HarbourVest
GLOBAL PRIVATE EQUITY

Annual Report AND Audited Consolidated Financial Statements

31 JANUARY 2013

Contents

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 and Strategic Initiatives

Key Highlights

At or during the financial year ended 31 January 2013

NAV
+9%

Share Price
+36%

Realised Uplift
from Carrying values
+37%

Gearing
15%

HVPE CASH FLOWS

Realised Proceeds	$203m
Invested in HarbourVest Funds	($105m)
Positive Cash Flow from HVPE Portfolio	$98m
Invested in Assets of Conversus	($94m)
Cash Flow Positive	**$4m**

Mission Statement

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

Strategic Initiatives

HVPE's Board of Directors believes the Company's objective is to deliver superior returns to shareholders by distinguishing HVPE as a top performing, transparent, and easily accessible listed private equity multi-manager fund.

In the past five years since HVPE completed its IPO (December 2007), the markets have experienced significant challenges and ongoing adjustments in investor sentiment. In light of today's macroeconomic conditions and the current investor views toward broader growth equity and private equity in particular, the Board of Directors recently undertook a strategic review. A key focus of the review was to reposition the Company to translate its strong performance into improved returns for shareholders.

Following the recent strategic review, the Company is pleased to announce the following initiatives.

Target $40 million Cash to Shareholders

The Board recognises that some shareholders desire a cash return. The Directors continue to believe that share price performance relies upon NAV growth and the Investment Manager's ability to commit, invest, and grow the portfolio. HVPE's recent investments alongside HarbourVest in Absolute Private Equity and Conversus, and the cash being generated by these investments, provide an opportunity for HVPE's shareholders to access value.

Subject to a shareholder vote and certain financial criteria as detailed on page 37, the Board is pleased to announce that it anticipates distributing up to $40 million or $0.48 per share in cash over the next two years based on the expected profits from the recent co-investments. The first distribution is expected to be made in the fourth quarter of 2013 following the publication of HVPE's semi-annual results in late September.

Listing and Governance Structure

As part of the Board's objective to be transparent and accessible, the Directors have instructed its advisers to explore the most appropriate listing and governance structure for your Company.

This will be a comprehensive review to ensure that the interests of both shareholders and the Investment Manager are appropriately aligned as the Company matures. The Board believes that high standards of governance are important and may lead to increased liquidity in the shares and that the enhanced liquidity will be of benefit to shareholders. As this review develops, we will provide updates on its progress.

Gearing and Commitments

As detailed on page 32, the Company has carried borrowings on its balance sheet from mid 2008, to manage both the inevitable timing differences that occur between investment and realisation and to co-invest in opportunities such as Absolute and Conversus.

The Board believes that the recently announced extension of the credit facility to April 2018, along with the Company's proven ability to manage the balance sheet during the global financial crisis, underpins one of the long-term objectives of the Company: to maintain an over-commitment policy and, where appropriate, use leverage to finance transactions that can be NAV accretive. Although the Board does not believe the Company will employ permanent leverage, it will continue to manage the balance sheet as efficiently as possible while not being more than 20% geared in normal market circumstances.

We believe this policy will continue to provide shareholders with optimal access to the private equity asset class that the Board and the Investment Manager believe can deliver superior returns to shareholders.

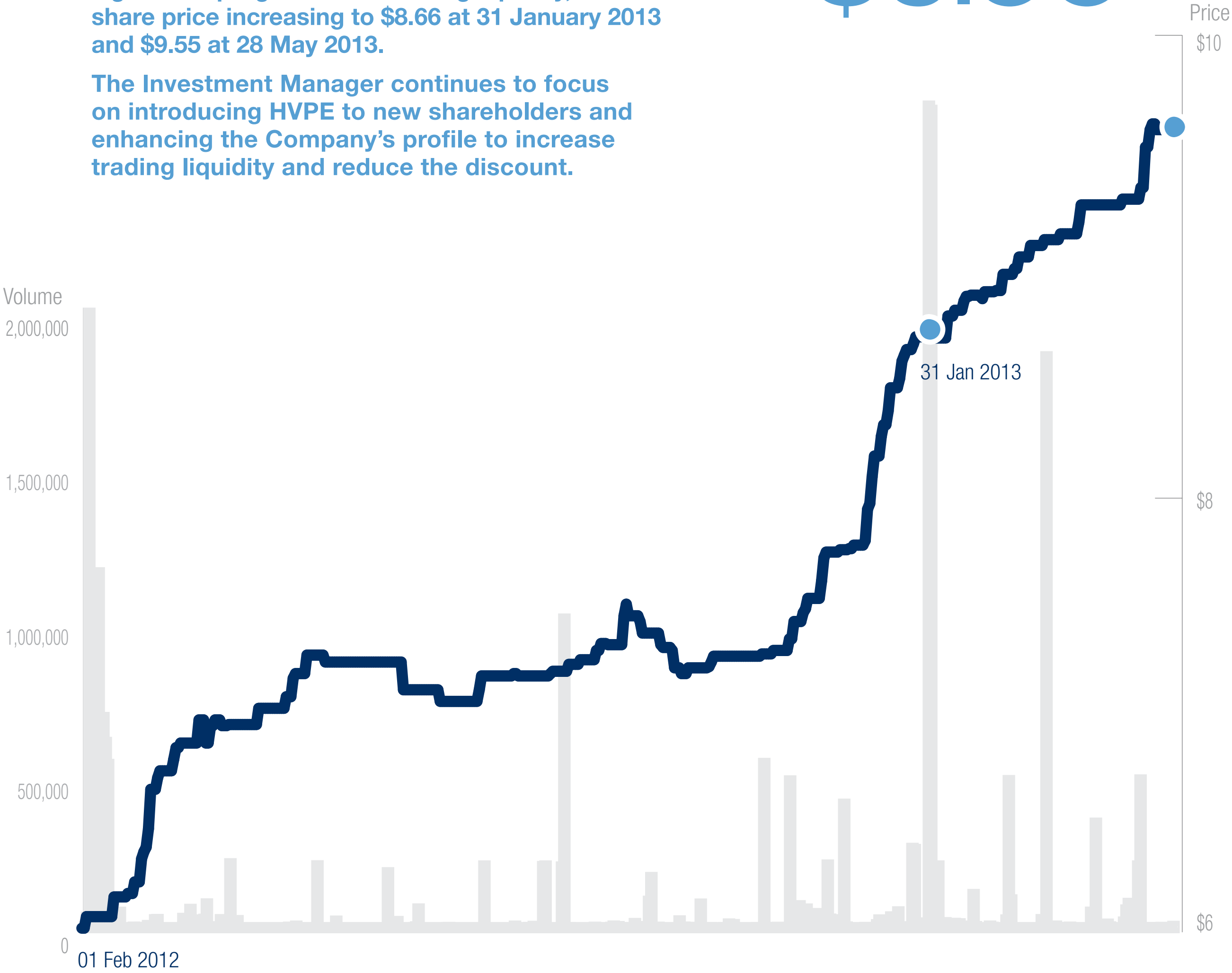
Share Price and Trading Volume

Over the last two years, HVPE has dedicated significant resources to enhancing the Company's liquidity and improving the trading discount to NAV. While challenges remain, the Company has made significant progress in enhancing liquidity, with the share price increasing to $8.66 at 31 January 2013 and $9.55 at 28 May 2013.

The Investment Manager continues to focus on introducing HVPE to new shareholders and enhancing the Company's profile to increase trading liquidity and reduce the discount.

Share Price at 28 May 2013

$9.55



HVPE share price increased from $6.37 at 31 January 2012 to $8.66 at 31 January 2013 and $9.55 at 28 May 2013.

Chairman's Letter

Dear Shareholders,

The year to 31 January 2013 was a much better year for public stock markets with the MSCI World Index (USD) rising 12.1%. Many of the economic and political problems in the developed world remained unresolved. However, the short term outlook for the U.S. economy has improved whilst the Eurozone continues to find growth very elusive and the problems of the euro as a currency remain.

Central banks in the U.S. and the U.K., and latterly in Japan, have used quantitative easing as the prime policy response. Short term interest rates have remained at unprecedentedly low levels in most large developed economies, and the policy has been backed up by firm statements that short term rates will remain close to zero until both economic activity picks up and unemployment rates improve. It has been the realisation that the authorities are serious about maintaining their zero rate policy far longer than many commentators expected four years ago that has brought about profound changes in markets. It was always the intention of quantitative easing to boost asset prices and force depositors to redeploy their cash, and that has indeed happened with stock markets reacting far beyond that justified by improvement in companies' prospects. Also, in the U.S. a booming high yield debt market has resulted in significant corporate activity in portfolio companies.

Cautious commentators fear that eventually these circumstances will lead to an upturn in inflation and indeed in Japan, that is a specific intention of the authorities. Inflation is a genie which, when let out of the bottle, can be difficult to recapture and it is to be hoped that not too many risks have been taken.

Asset Values, Discounts and Share Trading

During the year to 31 January 2013 your Company, HarbourVest Global Private Equity ("HVPE" or the "Company") made further progress with growth of net asset value ("NAV") of 9.1% to $12.46 per share and net assets exceeding $1 billion for the first time. The growth of NAV per share in the year was exceeded by that of the MSCI World Index (USD). However, from 31 January 2008 to 31 January 2013, your Company's NAV growth has been 19.9% as compared to the index's total return of 11.3% over the same period.

By contrast, HVPE's share price increased from $6.37 to $8.66 at the year end, or by 35.9%. The discount per share narrowed from 44.2% to 30.5% as, at last, investors began to appreciate the worth of the listed private equity sector, which saw very substantial reductions in discounts across the board. There is still considerable scope for further reduction in HVPE's discount, and the Board and the Investment Manager will continue to work towards that end.

Since the year end there has been further share price appreciation and at 28 May the last significant trades were at $9.55 per share. During the year, and continuing after the year end, trading in the Company's shares increased materially with an estimated 20% of the 82.7 million shares changing hands in the year and a further estimated 5% doing so between 1 February and 28 May 2013. Some of the original institutions that exchanged their limited partnership interests for shares in the Company in 2007 have begun to release shares into the market, which have been readily taken up by buyers at increasing prices. HVPE's shares are no longer the illiquid assets that they were in the early days of the Company after its launch in December 2007.

The Company, its Portfolio and a Prospective Cash Distribution

The Investment Manager's Review sets out in considerable detail the Company's progress during the year and thus I will focus on a few particular highlights beginning with the Company's investments in Absolute Private Equity Ltd ("Absolute"), undertaken in September 2011, and in the assets of Conversus Capital L.P. ("Conversus"), undertaken in December 2012. HVPE's interests were acquired using funding from the Company's credit facility with Lloyds Bank. As I have reported in earlier Chairman's Letters, both of these investments were acquired when HVPE participated in the Investment Manager's consortium of HarbourVest funds that took Absolute private and later bought 100% of the assets of Conversus. In both cases the assets acquired by the consortia were interests in mature portfolios of private equity funds that had the potential at acquisition both to be accretive to NAV and cash generative.

Those potentials are being delivered with Absolute's uplifted value over cost as at 30 April 2013 at 50.4% (inclusive of distributions received) and with cash distributions received by HVPE amounting to 18.8% of the purchase price. In the case of Conversus, the uplift has been 22.3% and cash distributions amounting to 6.2% of HVPE's purchase price. As a result of the cash distributions from these investments and also from the mature portfolio that makes up the Company's principal assets, borrowings as a percentage of net assets, which had reached 20.3% and 16.5%, respectively, immediately after the two transactions, were reduced to 15.2% at 31 January, with further reduction to 12.6% at 28 May. Both of these transactions demonstrate that your Company is in a position through its Investment Manager to participate in innovative and profitable transactions with prudent use of leverage if appropriate.

Since listing in 2007, your Company has not diverted from its strategy as set out in the prospectus of aiming to reinvest distributions from the portfolio in new commitments to HarbourVest funds. However, for some time the Board has been aware of the desire of some shareholders to see a cash return from their investment in HVPE, and the Board has noted the activities of other listed private equity companies. Consequently, and as a result of the success of these transactions, the Board has agreed with the Investment Manager that, subject to meeting the criteria set out on page 37 of this report, later in 2013 and again in 2014, the Company will distribute between the two years approximately 50% of the estimated total net profit to be realised on the two co-investments in Absolute and Conversus. As I see the position today, I expect those criteria to be met for 2013. This decision is expected to result in a distribution of some $20 million, equivalent to approximately $0.24 per share, in 2013 and also, assuming that these two co-investments progress as they have done recently, in 2014. Subject to the approval of shareholders at a General Meeting, it is anticipated that these distributions will be made by way of offers to redeem a proportion of each shareholding at a price close to the full underlying NAV per share. It is anticipated that the first of these distributions will be made in the fourth quarter of 2013 and further details will be released in due course.

The second aspect I highlight is the proportion of your Company's assets invested in venture. As at year end, it amounted to 30% of assets. Successful venture investments can deliver returns of many multiples of cost. I have referred to *Facebook* (NASDAQ: FB) in my last two Chairman's Letters. *Facebook*, which had been HVPE's largest investment at 31 January 2012 and fourth largest at 31 July 2012, no longer appears in the Company's top 25 holdings at year end as the investment has largely been realised. From the base cost of the holding of *Facebook* in the various underlying funds through which it was held, the investment has been realised at over 296 times cost. This is an example of the extraordinary returns that can be achieved in venture portfolios.

Thirdly, on page 29 of this Annual Report, the Investment Manager gives detailed information on the uplifts from the immediately prior carrying values arising as the result of sales or flotations of 118 portfolio companies. The scope of this detail has been considerably expanded since the Investment Manager first began reporting on uplifts twelve months ago. Excluding *Facebook,* the weighted average uplift covering 80% by value of all realisations in the year was 37.4%. Such evidence gives powerful support for the view that the carrying valuations of HVPE's assets are well underpinned by subsequent events.

The Lloyds Bank Facility

In my two previous Chairman's Letters, I indicated that the Company was in negotiations with Lloyds Bank to extend the maturity of its borrowing facility. That facility was agreed in the very different world of 2007 and was for a facility of $500 million, subject to certain covenant tests, expiring in December 2014 at an interest rate of 1.50% over LIBOR, with an undrawn fee of 0.50%. It was clear that such highly advantageous terms would not be available on renewal, and the Board and Investment Manager jointly decided to bring forward discussions about a possible adjustment to the current terms so as to secure early certainty for the period post December 2014.

On 25 April 2013, the Company announced that agreement had been reached with Lloyds Bank that with immediate effect, the terms of the current facility would be amended and an extended facility of $300 million would be available from 1 January 2015 with an expiry date in April 2018. Fuller details are set out on page 36. Although this agreement will result in additional payments in 2013 and 2014, it secures committed funding for five years. All of the Investment Manager's modelling suggests that the Company will have the capability of repaying all of its debt materially ahead of April 2018. However, the longer term facility will permit the Company to be opportunistic about participating in any future transactions such as Absolute and Conversus and consequently the Company may well continue to carry some debt on its balance sheet.

