The Company invests in private equity through private equity funds and may make co-investments or other opportunistic investments. The Company is managed by HarbourVest Advisers L.P. (the "Investment Manager"), an affiliate of HarbourVest Partners, LLC ("HarbourVest"), a private equity fund-of-funds manager. The Company is intended to invest in and alongside existing and newly-formed HarbourVest funds. HarbourVest is a global private equity fund-of-funds manager and typically invests capital in primary partnerships, secondary investments, and direct investments across vintage years, geographies, industries, and strategies. Operations of the Company commenced on 6 December 2007, following the initial global offering of the Class A ordinary shares.

Share Capital

The Company's Class A shares are listed on the Specialist Fund Market ("SFM") of the London Stock Exchange and Euronext Amsterdam by NYSE Euronext under the symbol "HVPE". At 31 July 2013, there were 82,700,000 issued Class A ordinary shares of no par value. The Class A shares are entitled to the income and increases and decreases in the net asset value of the Company, and to any dividends declared and paid, but have limited voting rights. Dividends may be declared by the Board of Directors and paid from available assets subject to the directors being satisfied that the Company will, after payment of the dividend, satisfy a statutory solvency test. Dividends will be paid to shareholders pro rata to their shareholdings. Final dividends must be approved by the holders of the Class B shares.

The Class B shares were issued to HVGPE Holdings Limited, a Guernsey limited liability company, which is owned by affiliates of HarbourVest. The Class B shares have the right to elect all of the directors and make other decisions usually made by shareholders. As at 31 July 2013, 101 Class B shares of no par value have been issued. The Class B shares are not entitled to income or any increases and decreases in the net asset value of the Company or to any dividends declared and paid.

The Class A shareholders must approve any amendment to the memorandum and articles of incorporation except any changes that are administrative in nature, any material change from the investment strategy and/or investment objective of the Company, or the terms of the investment management agreement. These require the approval of 75% of each of the Class A and Class B shares.

There is no minimum statutory capital requirement under Guernsey law.

Investment Manager, Company Secretary and Administrator

The directors have delegated certain day-to-day operations of the Company to the Investment Manager and the Company Secretary and Fund Administrator, under advice to the directors, pursuant to service agreements with those parties. The Investment Manager is responsible for, among other things, selecting, acquiring, and disposing of the Company's investments, carrying out financing, cash management, and risk management activities, providing investment advisory services, including with respect to HVPE`s investment policies and procedures, and arranging for personnel and support staff of the Investment Manager to assist in the administrative and executive functions of the Company.

Directors

The directors are responsible for the determination of the investment policy of the Company on the advice of the Investment Manager and have overall responsibility for the Company's activities. This includes the periodic review of the Investment Manager's compliance with the Company's investment policies and procedures and the approval of certain investments. A majority of directors must be independent directors and not affiliated with HarbourVest or any affiliate of HarbourVest.

Two of the current independent directors, Andrew Moore and Keith Corbin, are also directors of HarbourVest Structured Solutions II GP Limited, the general partner of HarbourVest Structured Solutions II L.P., a Guernsey partnership managed by HarbourVest and set up to implement the Conversus transaction. The Board does not consider this arrangement to present a conflict of interest, and has concluded that Mr. Moore and Mr. Corbin shall continue to be considered independent directors of HVPE.

NOTE 2 Summary of Significant Accounting Policies

Accounting policies have been applied consistently as presented in the latest audited accounts. Certain comparative amounts have been reclassified to conform to the current periods presentation.

NOTE 3 Material Agreements and Related Fees

Administrative Agreement

The Company has retained Anson Fund Managers Limited ("AFML") as Company Secretary and Administrator. Fees for these services are paid as invoiced by AFML and include an administration fee of £12,384 per annum, a secretarial fee of £26,393 per annum, an additional value fee equal to 1/12 of 0.005% of the net asset value of the Company above $200 million as at the last business day of each month, and reimbursable expenses. During the period ended 31 July 2013, fees of $68,501 were incurred to AFML and are included as other expenses in the Consolidated Statement of Operations.