The Board

Membership of the Board had remained unchanged since the Company was listed in 2007. Recent events have resulted in the retirement of two directors and the appointment of two new directors. Paul Christopher, a partner in the Company's Guernsey solicitors' firm of Mourant Ozannes, has moved to Hong Kong where he has opened an office. He has retired from the Board of HVPE and Alan Hodson has joined us. My personal thanks go to Paul for his wise counsel since 2007. Alan Hodson's biographical details are shown on page 37. He has extensive experience in listed markets, having retired as Global Head of Equities at UBS. I look forward to working with Alan and I am confident that his listed market experience will be of significant value to the Company.

Since listing in 2007, two Managing Directors of the Investment Manager, HarbourVest, have been directors of the Company. Brooks Zug, the co-founder of HarbourVest over 30 years ago, remains a director. His partner, George Anson is due shortly to take up the post of Chairman of the European Venture Capital Association and has told the Board that, with great regret, he feels he will not be able to devote sufficient attention to HVPE's affairs. George was one of the original architects of HVPE and has been a committed director from inception. George is being succeeded by another HarbourVest Managing Director, Peter Wilson. Peter is a member of the secondary team and is located in London. I am confident that Peter will provide continuity, having been a partner of George Anson for over 17 years. On behalf of the Board and shareholders I wish George very well in his role with the EVCA.

Future Returns

It has always been the aim of the Investment Manager to grow the net assets of the Company at a rate faster than the total return available in mainstream listed markets. Although growth of NAV is not directly correlated with share price total return to shareholders, without superior NAV growth it is questionable as to why investors should buy shares in a less liquid and more uncertain asset such as a listed private equity company.

HarbourVest has over 30 years of experience managing limited partnerships investing directly and indirectly in private equity assets. The firm has extensive data on returns from those partnerships to investors over several market cycles and in different economic environments. Private equity is a long-term asset and the models for its management will always evolve and change. However, 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 net asset value by at least 5% per annum in excess of mainstream listed market returns over the cycle. Such superior returns would not, of course, be directly correlated with share price total return. It would, though, give a strong base from which that return could be recognised by share price appreciation and, when appropriate, cash distributions to shareholders.

Governance

The Board and the Investment Manager have been aware for some time that the majority of trading in the Company's shares has taken place on the Specialist Funds Market of the London Stock Exchange or through Markit BOAT. Very few shares have been traded recently on NYSE Euronext, the original market on which the Company was listed. The Board and the Investment Manager are also aware that certain potential investors are not prepared to buy shares which trade principally on a junior market. They will 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. I do not expect progress on this to be easy or rapid, not least on account of the fact that, at present, over 50% of your Company's shares are held by shareholders resident in the U.S. Nevertheless I hope to be able to report further on this topic later in the year.

Conclusion

Contrary to the predictions of some commentators in 2009 that the private equity model was broken, successful managers have been able to prosper and to reward their investors. HarbourVest's disciplined investment process, honed over 30 years, seeks to ensure that its funds have access to those successful managers.

In the listed private equity space, a number of companies are in the process of exiting the asset class, and indeed as reported above your Company has been involved in two of the consolidating transactions to the considerable benefit of HVPE's shareholders. Both the Board and Investment Manager intend that HVPE will grow and become an ever more significant part of the listed private equity population of companies. That process will be further enhanced should we prove to be in a position to move forward with changes to the Company's governance.

In earlier years the Investment Manager has organised an informal meeting for shareholders in London in the summer. Shareholders have been able to attend that meeting in person or by conference call but in the last two years attendance has been very limited. Since last summer, one or more of Stuart Howard, HarbourVest's Chief Operating Officer of European Listed Products, Brooks Zug or I have met with many of our principal shareholders and we are available for further meetings if required. We have, therefore, decided not to set a date for a communal meeting of shareholders this summer although we would organise one if there were sufficient demand.

If, as we expect, we are able to move forward with a cash distribution to shareholders by way of a share redemption offer later in 2013, that will require a 50% vote in favour at a General Meeting of all shareholders. That meeting will take place in Guernsey where the Company is incorporated. However, we will also arrange an informal meeting in London at around the same time to brief shareholders and receive their comments.

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
30 May 2013

Contrary to the predictions of some commentators in 2009 that the private equity model was broken, successful managers have been able to prosper and to reward their investors. HarbourVest's disciplined investment process, honed over 30 years, seeks to ensure that its funds have access to those successful managers.

Investment Manager's Review

Results for the Financial Year Ended 31 January 2013

Financial Summary

	31 January 2013	31 January 2012
SUMMARY OF NET ASSET VALUE (in millions except per share and % data)		
Investment Portfolio	$1,187.8	$1,096.2
Cash and Cash Equivalents	5.3	2.2
Debt	(161.7)	(154.4)
Net Other Assets (Liabilities)	(1.2)	—
NAV	$1,030.2	$944.0
NAV per Share*	$12.46	$11.42
INVESTMENT PIPELINE (Unfunded Commitments)		
Allocated	$399.6	$337.2
Unallocated	59.9	116.3
Total Investment Pipeline	$459.5	$453.5

CASH FLOWS	**Financial Year Ended 31 January 2013**	**Financial Year Ended 31 January 2012**
Investments in HarbourVest Funds	**$105.0**	**$165.9**
% of Investment Pipeline†	23.2%	30.5%
Investments in Co-Investments		
Conversus Capital, L.P	93.9	—
Absolute Private Equity Ltd.	—	85.1
Realisations from HarbourVest Funds and Co-Investments	**$203.3**	**$180.6**
% of Investment Portfolio‡	18.5%	19.5%
Net Cash Flow	**$4.4**	**($70.4)**
Cash + Remaining Available Credit Facility§	**$343.6**	**$347.8**

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

NAV increased

9%

Net Asset Value Changes

HVPE's Net Asset Value ("NAV") is $1,030.2 million, or $12.46 per share, a 9% increase during the financial year ended 31 January 2013 ($11.42 at 31 January 2012).

Realised Gains

Realised gains were driven by continued liquidity events within HVPE's underlying portfolio. Attractive M&A and IPO markets supported solid realisation activity, although the pace was somewhat slower during the second half of calendar year 2012. Liquidity events for HVPE's largest underlying holdings at 31 January 2012 include:

- February 2012 recapitalisation of *Falcon Group*
- May 2012 IPO of *Facebook* (FB)
- July 2012 sale of *Fougera* (U.S. dermatology business of Nycomed not included in 2011 sale to Takeda) to Sandoz (Novartis)
- October 2012 partial sale of *Zalando* to Kinnevik
- November 2012 recapitalisation of *GTS*

Value Change

During 2012, the private equity markets and HVPE benefited from an improving NAV environment despite volatile public markets and Eurozone concerns. Performance in the second calendar quarter of 2012 was challenged by increased concern about the European sovereign debt crisis and declining public markets, which stalled HVPE's NAV growth. This was offset by increasing public markets and an improving macroeconomic outlook during the second half of the calendar year. Changes in value were driven by a number of portfolio investments, the largest sources of which were the December 2012 purchase of the assets of Conversus and HarbourVest VIII Buyout, a developing U.S. buyout focused fund-of-funds.

Management and Performance Fees

For the financial year ended 31 January 2013, management fees paid to HarbourVest funds totaled $12.7 million and management fees paid for co-investments totaled $1.0 million (total of $0.16 per share), or an annualised rate of 86 basis points on average Private Equity Exposure (Investment Portfolio plus Total Investment Pipeline). HVPE also incurred performance fees of $8.4 million ($0.10 per share).

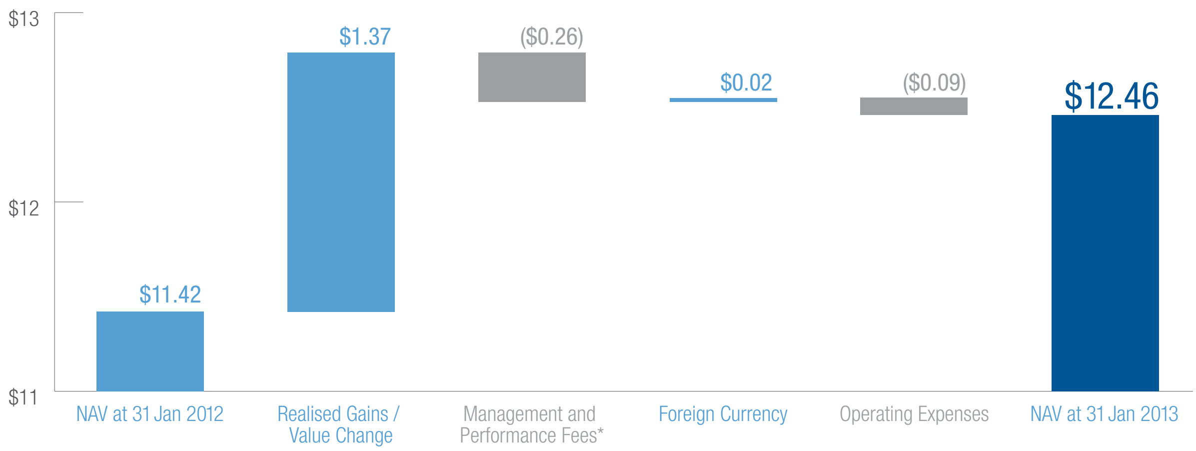
Foreign Currency

Euro strength did affect HVPE's Investment Portfolio (the euro appreciated 3.8% against the U.S. dollar from 31 January 2012 to 31 January 2013), but the overall result of currency movement was broadly neutral ($0.02 per share gain). Please refer to **Management of Foreign Currency Exposure**.

Operating Expenses

Operating expenses were $0.09 per share. Expenses include fees related to the credit facility and operating 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.

1982 Formed Fund I, one of the first U.S. private-equity fund-of-funds

1983 First direct investment

1984 First international partnership investments in Europe and Asia

1986 First secondary investment

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.

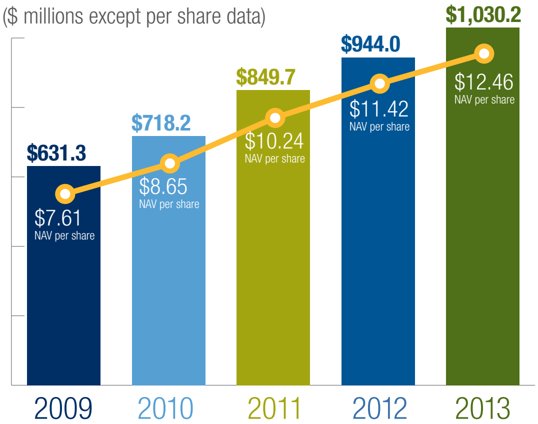
Track Record

HarbourVest funds have consistently outperformed public benchmarks over the long term. When analysing HarbourVest's mature fund programmes formed in the past two decades and comparing each fund's internal rate of return (IRR) to a public benchmark IRR based on the same cash flows:

- **The U.S. programmes have outperformed the S&P 500 by 10% on average and the Russell 2000 by 9% on average**
- **The international programmes have outperformed the MSCI EAFE by 7% on average and the MSCI World ex-U.S. by 5% on average**
- **The secondary programmes have outperformed the MSCI AC World by 13% on average and the S&P 500 by 11% on average**
- **The direct co-investment programmes have outperformed the MSCI AC World by 7% on average and the S&P 500 by 6% on average**

HVPE NET ASSET VALUE GROWTH

($ millions except per share data)



1990 London team established to focus on European opportunities

1996 Hong Kong team established to focus on Asian investments

2010 Tokyo team established

2012 Bogotá and Beijing teams established

The Investment Committee

Brooks Zug
Senior Managing Director
35 years
HVPE Director

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 Named North American Fund-of-Funds of the Year in 2012*

In March 2013, the readers of *Private Equity International* voted HarbourVest the Fund of Funds of the Year in North America and the #2 Fund of Funds in Asia in 2012.

PRIVATE EQUITY INTERNATIONAL AWARDS 2012

The editors of Private Equity International recognised HarbourVest's 2012 acquisition of Conversus Capital's portfolio of private equity funds following its 2011 purchase of listed private equity firm Absolute — evidence of the trend of consolidation in the listed private equity world. The editors also cited the establishment of HarbourVest's newest location in Beijing.

* These awards do not necessarily represent investor experience with HarbourVest Partners, LLC or the HarbourVest Funds, nor do they constitute a recommendation of HarbourVest Partners, LLC or its services. These awards are based on surveys that are not limited to investors in HarbourVest Funds and may not have included all of the investors in HarbourVest Funds. These awards are not indicative of HarbourVest's future performance.

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.

Improving Climate

The U.S. economy continued to grow at a moderate pace with GDP increasing 2.2% in 2012. The U.S. economic projections for GDP growth in 2013 are modest, ranging from 2.0% to 3.0%. Private equity fundraising, investment, and liquidity activity was mixed during 2012 relative to 2011.

The U.S. buyout market saw a 40% increase in funds raised to $79 billion. Deal activity declined, however, with managers closing approximately 1,200 deals with a disclosed value of $104 billion in 2012. The disclosed value of M&A exits for the buyout market was $70 billion, equivalent to 2011; however, dividend recapitalisations almost doubled to $64 billion, a major source of liquidity through the year. There were 38 buyout-backed IPOs completed, up from 25 in 2011. A significant number of unrealised companies remain in the portfolios of most buyout managers, although 2013 has started strongly and the Investment Manager is optimistic that both investment and liquidity levels can be stronger again in 2013.

In the U.S. venture market, total funds raised increased by 10% from 2011 to $20 billion. Investors continued to make larger commitments to fewer managers, with top tier groups oversubscribed (some still commanding premium terms). Investment activity dropped for the first time in three years, to $27 billion. Led in part by the *Facebook* IPO, liquidity was stronger in 2012 over 2011, with 49 offerings raising $21.5 billion, while total disclosed M&A transaction values reached $28.5 billion, both figures representing substantial increases over 2011. Pricing for early stage deals remains attractive, and the Investment Manager believes that the year ahead could reward venture investors with solid multiples returned on invested capital.

Europe

Limited Recovery

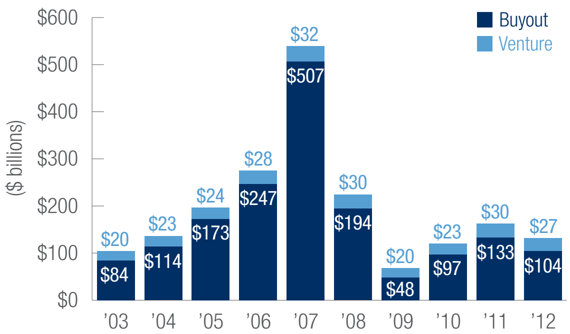
Continued concerns over weak economic performance in the Eurozone contributed to relatively modest levels of private equity activity in 2012. GDP across the Eurozone declined by 0.2% in 2012 and is forecast to decline by a further 0.2% in 2013. Economies in Europe have yet to recover their pre-crisis output levels, but are expected to do so in 2014.

Despite this challenging macroeconomic environment, there have been some notable private equity fundraising successes in Europe, with a select number of high quality managers raising substantial funds.
Overall buyout fundraising levels, however, were down by 20% to €18.1 billion, while European venture fundraising declined 15% to €3.0 billion. The pipeline for new fundraising is strong, and the Investment Manager expects 2013 funds raised to exceed 2012.

Overall European buyout and venture investment activity remained below 2011 levels. A total of €68 billion was invested, with the U.K. and Germany unsurprisingly capturing more than half this total. Total deal volume was also down by approximately 10%. With less capital being placed in the hands of fewer managers and less capital being invested, consolidation within the European private equity industry continues in a manner that could result in a gradual decline in competition (and pricing) in the European marketplace. HarbourVest remains cautiously optimistic that these factors could yield strong returns from current vintage years.

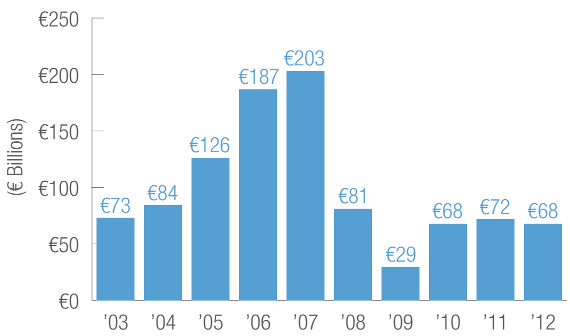
Liquidity conditions remained challenging for much of 2012 in Europe. M&A and IPO activity yielded €60 billion of proceeds, down 37% compared to 2011.

U.S. PRIVATE EQUITY INVESTMENTS



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

EUROPE PRIVATE EQUITY INVESTMENTS



Source: *Incisive Media*

All data refers to calendar years unless otherwise noted.

Asia Pacific

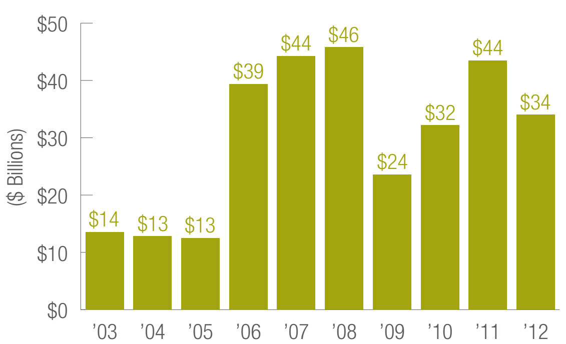
Rationalising Resources

Economic growth in Asia slowed to 5.4% in 2012, compared to 5.8% in 2011. A key engine of global output, GDP growth across the Asia Pacific region is forecast to be 5.8% in 2013. Relatively slower macroeconomic growth through 2012 mirrored declines in the overall private equity market for the region, with fundraising, investing, and liquidity all registering lower totals than the prior year.

Investors' demand for high quality managers remained, as did their reduced tolerance for perceived risk, limiting the number of funds successfully raising capital. The total value of funds raised declined 35% during the year to $25.2 billion. Investment activity also dropped during 2012, with $33.9 billion deployed, down roughly 22% from 2011. Finally, managers generated proceeds of $55.4 billion, a decrease of 25% versus 2011. Lower levels of activity were most acutely felt in China, as investors and managers demonstrated heightened caution regarding capital raisings and investment through the year. This should be viewed in the context of the significant levels of capital invested in China in prior years and is likely a more positive sign of greater discipline in the market. Australian investment and divestment levels were also materially below prior year, while Indian activity levels were largely stable.

As the Asian private equity market becomes more competitive, private equity managers are seeking to differentiate themselves through enhancing their proprietary sourcing capabilities and post-investment value-add resources. The Investment Manager is confident that the select group of managers in its Asian portfolio can continue to source quality deal flow, deploy capital prudently, and generate value for investors.

ASIA PACIFIC PRIVATE EQUITY INVESTMENTS



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

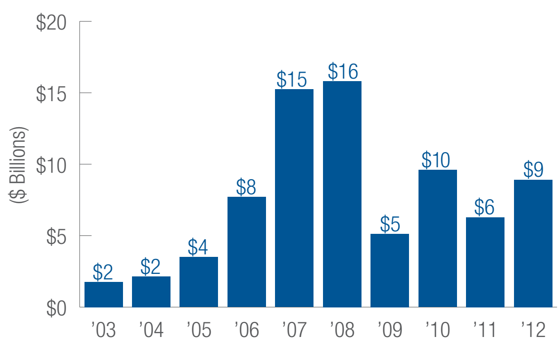
Rest of World

Consumer-led Growth

The emerging market economies continue to experience meaningful GDP growth and are expected to expand by 5.5% during 2013. 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.

Large funds drove record levels of private equity fundraising in the emerging markets in 2012, continuing the trend that started in 2011. Approximately $11.1 billion was raised during the year, in line with the $11.9 billion raised in 2011. HarbourVest expects the fundraising environment for emerging markets to continue to be favourable as investors seek exposure to growth markets against a backdrop of weaker growth in developed economies. 2012 investment activity was strong with $9.0 billion deployed, compared to $6.0 billion in 2011. We expect investment activity to increase in 2013 as emerging markets managers focus on investing the new pools of capital they have raised over the past two years.

REST OF WORLD PRIVATE EQUITY INVESTMENTS



Source: *EMPEA*

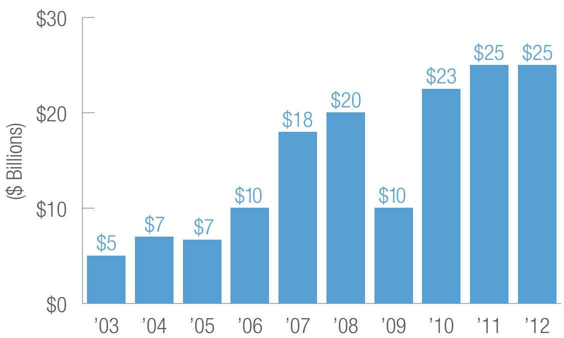
Secondary Market

Investment Discipline

Secondary market activity remains strong with a number of sellers continuing to access the market for various reasons. HarbourVest's 2012 deal flow totaled $67 billion in original commitments for sale, sourced from more than 500 individual sellers. The market overall saw $25 billion of completed deals in the past year, consistent with 2011. As a longstanding investor, the HarbourVest secondary team sees the vast majority of deals available, which enables it to focus on the most attractive assets in the market. Key themes currently include regulatory reform placing pressure on financial institutions around the globe to sell assets, as well as longstanding private equity investors rationalising their private equity fund holdings through portfolio transactions. The team's experience over multiple decades and unique approach to the market position it well to take advantage of the attractive opportunities available.

HarbourVest-managed funds committed $1.0 billion to nine transactions in 2012. Commitments included a mix of traditional, secondary direct, and structured transactions, and the largest was the purchase of the private equity assets managed by Conversus Capital. HVPE successfully co-invested alongside HarbourVest-managed funds, and the deal has performed well to date, with distributions ahead of plan.

SECONDARY INVESTMENTS



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

Listed Private Equity

Narrowing of Discounts

During 2012, 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. Buyers' risk appetites are returning, and shareholders are taking profits along the way. In order to achieve investors' objective of yield, some listed companies are returning cash via dividends, capital returns, and forms of share buybacks.

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. The theme of consolidation may have paused during recent rising markets, but expected pressure on growth objectives should spur future activity.

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. This is evidenced by the December 2012 purchase of the assets of Conversus and HVPE's continued new HarbourVest fund commitments. 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 have already begun to generate liquidity, and the Company and the Board of Directors plan to return some of the expected profits back to shareholders as part of a strategic medium-term plan.

Changes in Investment Portfolio

Investment Gain Driven by the Purchase of the Assets of Conversus

The total value of the Investment Portfolio increased by $92 million to $1,188 million during the financial year. This was due to investments of $105 million in HarbourVest funds and $94 million in the purchase of the assets of Conversus, realisations of $203 million, and a value gain of $96 million.

New Investments

During the financial year, HVPE invested $105 million in HarbourVest funds and $94 million in the purchase of the assets of Conversus. The largest investment (other than Conversus) was a total of $25.6 million to HarbourVest VIII Buyout, out of a $250 million HVPE commitment. Investments are detailed in the **Investment and Commitment Activity** section.

Investment Gain

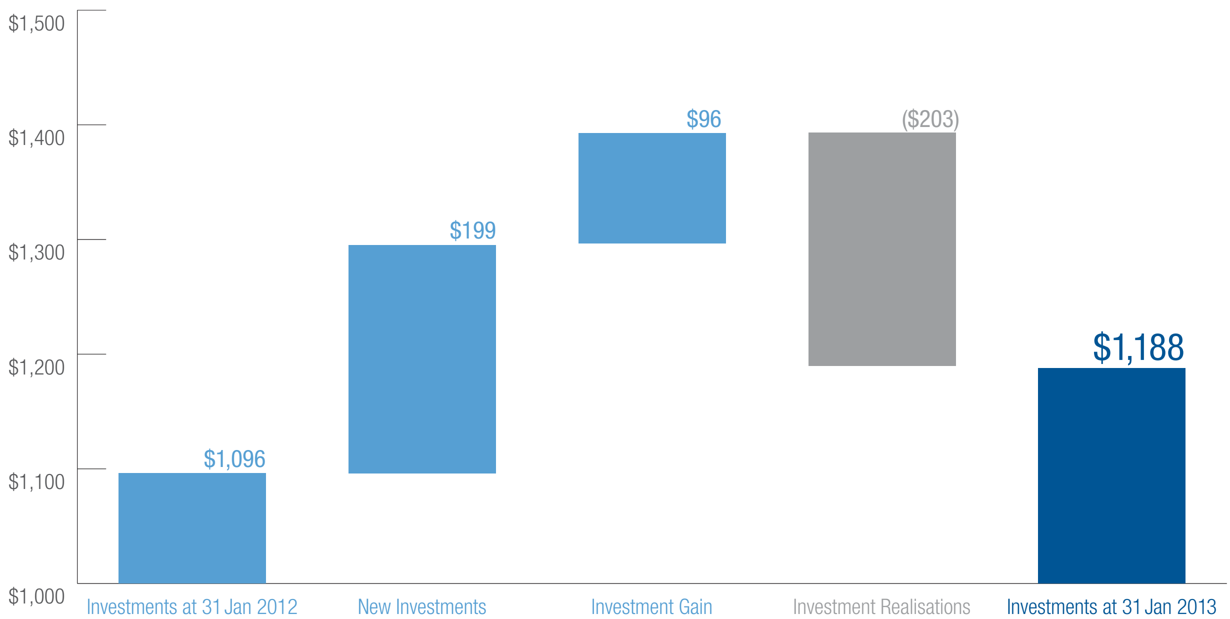
The $96 million investment gain during the financial year was driven mainly by:

- **December 2012 purchase of the assets of Conversus ($20 million)**
- **HarbourVest VIII Buyout ($15 million)**
  - Value drivers include Thoma Bravo's sale of *SonicWALL* to Dell and GTCR Golder Rauner's investments in *Six3 Systems* and *SteriGenics International*
- **Absolute Private Equity ($7 million)**
- **HIPEP IV Partnership ($6 million)**
  - Value drivers include CVC Capital Partners' partial sale of *Formula One Group* to Waddell & Reed and the sale of *Elster Group* to Melrose and Nordic Capital's sale of *Fougera* to Sandoz (Novartis) and a gain for *Permobil*
- **HIPEP V 2007 European Buyout ($6 million)**
  - Value drivers include Nordic Capital's investment in *ConvaTec Group*

Investment Realisations

HVPE received $194 million from its HarbourVest fund investments and $9 million from the investment in Absolute. The largest source of realisations was HarbourVest VI Partnership, a mature U.S. fund-of-funds that is harvesting investments. Realisations are detailed in the **Realisation Activity** section.

CHANGES IN INVESTMENT PORTFOLIO ($ millions)

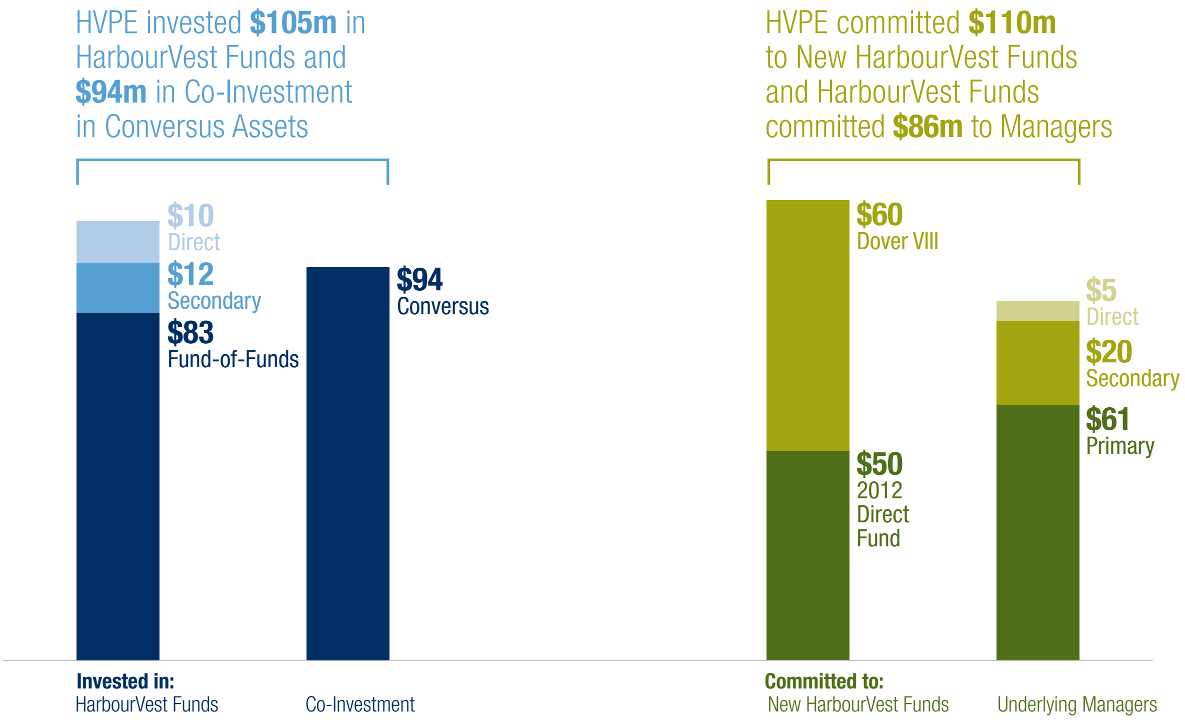


Investment and Commitment Activity

Investments in HarbourVest Funds and Co-Investments 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



Investments in HarbourVest Funds and Co-Investments ($199 million)

During the financial year, HVPE invested $105 million in 18 HarbourVest funds and $94 million in the co-investment in the assets of Conversus

Invested ($ millions)	Financial Year 2013	Financial Year 2012
Fund-of-Funds	$82.6	$96.8
Direct Funds	$9.8	$33.8
Secondary Funds	$12.6	$35.3
Total invested in HarbourVest Funds	$105.0	$165.9
Co-Investments	$93.9	$85.1
TOTAL	**$198.9**	**$251.0**

The largest individual HarbourVest fund investment was $25.6 million in U.S. fund-of-funds HarbourVest VIII Buyout.