Registrar

The Company has retained Capita as share registrar. Fees for this service include an annual base fee of £8,127 per annum. During the period ended 31 July 2013, registrar fees of $7,873 were incurred and are included as other expenses in the Consolidated Statement of Operations.

Independent Auditor's Fees

For the six-month period ended 31 July 2013, $57,200 has been accrued for auditor's fees and is included in professional fees in the Consolidated Statement of Operations. There were no non-audit fees paid to the independent auditor for the six-month period ended 31 July 2013.

Investment Management Agreement

The Company has retained HarbourVest Advisers L.P. as the Investment Manager. The Investment Manager is reimbursed for costs and expenses incurred on behalf of the Company in connection with the management and operation of the Company. The Investment Manager does not charge HVPE management fees or performance fees other than with respect to parallel investments. During the period ended 31 July 2013, reimbursements for services provided by the Investment Manager were $626,314. As an investor in the HarbourVest funds, HVPE is charged the same management fees and subject to the same performance allocations as other investors in such HarbourVest funds. As of 31 July 2013, HVPE has two parallel investments: HarbourVest Acquisition S.à.r.l. (via HVPE Avalon Co-Investment L.P.) and HarbourVest Structured Solutions II, L.P. (via HVPE Charlotte Co-Investment L.P.). Management fees paid for the parallel investments made by the Company were consistent with the fees charged by the funds alongside which the parallel investments were made. During the period ended 31 July 2013 and year ended 31 January 2013, management fees included in the Consolidated Statement of Operations were as follows:

	31 July 2013 (Unaudited)	31 January 2013 (Audited)
HVPE Avalon Co-Investment L.P.	466,921	939,955
HVPE Charlotte Co-Investment L.P.	196,883	48,383
Total management fees	$663,804	$988,338

For the six-month period ended 31 July 2013, management fees on the HVPE Avalon Co-Investment L.P. investment were calculated based on a weighted average effective annual rate of 1.08% on committed capital to the parallel investment. Management fees on the HVPE Charlotte Co-Investment L.P. investment were calculated based on a weighted average effective annual rate of 0.67% on committed capital to the parallel investment.

NOTE 4 Investments

In accordance with the authoritative guidance on fair value measurements and disclosures under generally accepted accounting principles in the United States, the Company discloses the fair value of its investments in a hierarchy that prioritises the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

- **Level 1** – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;
- **Level 2** – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
- **Level 3** – Inputs that are unobservable.

Generally, the majority of the Company's investments are valued utilising unobservable inputs, and are therefore classified within Level 3.

Level 3 partnership investments include limited partnership interests in other investment partnerships. For investments in limited partnerships and other pooled investment vehicles, the Company encourages all managers to apply fair value principles in their financial reports that are consistent with U.S. generally accepted accounting principles. Inputs used to determine fair value include financial statements provided by the investment partnerships which typically include fair market value capital account balances. In reviewing the underlying financial statements and capital account balances, the Company considers compliance with authoritative guidance on fair value measurements, the currency in which the investment is denominated, and other information deemed appropriate. If the Company shall in good faith determine that a manager is not reporting fair value consistent with U.S. generally accepted accounting principles, the Company shall use best efforts to undertake its own valuation analysis using fair market value principles and adjust such value so it is in accordance with the authoritative guidance. Income derived from investments in partnerships is recorded using the equity pick-up method.

Because of the inherent uncertainty of these valuations, the estimated fair value may differ significantly from the value that would have been used had a ready market for this security existed, and the difference could be material.

The following table summarises the Company's investments that were accounted for at fair value by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
Balance at 31 January 2012	14,454,992	—	1,081,706,452	1,096,161,444
Purchase of investment	—	—	93,894,011	93,894,011
Contributions to investments	—	—	105,013,301	105,013,301
Net realised gain (loss) on investments	—	—	87,979,346	87,979,346
Net change in unrealised appreciation (depreciation) on investments	(241,008)	—	8,247,029	8,006,021
Distributions received from investments	(1,568,027)	—	(201,712,361)	(203,280,388)
Transfers in and/or (out) of Level	—	—	—	—
Balance at 31 January 2013	**$12,645,957**	**—**	**$1,175,127,778**	**$1,187,773,735**
Contributions to investments	—	—	54,122,290	54,122,290
Net realised gain (loss) on investments	—	—	23,962,232	23,962,232
Net change in unrealised appreciation (depreciation) on investments	(143,722)	—	23,865,024	23,721,302
Distributions received from investments	(4,062,351)	—	(94,745,774)	(98,808,125)
Transfers in and/or (out) of Level	—	—	—	—
Balance at 31 July 2013	**$8,439,884**	**—**	**$1,182,331,550**	**$1,190,771,434**
Net change in unrealised gain (loss) on investments related to investments still held at 31 July 2013			$23,865,024	

The Company recognises transfers at the current value at the transfer date. There were no transfers during the period ended 31 July 2013. Investments include limited partnership interests in private equity partnerships, all of which carry restrictions on redemption. The investments are non-redeemable and the Investment Manager estimates an average remaining life of 9 years with 1 to 15 remaining.

As of 31 July 2013, the Company had invested $1,703,718,662 or 74.8% of the Company's committed capital in investments and had received $803,979,493 in cumulative distributions (including dividends from HarbourVest Senior Loans Europe).

There were no investment transactions during the period ended 31 July 2013 in which an investment was acquired and disposed of during the period.

NOTE 5 Commitments

As of 31 July 2013, the Company has unfunded investment commitments to other limited partnerships of $573,437,764 which are payable upon notice by the partnerships to which the commitments have been made. Unfunded investment commitments of $105,208,177 within this balance are denominated in euros.

NOTE 6 Debt Facility

On 4 December 2007 the Company entered into an agreement with Lloyds TSB Bank plc (formerly Bank of Scotland plc) regarding a multi-currency revolving credit facility ("Facility") for an aggregate amount up to $500 million. In April 2013, HVPE refinanced the facility which will remain at $500 million until December 2013 and reduce to $300 million thereafter. The new facility is set to expire in April 2018. Amounts borrowed against the Facility accrue interest at LIBOR/GBP LIBOR/EURIBOR plus 1.5% per annum for the period from 1 February 2013 to 22 April 2013 and 1.6% per annum for the period from 23 April 2013 to 31 July 2013. For the six-month period ended 31 July 2013, the weighted average interest rate was 2.12% and interest rates on the outstanding balance ranged from 1.62% to 2.60%.The Facility is secured by the private equity investments and cash and equivalents of the Company, as defined in the agreement. Availability of funds under the Facility and interim repayments of amounts borrowed are subject to certain covenants and diversity tests applied to the investment portfolio of the Company. At 31 July 2013 and 31 January 2013, $130,131,763 and $161,726,211 respectively was outstanding against the Facility. Included in other assets at 31 July 2013 are deferred financing costs of $3,822,829 related to refinancing the facility. The deferred financing costs are amortised on the terms of the facility. The Company is required to pay a non-utilisation fee calculated as 40 basis points per annum on the daily balance of the unused Facility amount for the period from 1 February 2013 to 22 April 2013 and 55 basis points per annum for the period from 23 April 2013 to 31 July 2013. For the six-month period ended 31 July 2013, $1,422,414 in interest expense and $867,091 in non-utilisation fees have been incurred.