CONVERSUS® CAPITAL

Investment in HarbourVest's Purchase of the Assets of Conversus Capital, L.P. (CCAP)

- **$93.9 million (8% of total HarbourVest purchase) HVPE Commitment**
- **200+ partnerships; 1,800 companies**
- **Mature portfolio expected to generate near-term liquidity**

2012	HarbourVest created a special acquisition vehicle
February	Conversus Board announced exploration of strategic alternatives
June	HarbourVest-managed funds agreed to purchase the Conversus private equity portfolio for $22.11/share, a 14% discount to 30 April 2012 NAV
December	HVPE and HarbourVest funds completed the purchase of the assets at an approximate 20% discount to 30 April 2012 NAV The widening of the discount resulted from strong value appreciation and liquidity generated by the portfolio in between bid date and completion HVPE invested $94 million in the purchase of Conversus assets
2013	Increasing liquidity from mature portfolio
January	Conversus portfolio valued at a 22% increase over purchase price, resulting in a $0.25 per share realised and unrealised gain for HVPE over financial year
February	HVPE received initial Conversus realisations of $5.8 million
April	At 30 April, the Conversus portfolio is valued at a 22% increase over the purchase price (including distributions received since closing) and has generated $5.8 million of realisations for HVPE.

absolute private equity

Update on 2011 Investment in Absolute

During the financial year, the Absolute portfolio generated a $0.08 increase in NAV per share ($6.7 million). Through 31 January 2013, Absolute has generated $9.4 million of realisations for HVPE. Subsequent to 31 January, in March 2013, Absolute generated a $6.6 million distribution to HVPE, bringing total Absolute realisations to $16.0 million, or 19% of $85.1 million of invested capital. At 30 April 2013, HVPE is valuing the Absolute portfolio at a 50% increase over the purchase price (including distributions received since closing).

The gain in Absolute's 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 Absolute portfolio in 2012 included **Warburg Pincus Private Equity X, Bay Partners X,** and **Terra Firma Capital Partners II.**

Commitments to New HarbourVest Funds ($110 million)

HVPE Committed to HarbourVest Global Secondary Fund and Co-Invest Fund

$60 million commitment to secondary-focused Dover VIII
In May 2012, HVPE made a $60.0 million commitment to HarbourVest's most recent global secondary fund, Dover VIII, which is designed to take advantage of HarbourVest's position as a leading buyer of existing private equity assets. Dover VIII intends to invest in global secondary purchases of venture capital, leveraged buyout, and other private equity assets. HVPE invested $5.1 million in Dover VIII's first capital call in December 2012. Dover VIII participated in the purchase of the assets of Conversus alongside HVPE, resulting in a $5.4 million gain ($0.06 per share) for HVPE over the financial year. Dover VIII is expected to distribute initial proceeds in mid-2013. The commitment was increased by $90.0 million to $150.0 million in April 2013.

$50 million commitment to 2012 Direct Fund
In June 2012, HVPE made a $50.0 million commitment to HarbourVest's most recent global co-investment fund, 2012 Direct Fund, which seeks to build a portfolio of co-investments in management buyouts, leveraged buyouts, growth financings, special situation deals, and mezzanine transactions. This commitment provides access to investments directly in companies alongside other private equity fund managers that HarbourVest knows well and who have deep industry knowledge and sector expertise. The 2012 Direct Fund had not called any capital through 31 January 2013.

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 ($86 million)

HarbourVest funds made commitments to:
- 26 primary partnerships ($61 million)
- 8 secondary investments ($20 million)
- 7 direct investments ($5 million)

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

Manager	Geography	Strategy
Actera Partners	Rest of World (Turkey)	Medium Buyouts
Advent International Corporation	Europe	Large Buyouts
Baring Vostok Capital Partners	Rest of World (Russia)	Medium Buyouts
ChrysCapital	Asia Pacific (India)	Growth Equity
Ethos Private Equity	Rest of World (South Africa)	Small Buyouts
IK Investment Partners	Europe	Small Buyouts
KKR Associates Asia	Asia Pacific	Medium Buyouts
KV Asia Capital	Asia Pacific (Southeast Asia)	Small Buyouts
TPG Asia	Asia Pacific	Large Buyouts
Turkven Private Equity	Rest of World (Turkey)	Small Buyouts

Please refer to **Supplemental Data** for the 25 largest underlying investments made during the financial year ended 31 January 2013.

Portfolio Review

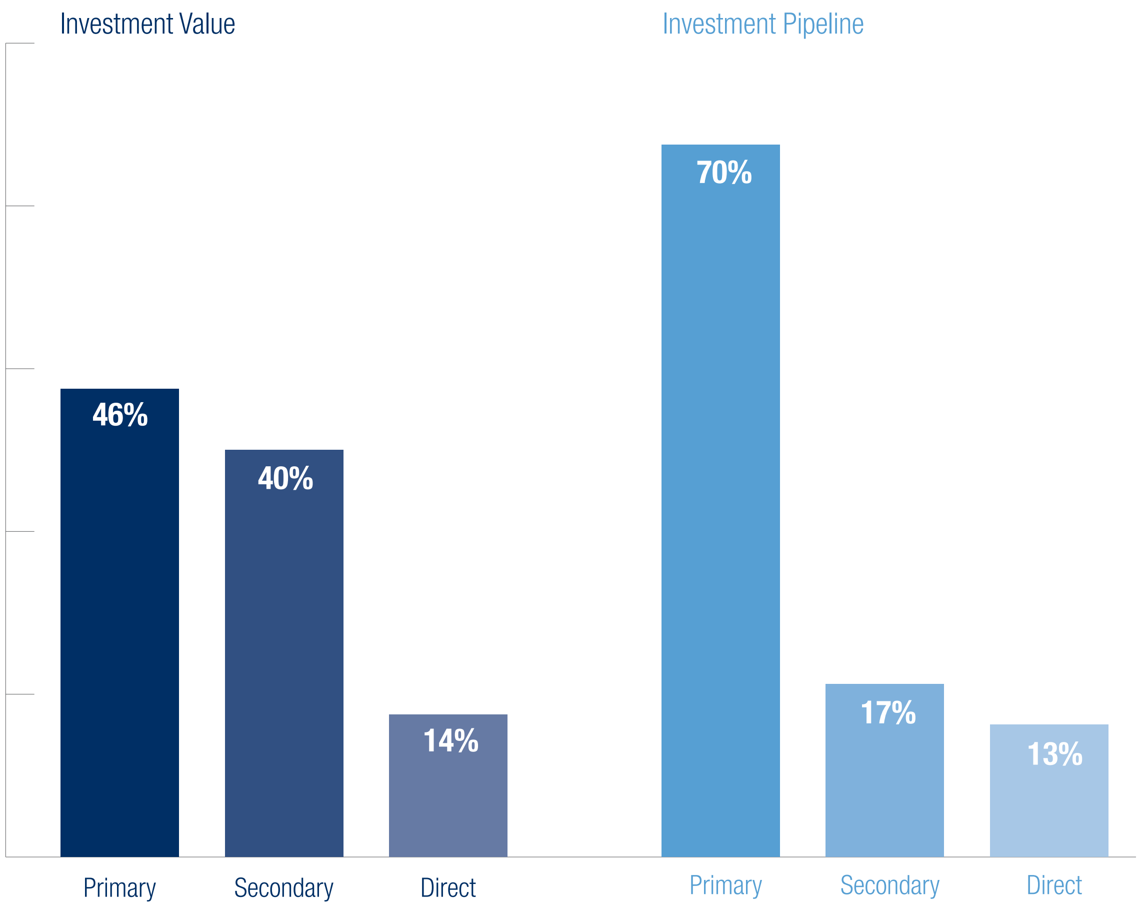
Portfolio Diversification

The Investment Manager believes diversification can 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 22% of the Investment Portfolio
- Top 50 companies represented approximately 21% of Investment Portfolio
- No single company represented more than 1.6% of Investment Portfolio
- The top 100 companies in the portfolio of more than 6,500 companies account for 30% of the Investment Portfolio

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

PORTFOLIO ALLOCATION BY INVESTMENT VALUE AND AMOUNT UNFUNDED



Investment Manager's Review

Portfolio Diversification by Vintage Year, Strategy, Geography, and Industry 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 back to 1986, and a total of 21 years of investment
- Within the 2005 to 2007 vintage year, the portfolio remains well diversified by strategy with 2005 to 2007 buyouts representing 35% of the investment portfolio (2005 to 2007 large buyout investments represent 15% of the investment portfolio)
- By year of investment, approximately 66% 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, compared to 32% at 31 January 2012
- Buyout investments make up 64% 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 62% buyout at 31 January 2012.

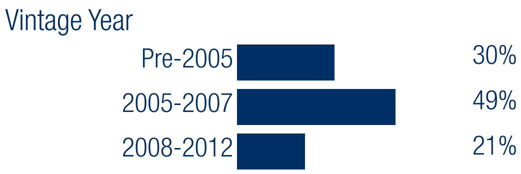
Geography

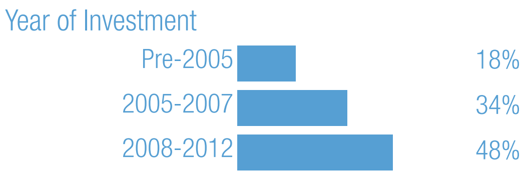
The geographic diversification varies significantly across venture and buyout

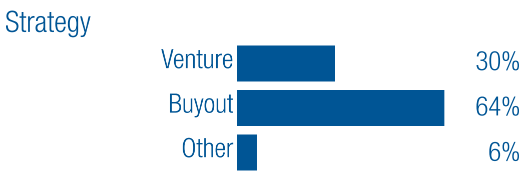
- Within venture, approximately 80% is held in the U.S., with 11% in Europe and 9% in the rest of the world
- Within buyout, approximately 64% is held in the U.S., with 28% in Europe and 8% in the rest of the world
- Underlying partnerships are based in 36 countries and denominated in seven different currencies

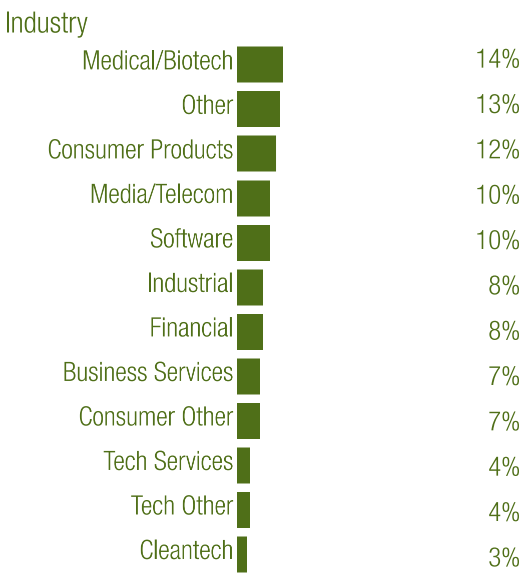
Industry

- 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 (31%) and medical / biotech (14%)









Buyout Portfolio Metrics

70% of the underlying companies profiled here grew EBITDA during the financial year ended 31 January 2013

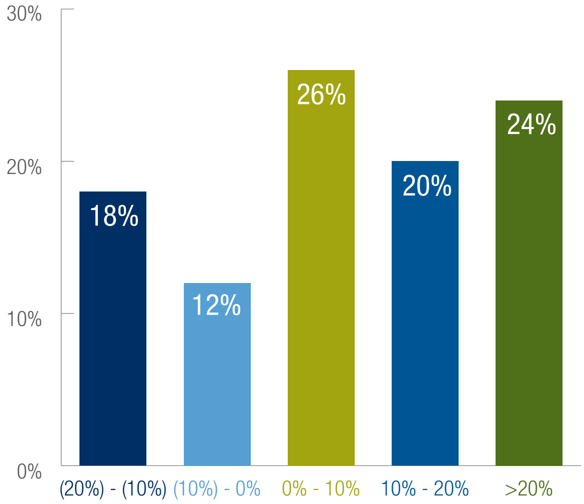
Approximately one quarter of these companies are growing earnings at greater than 20% per annum

The overall valuation multiple is 8.6x EBITDA

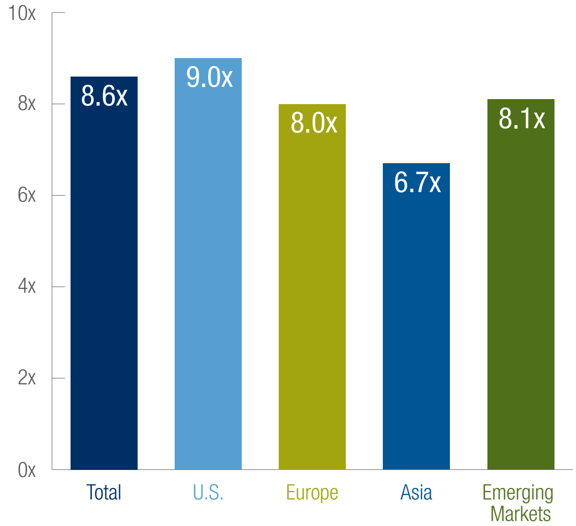
The overall debt multiple is 4.1x EBITDA

These portfolio metrics reflect a portion of buyout-backed companies in developing and investing U.S. and international focused HarbourVest funds where data is available.

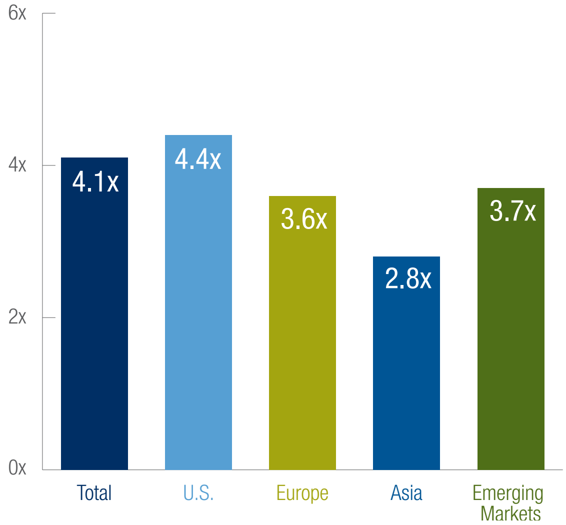
EBITDA Growth



EV / EBITDA



Debt / EBITDA



Performance by Strategy and Vintage Year

During the financial year, Buyout (13% gain) outperformed Venture (6%)

Buyout Performance

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

- Medium buyouts (which make up 31% of the investment portfolio) outperformed large and small buyouts with a gain of 16%.
- Examples of buyout-backed companies generating realised or unrealised gains include:
  - *SonicWALL* (sold to Dell in May 2012)
  - *Six3 Systems*
  - *SteriGenics International*
  - *ATI Holdings* (sold to KRG Capital in December 2012)
  - *Petco Animal Supplies*
  - *Formula One Group* (partial sale to Waddell & Reed)
  - *Elster Group* (sold to Melrose in August 2012)

Venture Performance

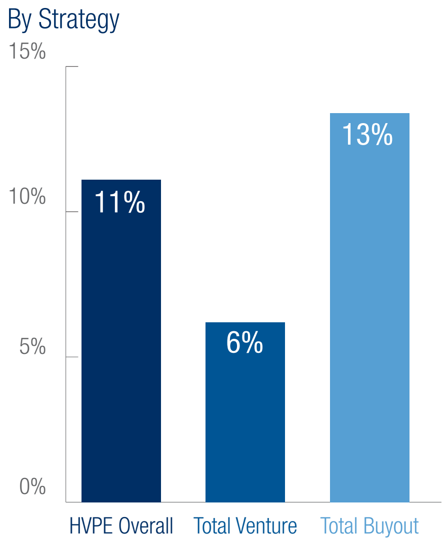
The venture market (often less correlated to public markets and less exposed to credit markets) had continued positive performance during the financial year, although growth was hampered by some declining public stock prices for venture-backed public holdings.

- Within the venture portfolio, growth equity investments (10% of the investment portfolio) had a 9% gain, outperforming balanced venture (6% gain) and early stage (5% gain).
- Examples of venture-backed companies generating realised and unrealised gains include (some of which completed IPOs in 2012):
  - *Towne Park*
  - *Bazaarvoice* (BV)
  - *Guidewire Software* (GWRE)
  - *ExactTarget* (ET)
  - *Nicira Networks* (sold to VMWare in August 2012)
  - *XtremIO* (sold to EMC in May 2012)
  - *Splunk* (SPLK)

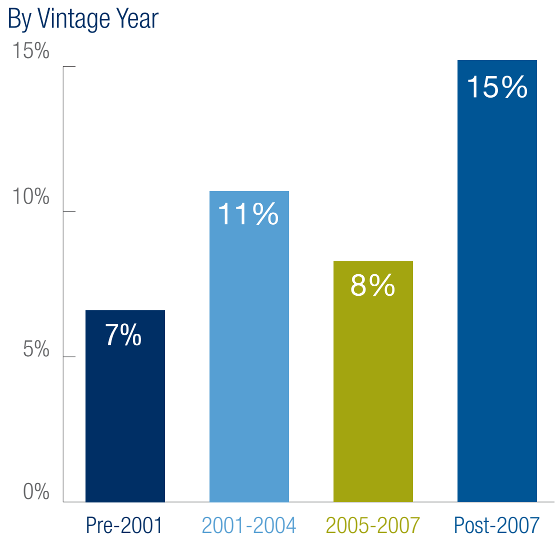
Performance by Vintage Year

- 30% of the portfolio dates from 2004 and prior, which differentiates HVPE for its ability to generate cash.
- The more recent portfolio (post-2007) outperformed the mature portion of the portfolio (pre-2005), helped by the 2012 purchase of the assets of Conversus.

INVESTMENT PORTFOLIO GROWTH



The performance variations among strategies illustrate the strategic benefit of maintaining a diverse portfolio.



Largest Managers

The largest private equity managers based on the Investment Portfolio at 31 January 2013 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.

Managers

- No external manager represents more than 3.8% of Investment Portfolio
- HVPE's investments provided exposure to 719 fund interests across multiple high-quality managers (compared to 777 at 31 January 2012)

LARGEST MANAGERS 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
Kohlberg Kravis Roberts	U.S.	Buyout
Leonard Green & Partners	U.S.	Buyout
Oak Investment Partners	U.S.	Venture
Terra Firma Capital Partners	Europe	Buyout
TPG Capital	U.S.	Buyout
Warburg Pincus	U.S./Europe	Buyout/Venture

Largest Companies

The largest portfolio company investments based on the Investment Portfolio at 31 January 2013 are listed here. Companies in bold are held at least in part in HarbourVest direct funds.

Companies

- No single portfolio company represents more than 1.6% of Investment Portfolio
- No single public holding represents more than 1.6% of Investment Portfolio
- 17% of the portfolio is made up of publicly-listed securities

LARGEST UNDERLYING COMPANIES AT 31 JANUARY 2013

Company	Strategy	% of Investment Value at 31 JAN 2013	Location	Status	Description
Kosmos Energy (KOS)	Buyout	1.60%	U.S.	Public	Oil exploration and production
CDW Corporation	**Buyout**	**0.86**	**U.S.**	**Private**	**Multi-branded information technology services**
Capsugel	**Buyout**	**0.73**	**U.S.**	**Private**	**Drug delivery systems**
Acromas Holdings	**Buyout**	**0.66**	**U.K.**	**Private**	**Financial, insurance, and travel services**
The Sun Products Corporation	**Buyout**	**0.62**	**U.S.**	**Private**	**Private-label household products**
York Risk Services Group	**Buyout**	**0.61**	**U.S.**	**Private**	**Insurance claims management services**
Zalando	Venture	0.56	Germany	Private	Online fashion retailer
Wayfair (CSN Stores)	**Venture**	**0.55**	**U.S.**	**Private**	**Online home goods retailer**
MEG Energy Corporation (MEG)	Buyout	0.54	Canada	Public	Oil exploration and production
Vistra (OV Group)	**Buyout**	**0.52**	**Switzerland**	**Private**	**Offshore financial services**

Please refer to **Supplemental Data** for HVPE's largest 25 managers by region and strategy and largest 25 companies.

Valuation Policy

Valuations Represent Fair Value Under U.S. GAAP

HVPE's 31 January 2013 NAV is based on the 31 December 2012 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 January 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 Investment Manager attempts to obtain audited 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 audited financials. The team also reviews underlying partnership valuation polices.

Please refer to the **Audited 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 $203 million during the financial year outpaced the prior financial year. 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 its initial distributions from Absolute in May and December 2012. Liquidity events continued to be active across the portfolio.

During the financial year, HVPE received $193.9 million from 19 HarbourVest funds (including HSLE) and $9.4 million from its co-investment in Absolute.

Realised ($ millions)	Financial Year 2013	Financial Year 2012
Fund-of-Funds	$155.3	$131.0
Direct Funds	$26.2	$44.0
Secondary Funds	$12.4	$5.6
Total received from HarbourVest Funds	$193.9	$180.6
Co-Investments	$9.4	—
TOTAL	**$203.3**	**$180.6**

Larger sources of realisations include:

- **$33.1 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.
- **$28.7 million | HarbourVest VIII Buyout**
  - Developing U.S. buyout focused fund-of-funds distributed proceeds from its primary partnership, secondary, and direct portfolios, including the sales of *Flexera Software*, *Boomerang Media*, and *Getty Images*; the sale of shares of *Whole Foods Market* (WFM), and the sale of direct holding *Miller Heiman* to Providence Equity Partners.
- **$27.2 million | HarbourVest VII Venture**
  - Maturing U.S. venture focused fund-of-funds distributed cash from the May 2012 IPO and subsequent sale of shares of *Facebook* (FB); and the sale of shares of *Brightcove* (BCOV), *LinkedIn* (LNKD), *Google* (GOOG), and others; and the sales of *Manatron International*, *Admeld*, and others.

Please refer to **Supplemental Data** for the 25 largest underlying realisations during the financial year ended 31 January 2013.

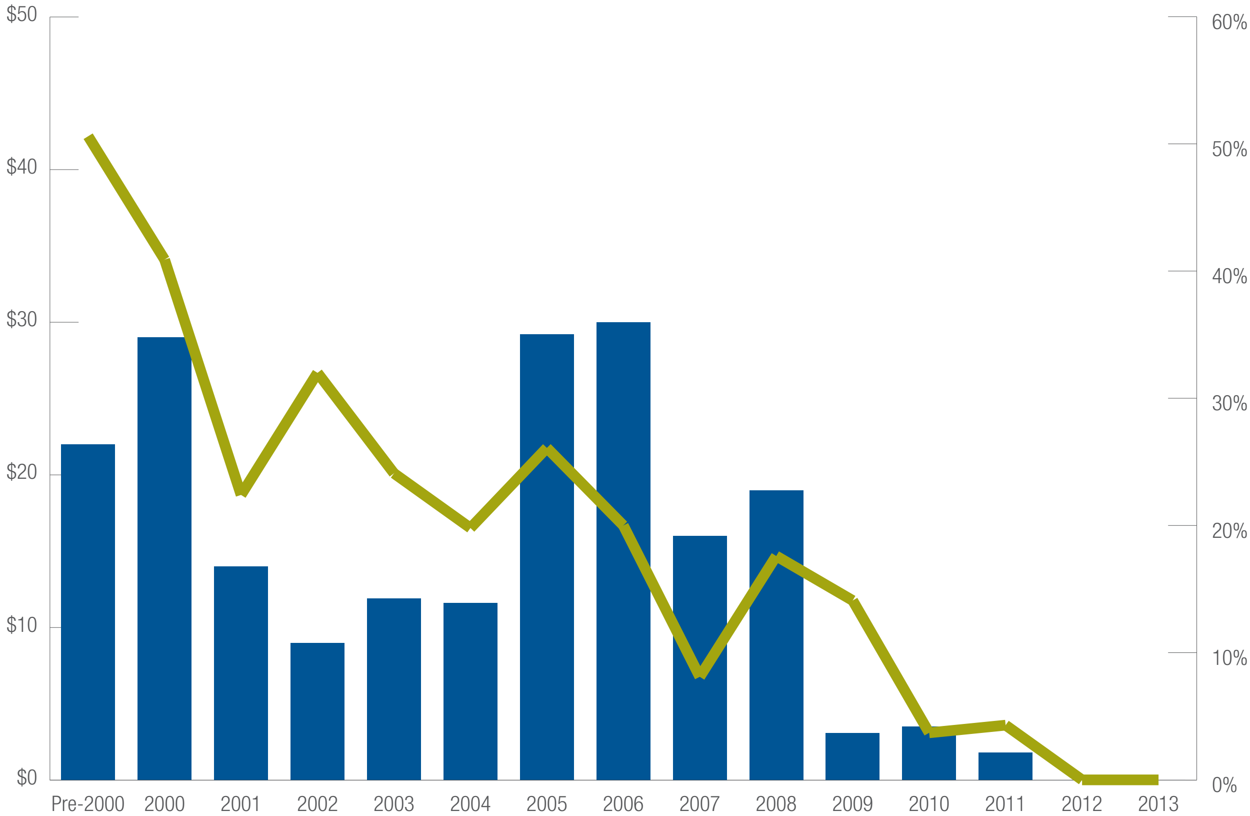
Portfolio Realisations

The largest portion of financial year 2012 realisations were received from the 2000, 2005, and 2006 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

$ Millions Realised During Financial Year Ended 31 January 2013

% of NAV at 31 January 2012



Liquidity Events

The positive trend for liquidity events continued through the financial year. 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

185 M&A Events I 41 IPOs

Buyout / Other Portfolio

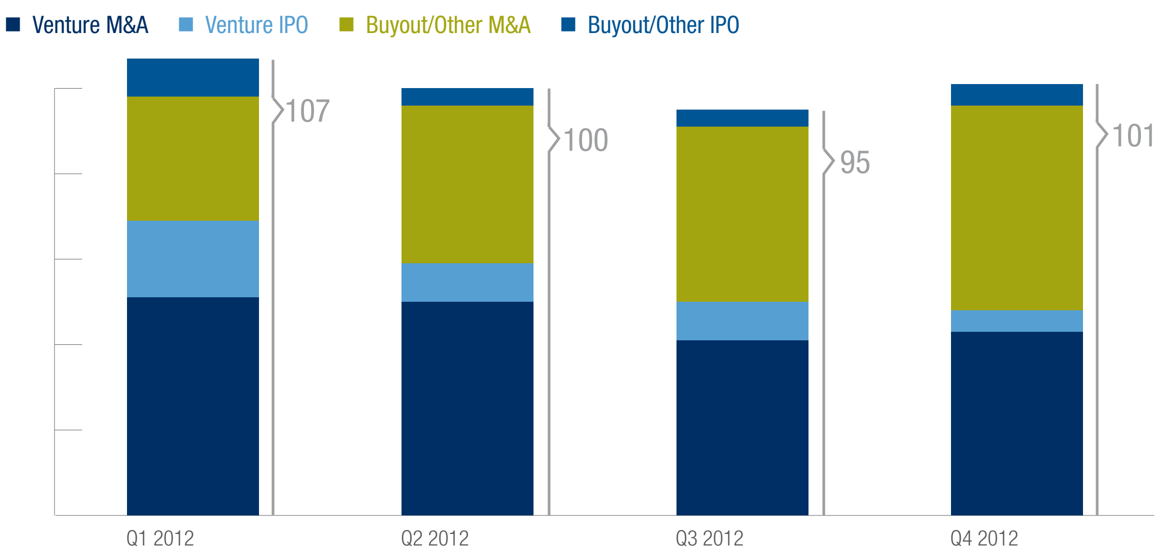
155 M&A Events I 22 IPOs

The number of venture liquidity events continued to outpace buyouts in both IPO and M&A markets. This ongoing, consistent liquidity demonstrates that a well-diversified portfolio can continue to generate cash despite a challenging economic environment.

There were 403 M&A and IPO events during the financial year, representing 11.8% of HVPE's NAV. This is in line with the 409 events during the financial year ended 31 January 2012. Highlights include:

- The May 2012 IPO of venture-backed *Facebook* (FB) resulted in approximately $5 million of initial realisations immediately following the offering, and HVPE received an additional $4 million of proceeds throughout the financial year.
- HVPE has received cash from the sale of shares of *Angie's List* (ANGI), *Bazaarvoice* (BV), *ExactTarget* (ET), *Fusion-io* (FIO), *Groupon* (GRPN), *Infoblox* (BLOX), *LinkedIn* (LNKD), *Palo Alto Networks* (PANW), *Transmode* (TRMO), and *Tumi* (TUMI), all of which completed IPOs in 2011 and 2012.
- HVPE has received cash from the March 2011 sale of *MobileAccess* to Corning; the December 2011 sale of *Clyde Union Pumps* to SPX Corporation; the February 2012 sale of *Kiala* to UPS, the July 2012 sale of *Fougera* to Novartis, and the November 2012 sale of *Miller Heiman* to Providence Equity Partners.