NOTE 7 Financial Highlights*

For the Six-Month Period Ended 31 July 2013 and Year Ended 31 January 2013

Class A Shares	31 July 2013 (Unaudited)	31 January 2013 (Audited)
PER SHARE OPERATING PERFORMANCE:		
Net Asset Value, beginning of period	$12.46	$11.42
Net realised and unrealised gains	0.58	1.14
Net investment loss	(0.06)	(0.10)
Total from investment operations	**0.52**	**1.04**
Net asset value, end of period	$12.98	$12.46
Market value, end of period	$9.60	$8.66
Total return at net asset value	4.2%§	9.1%
Total return at market value	10.9%§	42.0%
RATIOS TO AVERAGE NET ASSETS		
Expenses†	0.97%**	0.87%
Net investment (loss)	(0.92)%**	(0.82)%
PORTFOLIO TURNOVER‡	0.0%	0.0%

* The class B shares are not entitled to any income or increases and decreases in the net asset value of the Company.

† Does not include operating expenses of underlying investments.

‡ The turnover ratio has been calculated as the number of transactions divided by the average net assets.

§ Not annualised.

** Annualised.

NOTE 8 Publication and Calculation of Net Asset Value

The Net Asset Value ("NAV") of the Company is equal to the value of its total assets less its total liabilities. The NAV per share of each class is calculated by dividing the net asset value of the relevant class account by the number of shares of the relevant class in issue on that day. The Company publishes the NAV per share of the Class A shares as calculated, monthly in arrears, at each month-end, generally within 15 days.

NOTE 9 Related Party Transactions

The shareholders of HVGPE Holdings Limited are members of HarbourVest Partners, LLC, and are the partners or members of the General Partner entities of each of the HarbourVest funds in which the Company owns an interest.

Other amounts payable to HarbourVest Advisers L.P. of $48,722 represent expenses of the Company incurred in the ordinary course of business, which have been paid by and are reimbursable to HarbourVest Advisers L.P. at 31 July 2013.

HarbourVest fund-of-funds invest in partnerships managed by Sofinnova Partners, of which Director Jean-Bernard Schmidt is a former Managing Partner. Board-related expenses, primarily compensation, of $199,101 were incurred during the period ended 31 July 2013. Two of the directors, Andrew Moore and Keith Corbin, are also directors of HarbourVest Structured Solutions II GP Limited, the general partner of HarbourVest Structured Solutions II L.P.

NOTE 10 Indemnifications

General Indemnifications

In the normal course of business, the Company may enter into contracts that contain a variety of representations and warranties and which provide for general indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. Based on the prior experience of the Investment Manager, the Company expects the risk of loss under these indemnifications to be remote.

Investment Manager Indemnifications

Consistent with standard business practices in the normal course of business, the Company has provided general indemnifications to the Investment Manager, any affiliate of the Investment Manager and any person acting on behalf of the Investment Manager or such affiliate when they act in good faith, in the best interest of the Company. The Company is unable to develop an estimate of the maximum potential amount of future payments that could potentially result from any hypothetical future claim, but expects the risk of having to make any payments under these general business indemnifications to be remote.

Directors and Officers Indemnifications

The Company's articles of incorporation provide that the directors, managers or other officers of the Company shall be fully indemnified by the Company from and against all actions expenses and liabilities which they may incur by reason of any contract entered into or any act in or about the execution of their offices, except such (if any) as they shall incur by or through their own negligence, default, breach of duty or breach of trust respectively.

NOTE 11 Subsequent Events

In the preparation of the financial statements, the Company has evaluated the effects, if any, of events occurring after 31 July 2013 through 26 September 2013, the date that the financial statements were issued.

On 26 September 2013, HVPE's shareholders approved a $20 million distribution to be made in the form of a share redemption, which is expected to be paid in October 2013.

There were no other events or material transactions subsequent to 31 July 2013 that required recognition or disclosure in the financial statements.

Disclosures

Forward-Looking Statements

This report contains certain forward-looking statements.

Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, forward-looking statements can be identified by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will," and "would," or the negative of those terms or other comparable terminology. The forward-looking statements are based on the Investment Manager's beliefs, assumptions, and expectations of future performance and market developments, taking into account all information currently available. These beliefs, assumptions, and expectations can change as a result of many possible events or factors, not all of which are known or are within the Investment Manager's control. If a change occurs, the Company's business, financial condition, liquidity, and results of operations may vary materially from those expressed in forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events, and depend on circumstances, that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Any forward-looking statements are only made as at the date of this document, and the Investment Manager neither intends nor assumes any obligation to update forward-looking statements set forth in this document whether as a result of new information, future events, or otherwise, except as required by law or other applicable regulation.

In light of these risks, uncertainties, and assumptions, the events described by any such forward-looking statements might not occur. The Investment Manager qualifies any and all of its forward-looking statements by these cautionary factors.

Please keep this cautionary note in mind while reading this report.

Some of the factors that could cause actual results to vary from those expressed in forward-looking statements include, but are not limited to:

- the factors described in this report;
- the rate at which HVPE deploys its capital in investments and achieves expected rates of return;
- HarbourVest's ability to execute its investment strategy, including through the identification of a sufficient number of appropriate investments;
- the ability of third-party managers of funds in which the HarbourVest funds are invested and of funds in which the Company may invest through parallel investments to execute their own strategies and achieve intended returns;
- the continuation of the Investment Manager as manager of the Company's investments, the continued affiliation with HarbourVest of its key investment professionals, and the continued willingness of HarbourVest to sponsor the formation of and capital raising by, and to manage, new private equity funds;
- HVPE's financial condition and liquidity, including its ability to access or obtain new sources of financing at attractive rates in order to fund short-term liquidity needs in accordance with the investment strategy and commitment policy;
- changes in the values of, or returns on, investments that the Company makes;
- changes in financial markets, interest rates or industry, general economic or political conditions; and
- the general volatility of the capital markets and the market price of HVPE's shares.

Publication and Calculation of Net Asset Value

The Net Asset Value of the Company is equal to the value of its total assets less its total liabilities. The NAV per share of each class is calculated by dividing the net asset value of the relevant class account by the number of shares of the relevant class in issue on that day. The Company intends to publish the estimated NAV per share and the NAV per share for the Class A shares as calculated, monthly in arrears, as at each month-end, generally within 15 days.

Certain Information

HVPE is subject to the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht, "FMSA") and is registered with the Netherlands Authority for the Financial Markets as a closed-end investment company pursuant to section 1:107 of the FMSA. It is also authorised by the Guernsey Financial Services Commission as an authorised closed-ended investment scheme under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "POI Law"). HVPE is subject to certain ongoing requirements under the FMSA and POI Law and certain rules promulgated thereunder relating to the disclosure of certain information to investors, including the publication of annual and semi-annual financial statements.

Key Information

Exchanges	**Euronext Amsterdam / London Stock Exchange**
Ticker	**HVPE**
Listing Date	**6 December 2007 (Euronext)** **12 May 2010 (LSE)**
Fiscal Year End	**31 January**
Base Currency	**U.S. Dollars**
ISIN	**GG00B28XHD63**
Bloomberg	**HVPE NA, HVPE LN**
Reuters	**HVPE.AS, HVPE.L**
Common Code	**032908187**
Amsterdam Security Code	**612956**
Investment Manager	**HarbourVest Advisers L.P.** **(affiliate of HarbourVest Partners, LLC)**
Registration	**Netherlands Authority for the Financial Markets**
Fund Consent	**Guernsey Financial Services Commission**
Issued Shares	**82,700,000 Class A Ordinary Shares**

2013 / 2014 Calendar

Monthly NAV Estimate
Generally within 15 days of Month End

Interim Management Statement
November 2013 / June 2014

Annual Report and Audited Consolidated Financial Statements
May 2014

Annual Information Document
June 2014

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