LIQUIDITY EVENTS



Investment Manager's Review

Realisations

Realisations for Largest Underlying Companies at 31 January 2012

$9 million*
May 2012 IPO (FB)†

- HVPE Holding (31 January 2012): 1.25% of Investment Portfolio
  - Accel Partners
  - Andreessen Horowitz
  - Carmel Ventures
  - Elevation Partners
  - Kleiner Perkins Caufield & Byers
  - Lightspeed Venture Partners
  - Saints Capital
  - Technology Crossover Ventures

$1 million*
February 2012 recapitalisation

- HVPE Holding (31 January 2012): 0.42%
  - 2007 Direct Fund
  - Mid Europa Partners

$1 million*
November 2012 recapitalisation

- HVPE Holding (31 January 2012): 0.37%
  - 2007 Direct
  - Columbia Capital
  - Indigo Capital
  - Oak Investment Partners

$38 million* (including Nycomed‡)
Sold to Sandoz (Novartis)
$1.5 billion I July 2012

- HVPE Holding (31 January 2012): 0.40% of Investment Portfolio
  - HIPEP IV Direct
  - Credit Suisse First Boston
  - Nordic Capital
  - Sprout Group
  - TCW Asset Management

$1 million*
Partially sold to Kinnevik
€287 million I October 2012

- HVPE Holding (31 January 2012): 0.68%
  - Holtzbrinck Ventures

$4 million*
Sold to Corning Incorporated
$152 million I March 2011 (initial proceeds received July 2012)

- HVPE Holding (31 January 2012): 0.37% of Investment Portfolio
  - HIPEP IV Direct
  - Pitango Capital

* Approximate HVPE proceeds received to date.
† HVPE's managers sold approximately one third of holdings at IPO.
‡ Fougera is Nycomed's U.S. dermatology business not included in 2011 sale to Takeda.

37% Uplift

37% Uplift on Carrying Value at Realisation

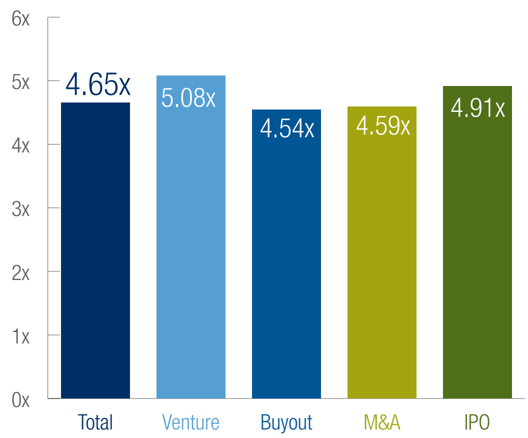
HVPE received a total of $203 million from HarbourVest funds and co-investments during the financial year. The top 118 realisations within the portfolio were achieved at an uplift to carrying value of 37% and at an average multiple of 4.7 times cost.

Within the largest realisations, the venture companies achieved a weighted average uplift of 41%, and the buyout companies achieved an uplift of 36%. Carrying value is defined as the value at the month end prior to the first announcement of a transaction.

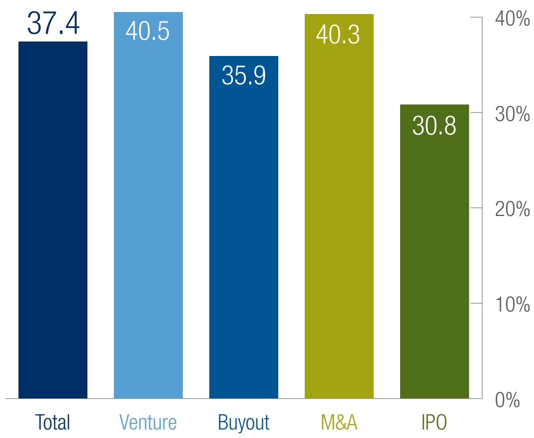
While private equity valuations are subjective based on observable inputs, the realisations experienced within the HVPE portfolio are substantially exceeding carrying value.

UPLIFT FROM PREVIOUS CARRYING VALUE ON COMPANY REALISATIONS

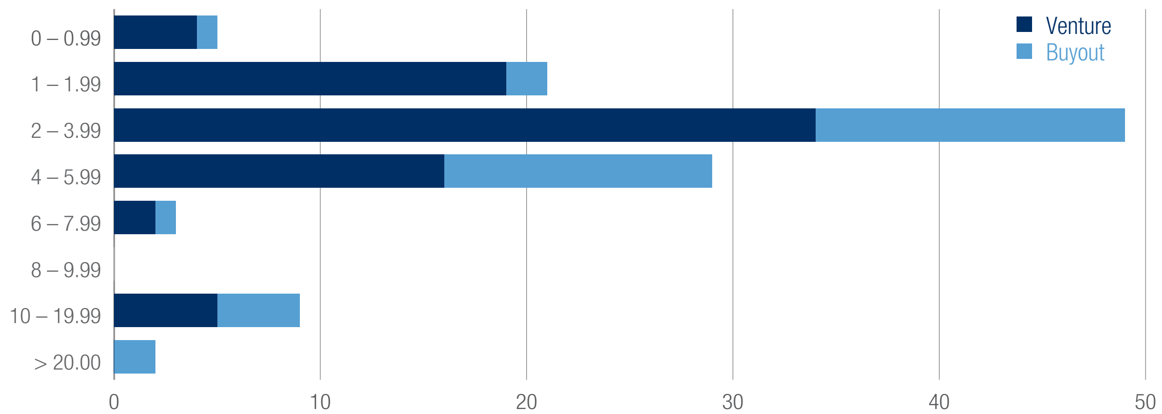
Weighted Average Multiple on the Cost of Investment*



Weighted Average Uplift % on the Carrying Value†



Multiple Range



* This analysis excludes the impact of *Facebook* which was the largest underlying company in the portfolio at the time of the IPO. HVPE's return multiple on *Facebook* is 296.2x, and the weighted average return multiple for the total portfolio is 46.6x when included. HVPE has received approximately $9 million in realisations from the *Facebook* IPO.

† Uplift represents weighted average return for the largest M&A realisations representing approximately 80% of total during the financial year.

IPOs

Financial Year 2013 IPOs

Venture

March 2012 | $162m
- Email marketing solutions

March 2012 | $107m
- Online business reviews

April 2012 | $230m
- Infrastructure software

May 2012 | $16b
- Online social network

July 2012 | $91m
- Travel comparison website

July 2012 | $252m
- Firewall software

April 2012 | $120m
- Internet and intranet server appliances

October 2012 | $141m
- Identity theft protection

October 2012 | $637m
- Enterprise business software

Buyout

February 2012 | $16m
- Gaming and lodging

March 2012 | $600m
- Automatic vehicle transmissions

March 2012 | €803m
- Dutch cable television

April 2012 | $338m
- Luggage and business accessories

July 2012 | $163m
- Value retailer

August 2012 | $176m
- Casual restaurant chain

December 2012 | $520m
- Petroleum products

October 2012 | $1.1b
- Real estate and relocation services

Cash Flows

Net Positive Cash Flows in 11 of 12 Months of Financial Year

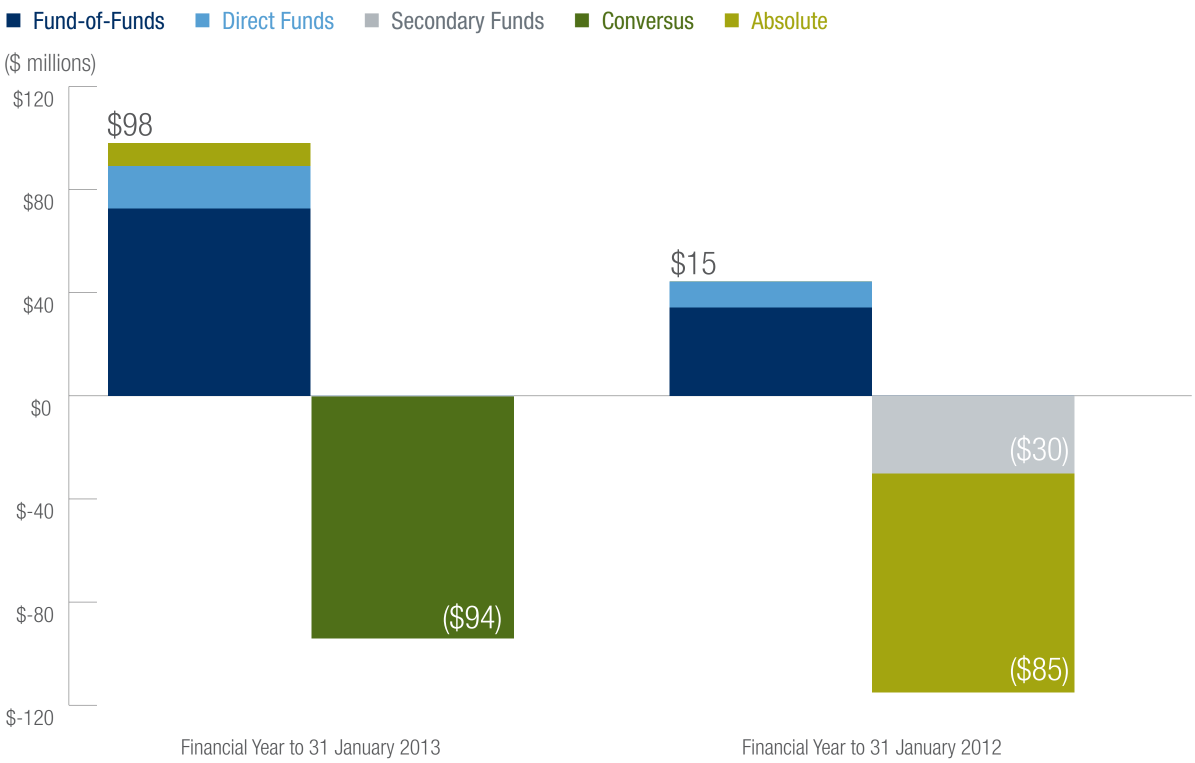
HVPE had net positive cash flows of $4.4 million during the financial year.

- U.S. fund-of-funds were $69.4 million cash flow positive as the mature funds in the portfolio continue to harvest investments
- International fund-of-funds were $3.3 million cash flow positive as ongoing realisations from mature funds were offset by investments to new commitments
- Direct funds (including HSLE) were $16.4 million positive as a number of positive realisations offset new investments
- HVPE invested $93.9 million in the assets of Conversus and received $9.4 million of realisations from Absolute

The younger funds in the portfolio continue to invest capital in underlying investments, which are offset by realisations from the more mature funds that are harvesting investments. Going forward, some proceeds from fund-of-funds, direct and secondary funds can be used to fund new investments in the recent commitments to HarbourVest IX, HIPEP VI, HarbourVest 2012 Direct Fund, and Dover VIII.

$98m
Positive cash flows from HVPE Portfolio

CASH FLOWS



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 the assets of Conversus
- Commit capital to new HarbourVest funds
- Meet its ongoing HarbourVest fund commitments

At 31 January 2013, a total of $161.7 million was drawn on HVPE's $500 million credit facility (detailed below). This is a $7.3 million increase over 31 January 2012, including all foreign currency-denominated borrowings. During the financial year, the Company repaid a total of $99.4 million and borrowed a total of $105.1 million primarily to fund the December 2012 purchase of the assets of Conversus.

The $156.4 million of Net Debt (outstanding debt less cash of $5.3 million) indicates a Net Leverage Ratio (Net Debt divided by NAV) of 15%. This level is similar to HVPE's high point in September 2011 following the execution of the Absolute take-private transaction.

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).

Current

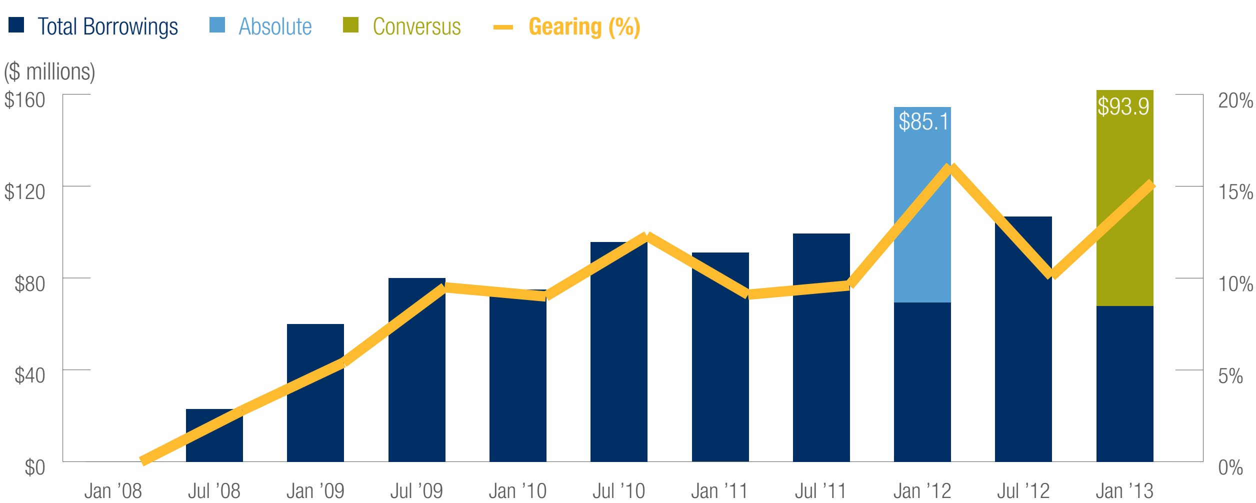
Under the terms of the agreement, HVPE may borrow, repay, and re-borrow to fund commitments and working capital requirements through to the facility's expiry date in December 2014. The Company has pledged substantially all of its assets as collateral for such borrowings. The revolving credit facility bears variable interest at LIBOR plus 140 basis points ($2.3 million) on drawn amounts and carries an annual commitment fee of 40 basis points ($1.5 million) on the unused portion of the facility.

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.

Credit Facility Extension in April 2013

In April 2013, HVPE refinanced the credit facility, which will remain at $500 million until December 2014 and reduce to $300 million thereafter. The new facility, which contains similar covenants as the existing facility, is now set to expire in April 2018. Additional information is included in **Recent Events**.

GEARING



Commitment Ratios

When analysing HVPE's commitment exposure, the Investment Manager believes that the most meaningful measure is allocated commitments, which includes 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.

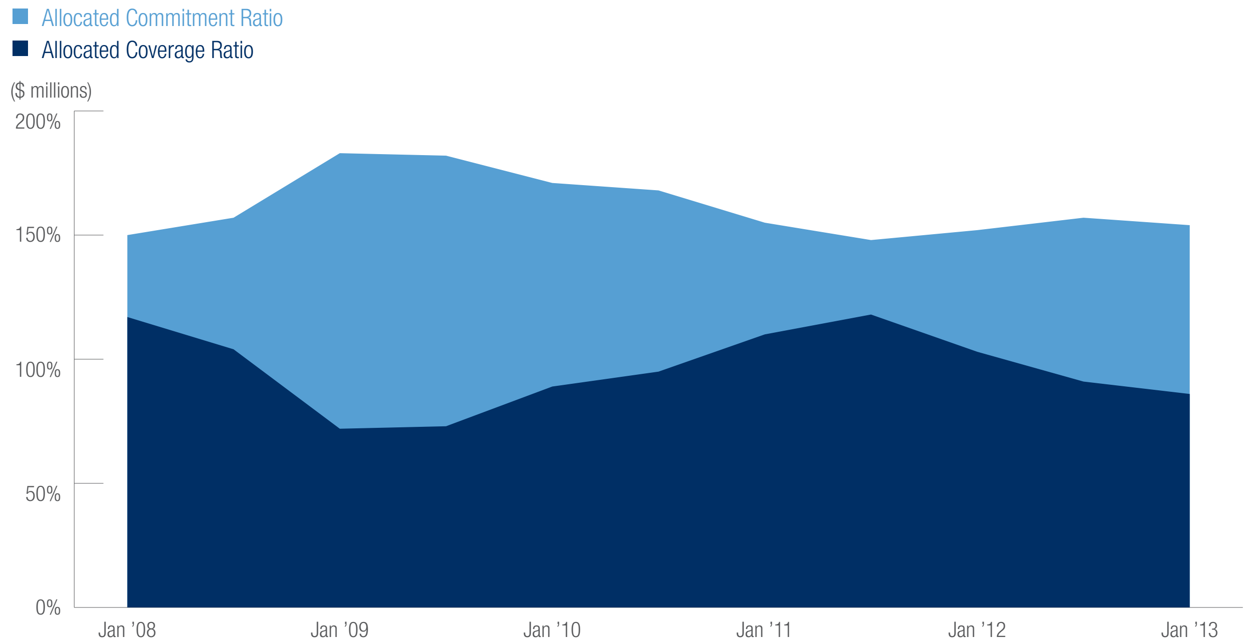
COMMITMENT LEVEL RATIO

Investment Portfolio + Investment Pipeline	$1,647m		
NAV	**$1,030m**	**=**	**160%**

COMMITMENT COVERAGE RATIO

Cash + Available Credit Facility	$344m		
Total Commitments	**$460m**	**=**	**75%**

COMMITMENT LEVEL RATIOS



Investment Manager's Review

Management of Foreign Currency Exposure

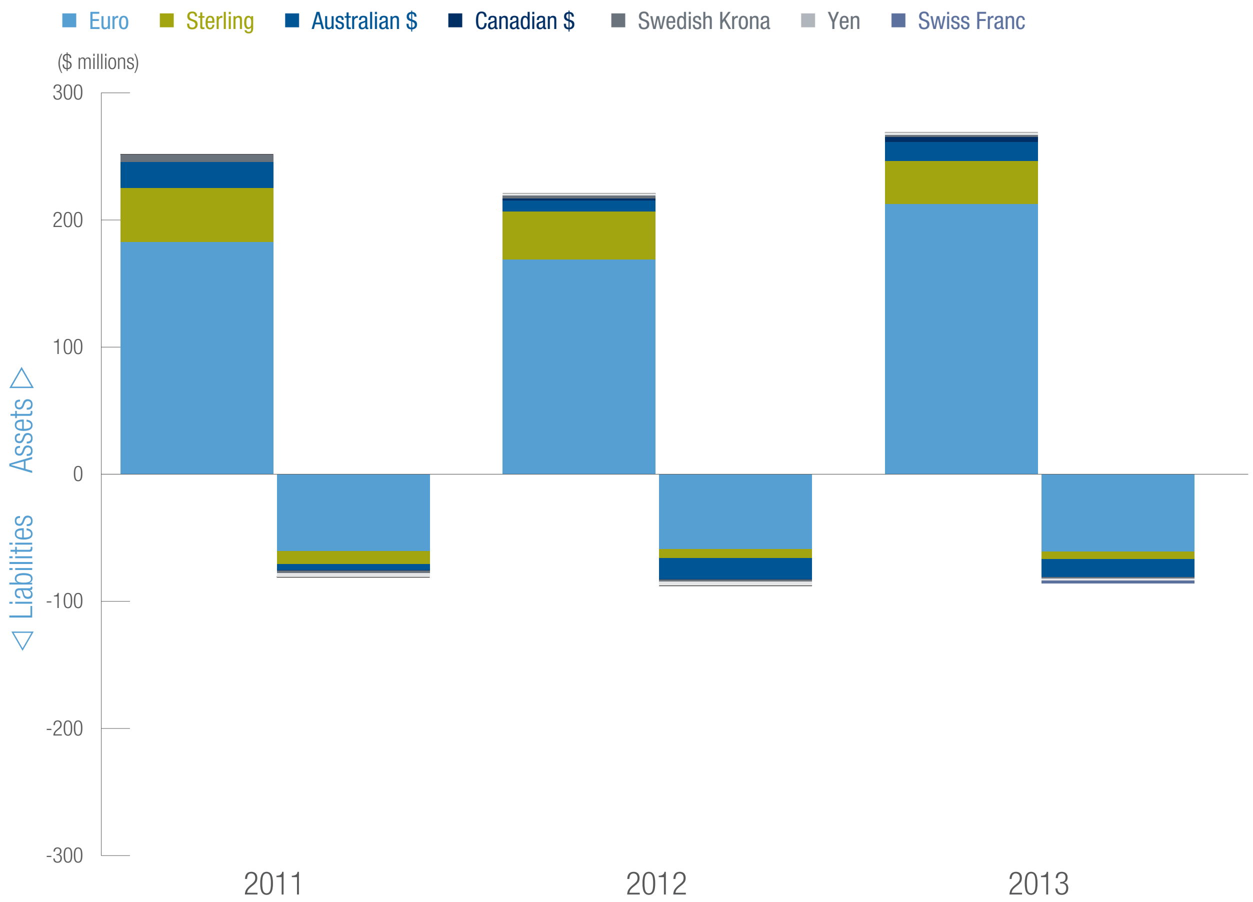
Despite euro movement affecting HVPE's Investment Portfolio, the overall result of currency movement is broadly neutral.

- The portfolio includes two euro-denominated HarbourVest funds; and one sterling-denominated HarbourVest fund
- Approximately 17% of underlying holdings are denominated in euros
- Euro-denominated investment pipeline of €85.3 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 January 2013 (approximate):

EXPOSURE TO FOREIGN CURRENCIES



Investment Pipeline

HVPE's Investment Pipeline of future commitments is $459.5 million, a $6.0 million increase from 31 January 2012.

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.

Allocated Versus 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 $459.5 million:

- 87% has been allocated by HarbourVest funds to underlying investments. This increase from 31 January 2012 is based on HVPE's new commitments to secondary fund Dover VIII and co-investment fund HarbourVest 2012 Direct.
- 13% has not yet been allocated to underlying partnerships.

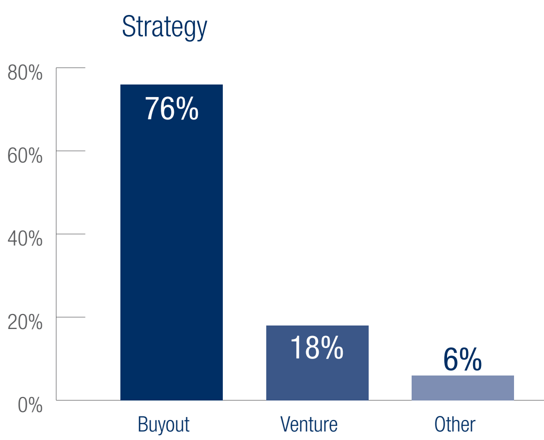
All of the Company's commitments to HarbourVest direct and secondary funds are classified as "allocated" commitments because their drawdown profiles are closer to those of third party partnerships. The Investment Manager anticipates that the Company's allocated commitments will be drawn down over a three 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.

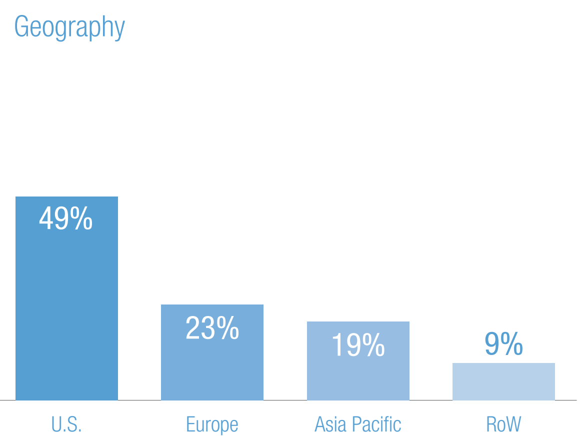
Diversification of the Investment Pipeline

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 2012 commitments to HarbourVest's recent co-investment fund and secondary fund illustrate HVPE's continued dedication to a diversified portfolio and a willingness to invest around the globe in new opportunities as they become available.

DIVERSIFICATION OF INVESTMENT PIPELINE





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 Audited 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	0.68%	None	46%
Secondary Investments	0.68%	10% – 12.5%	18%
Direct Investments	0.35%	10% – 20%	14%
Co-Investments	0.78%	11% – 12.5%	22%

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 financial year ended 31 January 2013, HVPE's share of management fees paid for the HarbourVest funds was $12.7 million ($0.15 per share), management fees paid for co-investments were $1.0 million ($0.01 per share), and HarbourVest related entities were allocated $8.4 million in carried interest ($0.10 per share).

Recent Events

February to May 2013

The following events occurred subsequent to the financial year ended 31 January 2013:

- Credit Facility Extended
- Increase in Commitment to Dover VIII
- New Directors Appointed
- HVPE Publishes Estimated NAV at 30 April 2013
- Distribution Mechanism

Credit Facility Extended

In April 2013, HVPE announced an extension to its multi-currency credit facility with Lloyds TSB Bank plc. The Company's current $500 million credit facility expires in December 2014.

HVPE has refinanced the credit facility, which will remain at $500 million until December 2014 and reduce to $300 million thereafter. The new facility, which contains similar covenants as the existing facility, is now set to expire in April 2018.

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 commitment fee under the existing credit facility is 40 basis points per annum. Under the new facility, the commitment fee will be 55 basis points to 31 December 2013, 70 basis points to December 2014, and 90 basis points thereafter to the end of the facility.

Increase in Commitment to Dover VIII

In April 2013, HVPE increased its commitment to global secondary fund Dover VIII by $90.0 million, bringing the total commitment to $150.0 million. Dover VIII is designed to take advantage of HarbourVest's position as a leading buyer of existing private equity assets and participated in the December 2012 purchase of the assets of Conversus alongside HVPE. Dover VIII is expected to distribute initial proceeds in mid-2013.

New Directors Appointed

On 1 May 2013, HVPE announced the retirement of Mr. Paul Christopher as independent director of the company and the appointment of Mr. Alan Hodson as an independent director effective 30 April 2013.

Alan Hodson, Independent Director

Alan Hodson (age 51) is Chairman of Blackrock Commodities Income Investment Trust and a Director of JP Morgan Elect. He is also Chairman of Triodos New Horizons Limited and of the Board of Special Trustees of Great Ormond Street Hospital Children's Charity. Alan joined Rowe and Pitman (subsequently SG Warburg, SBC and UBS) in 1984 and worked in a range of roles, all related to listed equity markets. He became Global Head of Equities in April 2001 and was a member of the Executive Committee of UBS Investment Bank and of the UBS AG Group Managing Board. He retired from UBS in June 2005 and has since held positions on a variety of commercial and charity Boards.

Effective 31 May 2013, HarbourVest Managing Director Peter Wilson replaces George Anson as Director of HVPE.

Peter Wilson (age 50) joined HarbourVests's London-based subsidiary in 1996 and leads HarbourVest's secondary investment activity in Europe. He serves on the advisory committees for partnerships managed by Baring Vostok Capital Partners, CVC Capital Partners, Holtzbrinck Ventures, Index Venture Management, Nordic Capital, and Paragon Partners. Prior to joining HarbourVest, he spent three years working for the European Bank for Reconstruction and Development, where he originated and managed two regional venture capital funds in Russia. He serves as Chairman of the Board of Trustees of City Year London. Peter also spent two years at The Monitor Company, a strategy consulting firm based in Cambridge, Massachusetts. He received a BA (with honors) from McGill University in 1985 and an MBA from Harvard Business School in 1990.

HVPE Publishes Estimated NAV at 30 April 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 30 April 2013, HVPE's estimated NAV per share was $12.56, a $0.10 increase from the NAV per share of $12.46 at 31 January 2013. During April 2013, HVPE invested $17.3 million in HarbourVest fund-of-funds, a global secondary fund, and a co-investment fund and received $17.4 million in realisations and dividends from fund-of-funds, a global secondary fund, and HSLE, resulting in net positive cash flows of $0.1 million, the eighth consecutive month of positive cash flows. HVPE is $26.4 million cash flow positive during the first three months of the financial year.

At 30 April 2013, a total of $135.4 million is outstanding against the $500 million credit facility, a $26.3 million decrease from 31 January due to net repayments and foreign currency movement. The Company also has $4.0 million in cash on its balance sheet. At 30 April 2013, liquid resources (cash and available credit facility) represent 78% of commitments allocated to underlying partnerships and 70% of total commitments.

Distribution Mechanism

Subject to the consent of a shareholder resolution to allow the Company to amend its Articles to empower the Board to make cash distributions through a redemption of shares, the Board is proposing to return a portion of the expected profits from your Company's recent co-investments in Absolute Private Equity and Conversus. The Directors will be guided by the following criteria when determining the timing and amount to be distributed:

- Gross proceeds received from the investments must be greater than $20 million per annum;
- Gearing, as measured by net debt/NAV shall not exceed 15% post distribution;
- The aggregate carrying value of the investments shall not be less than 1.25 times the initial cost;
- Future profits must be in line with or exceeding investment case.

Supplemental Data

Largest Managers at 31 January 2013

- No external manager represents more than 3.8% of the Investment Portfolio
- HVPE's investments provided exposure to 719 fund interests across multiple high quality managers (compared to 777 at 31 January 2012)

For each strategy and region, the largest private equity managers based on HVPE's Investment Portfolio at 31 January 2013 are listed here. The managers are grouped by percentage of investment value and shown 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. In many cases, HarbourVest representatives participate in managers' advisory committees.

Largest Managers by Strategy Based on Investment Portfolio

TOP 25 VENTURE CAPITAL / GROWTH EQUITY	TOP 25 BUYOUT	TOP 10 MEZZANINE AND OTHER
– In total, these managers represented 14.0% – The five largest managers represented 4.6%	– In total, these managers represented 30.4% – The five largest managers represented 11.2%	– In total, these managers represented 2.7% – The five largest managers represented 1.6%
1.0% to 1.5% of Investment Value	**2.0% to 5.0% of Investment Value**	**Up to 0.5% of Investment Value**
New Enterprise Associates	The Blackstone Group	ABRY Partners
Oak Investment Partners	Warburg Pincus*	Centerbridge Partners*
0.5% to 1.0% of Investment Value	**1.0% to 2.0% of Investment Value**	Clearwater Capital Partners
Accel Partners	Apollo Management	Falcon Investment Advisors
Austin Ventures	Bain Capital	Hutton Collins Partners
DCM	CVC Capital Partners	Oaktree Capital Management
Draper Fisher Jurvetson	GTCR	Sun Capital Partners
Holtzbrinck Ventures	Kohlberg Kravis Roberts	TA Associates*
Index Ventures	Leonard Green & Partners	Wayzata Investment Partners*
Polaris Partners	Nordic Capital	Welsh, Carson, Anderson & Stowe
Sanderling Venture Partners	Providence Equity Partners	
Summit Partners	Silver Lake Management	
TA Associates	Terra Firma Capital Partners*	
Up to 0.5% of Investment Value	Thomas H. Lee Company	
Battery Ventures	TPG Capital	
Foundation Capital	**Up to 1.0% of Investment Value**	
Gestion TechnoCap	American Capital	
Highland Capital Partners	Arcapita Bank	
Insight Venture Management	Clayton, Dubilier & Rice*	
InterWest Partners	Doughty Hanson & Co.	
Jerusalem Venture Partners	Hellman & Friedman	
Menlo Ventures	IK Investment Partners	
Pitango Venture Capital	Investcorp Private Equity	
Sequoia Capital	The Jordan Company	
Stone Point Capital*	Madison Dearborn Partners*	
Thoma Bravo	Thoma Bravo	
Warburg Pincus*	Welsh, Carson, Anderson & Stowe	

* Manager not included in largest managers at 31 January 2012.

Largest Managers by Region Based on Investment Portfolio

TOP 25 U.S.	TOP 25 EUROPE	TOP 10 ASIA AND REST OF WORLD
– In total, these managers represented 28.9% – The five largest managers represented 9.5%	– In total, these managers represented 15.2% – The five largest managers represented 6.9%	– In total, these managers represented 3.4% – The five largest managers represented 2.1%
1.0% to 3.0% of Investment Value	**1.0% to 2.0% of Investment Value**	**Up to 0.5% of Investment Value**
Apollo Management	CVC Capital Partners	Advent International (Argentina)
Bain Capital	Nordic Capital	Baring Vostok Capital Partners
GTCR	Terra Firma Capital Partners*	CHAMP Private Equity
Kohlberg Kravis Roberts*	Warburg Pincus*	Clearwater Capital Partners
Leonard Green & Partners	**0.5% to 1.0% of Investment Value**	Gestion TechnoCap
New Enterprise Associates	Alpha Group	Jerusalem Venture Partners
Oak Investment Partners	Apax Partners Ltd. (UK)	Mid Europa Partners
Providence Equity Partners	Doughty Hanson & Co.	NewQuest Capital Advisors (HK)
Silver Lake Management	Holtzbrinck Ventures	Pampa Capital Partners*
The Blackstone Group	IK Investment Partners	Pitango Venture Capital
Thoma Bravo	Index Ventures	
Thomas H. Lee Company*	Investcorp Private Equity	
TPG Capital	**Up to 0.5% of Investment Value**	
Warburg Pincus*	ABÉNEX Capital	
Up to 1.0% Investment Value	Accel Partners	
American Capital	Bain Capital Europe	
Arcapita Bank	BC Partners	
Clayton, Dubilier & Rice*	Capvis Equity Partners	
Hellman & Friedman	Cinven Limited	
The Jordan Company	DFJ Esprit	
Madison Dearborn Partners*	EQT Managers	
Polaris Partners	Exponent Private Equity	
Stone Point Capital*	Hutton Collins Partners*	
Summit Partners	Permira Advisers Limited	
TA Associates	TDR Capital	
Welsh, Carson, Anderson & Stowe	TowerBrook Capital Partners*	
	Vorndran Mannheims Capital (Ventizz)	

* Manager not included in largest managers at 31 January 2012.

Largest Underlying Companies at 31 January 2013

- No single portfolio company represents more than 1.6% of the Investment Portfolio
- In total, the top 25 companies represented 13.7% of investment value
- The five largest investments represented 4.5% of investment value

The 25 largest portfolio company investments based on Investment Portfolio value are listed by percentage of investment value. Companies shaded below are held at least in part in HarbourVest direct funds. In most cases, HarbourVest has access to more detailed financial and operating information on these companies, and in some cases, HarbourVest representatives sit on the companies' Board of Directors.

Company	Strategy	% of Investment Value at 31 January 2013	Location	Status	Description
Kosmos Energy (KOS)*	Buyout	1.60%	U.S.	Public	Oil exploration and production
CDW Corporation	**Buyout**	**0.86**	**U.S.**	**Private**	**Multi-branded information technology services**
Capsugel	**Buyout**	**0.73**	**U.S.**	**Private**	**Drug delivery systems**
Acromas Holdings	**Buyout**	**0.66**	**U.K.**	**Private**	**Financial, insurance, and travel services**
The Sun Products Corporation	**Buyout**	**0.62**	**U.S.**	**Private**	**Private-label household products**
York Risk Services Group	**Buyout**	**0.61**	**U.S.**	**Private**	**Insurance claims management services**
Zalando	Venture	0.56	Germany	Private	Online fashion retailer
Wayfair (CSN Stores)*	**Venture**	**0.55**	**U.S.**	**Private**	**Online home goods retailer**
MEG Energy Corporation (MEG)*	Buyout	0.54	Canada	Public	Oil exploration and production
Vistra (OV Group)	**Buyout**	**0.52**	**Switzerland**	**Private**	**Offshore financial services**
Earth Networks	**Venture**	**0.52**	**U.S.**	**Private**	**Localised convergence content**
Infinis*	Buyout	0.51	U.K.	Private	Renewable power generator
The Nielsen Company (NLSN)*	**Buyout**	**0.51**	**U.S.**	**Public**	**Marketing and media information**
ReCommunity (FCR)	**Buyout**	**0.50**	**U.S.**	**Private**	**Recycling centres**
Edmentum (PLATO)	**Buyout**	**0.49**	**U.S.**	**Private**	**Online educational software**
HCA Inc. (HCA)*	Buyout	0.43	U.S.	Public	Acute care hospitals
Alliantgroup	Buyout	0.43	U.S.	Private	Tax advisory services
MYOB Limited	**Buyout**	**0.42**	**Australia**	**Private**	**Accounting software**
Del Monte Foods Company*	**Buyout**	**0.40**	**U.S.**	**Private**	**Food and pet products**
Camstar Systems	**Venture**	**0.40**	**U.S.**	**Private**	**Global supply chain software**
PODS Enterprises	Buyout	0.39	U.S.	Private	Mobile storage, moving, and packing
Zayo Bandwidth*	**Buyout**	**0.38**	**U.S.**	**Private**	**Telecommunications services**
SunGard Data Systems*	Buyout	0.35	U.S.	Private	Software and processing solutions
AWAS Aviation Holdings*	Buyout	0.34	Ireland	Private	Aircraft leasing
Sithe Global Power*	Buyout	0.34	U.S.	Private	Electric power generation plant development

* Company not included in largest companies at 31 January 2012.

Top 25 New Investments ($ millions)

Based on changes in HVPE Total Cost from 31 January 2012 to 31 January 2013

Within the HarbourVest funds, the 25 largest underlying investments made during the financial year were in the companies below.

Company	Description	Increase in HVPE Total Cost
The ServiceMaster Company	Consumer, commercial care, and landscape maintenance services	$3.4
Sea Swift Pty	**Northern Australian marine transport**	**2.6**
BenefitMall	**Employee benefit and payroll solutions**	**2.5**
Avaya	Communications equipment	2.3
U.S. Foods	Fresh, frozen, and packaged foods	2.0
HD Supply	Wholesale construction materials	1.7
Financière Spie	Engineering services in the energy industry	1.5
SunGard Data Systems	Software and processing solutions	1.2
Canada Cartage System	Outsourced trucking services	1.1
First Data Corporation	Electronic commerce and payment services	1.1
Blue Coat Systems	Internet security	1.1
Academy Sports + Outdoors	Sports and outdoor equipment retailer	1.1
The Nielsen Company	Marketing and media information	1.1
Deltek	Enterprise software	1.0
Energy Future Holdings Corp.	Regulated energy businesses	1.0
Clear Channel Communications	Diversified media	1.0
Genpact Limited	Business process management services	0.9
Zayo Bandwidth	**Telecommunications infrastructure**	**0.9**
Sage Products	Hygiene products	0.8
CAMP Systems International	Aircraft maintenance and tracking software	0.8
Jupiter Shop Channel Co.	Japanese home shopping channel	0.8
Wood MacKenzie Investments	Oil and gas research and consulting	0.8
Univision Communications	U.S. Spanish-language media	0.8
InverCap Holdings	Mexican pension fund administrator	0.7
Harbor Point Limited	Global reinsurance	0.7
TOTAL		**$32.9**

Companies in **bold** are held at least in part by HarbourVest Direct Funds.

Top 25 Company Realisations ($ millions)

Within the HarbourVest funds, the 25 largest underlying realisations during the financial year resulted from the companies profiled below.

Company	**Description**	**HVPE Realised Value**
Facebook	Online social network	$12.0
Nycomed	**Specialty pharmaceuticals**	**7.6**
MobileAccess Networks	**Wireless telecommunications transport**	**5.1**
Medical Services Company	**Medical services for workers' compensation**	**4.8**
Smurfit Kappa Group	**Paper-based packaging products**	**4.5**
FleetCor Technologies	**Commercial fleet card programmes**	**3.9**
Kotak Mahindra Bank Limited	Financial services in India	3.5
AMEOS	German and Austrian hospitals	3.0
LinkedIn Corporation	Online professional network	2.9
BARTEC	Protection and safety technology	2.8
Clyde Union Pumps	Pumps and pump services	2.8
Wyse International	Cloud technology solutions	2.5
Avago Technologies	Semiconductor components	2.4
Kiala	**Collection point network**	**2.4**
Legrand Holdings	Electrical products and systems	2.4
Brenntag Group	Industrial and specialty chemicals	2.3
Qihoo 360 Technology Company	Online security	2.3
Miller Heiman	**Sales training and consulting**	**2.2**
Formula One Group	Auto racing events	2.1
Wind Telecom	International telecommunications	2.1
TeamHealth	Outsourced physician services	2.1
SonicWALL	Internet security	2.0
Savcio Holdings	Electric motor repairs	2.0
Guidewire Software	Insurance software solutions	2.0
Tumi	Luggage and business accessories	1.9
TOTAL		**$83.6**

HVPE realised value represents HVPE's share or partnership and direct realisations received during the financial year.
Companies in **bold** are held at least in part by HarbourVest Direct Funds.

Directors' Report at 31 January 2013

Board of Directors

Sir Michael Bunbury
Chairman,
Independent Director

D. Brooks Zug
Director

George R. Anson
Director

Jean-Bernard Schmidt
Independent Director

Andrew W. Moore
Independent Director

Keith B. Corbin
Independent Director

Paul R.P. Christopher
Independent Director
(retired 30 April 2013)

George Anson, Paul Christopher, 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. No new directors were appointed during the financial year.

Biographies

Sir Michael Bunbury, Chairman, Independent Director
Sir Michael Bunbury (age 66) is an experienced director of listed and private investment, property and financial services companies and trustee for high net worth families. He is currently the Chairman of JP Morgan Claverhouse Investment Trust plc, a former Director of Foreign & Colonial Investment Trust plc (which has been an investor in numerous HarbourVest funds, including funds in which the Company is invested), Director of Invesco Perpetual Select Trust plc, and a consultant to Smith & Williamson. In January 2013, Sir Michael was appointed a non-executive director and independent chairman of BH Global Limited. Sir Michael began his career in 1968 at Buckmaster & Moore, a member of The Stock Exchange, before joining Smith & Williamson, Investment Managers and Chartered Accountants, in 1974 as a Partner. He later served as Director and Chairman and remains a consultant to the firm. Sir Michael has his own business, Michael Bunbury Associates, giving high-level financial advice to families on their business and property assets.

Brooks Zug, Director
Brooks Zug (age 67) is a senior managing director of HarbourVest Partners, LLC and a founder of HarbourVest. He is responsible for overseeing primary, secondary, and direct investments. He joined the corporate finance department of John Hancock Mutual Life Insurance Company in 1977, and, in 1982, co-founded Hancock Venture Partners, which later became HarbourVest Partners. He serves as an advisory committee member for a number of U.S. and European private equity partnerships, including funds managed by Accel Partners, Advent International, Doughty Hanson, Permira, Silver Lake Partners, and TA Associates. Brooks is a past Trustee of Lehigh University and a current Overseer of the Boston Symphony Orchestra. He received a BS from Lehigh University in 1967 and an MBA from Harvard Business School in 1970. Brooks received his CFA designation in 1977.

George R. Anson, Director
George Anson (age 52) manages HarbourVest Partners (U.K.) Limited, which supports HarbourVest's investment and client service activities in Europe. George joined the Firm's London subsidiary in 1990 and serves on the advisory boards of a number of European private equity partnerships, including funds managed by BC Partners, Cinven, and IK Investment Partners. He is an inaugural member of the BVCA Limited Partner Committee and an inaugural member of the EVCA LP Platform Council. He is a member of the Board of Directors of the EVCA, and is the EVCA's Chairman Elect for 2013. George's previous experience includes seven years with Pantheon Ventures managing European private equity funds and companies. A U.K. citizen, he was born in Canada and educated in the U.S. George received a BA in Finance from the University of Iowa in 1982.

Jean-Bernard Schmidt, Independent Director
Jean-Bernard Schmidt (age 67) is a former Managing Partner of Sofinnova Partners, a leading European venture capital firm based in Paris. Jean-Bernard joined Sofinnova in 1973 as an investment manager. In 1981 he became President of Sofinnova Inc. in San Francisco, managing Sofinnova's U.S. venture capital funds until 1987, when he returned to Paris to head the Sofinnova group. He then began focusing on Sofinnova's investments in Europe and on technology and early stage projects in information technologies and life sciences. In 1989, he launched the first Sofinnova Capital fund. He is a past and current board member of many technology companies in the U.S. and France. Between 1998 and 2001, he was a board member of AFIC, the French Venture Capital Association. From June 2003 to June 2004, he was Chairman of EVCA (the European Private Equity and Venture Capital Association). Jean-Bernard is a graduate of Essec Business School in Paris and holds an MBA from Columbia University in New York.

Andrew W. Moore, Independent Director
Andrew Moore (age 58) is Group Chairman of Cherry Godfrey Holdings Limited and Director of Adam & Company International Limited, Adam & Company International Trustees Limited, Adam & Company International Nominees Limited, CI Credit Insurance Limited, HarbourVest Structured Solutions II GP Limited, and Sumo Limited. Andrew joined Williams & Glyns Bank, which subsequently became The Royal Bank of Scotland, after obtaining a diploma in business studies. He moved to Guernsey to establish and act as Managing Director of a trust company for The Royal Bank of Scotland in 1985. During his career, Andrew held a range of senior management positions, including acting as head of corporate trust and fund administration businesses for The Royal Bank of Scotland in Guernsey, Jersey, and Isle of Man, which provided services to many offshore investment structures holding a wide variety of asset classes. Andrew has over 20 years of experience as both an executive and non-executive Director of companies including investment funds and banks.

Keith B. Corbin, Senior Independent Director and Chairman of the Audit Committee
Keith Corbin (age 60) is an Associate of the Chartered Institute of Bankers (A.C.I.B.) (1976) and Member of the Society of Trust and Estate Practitioners (T.E.P.) (1990). He has been involved in the management of international financial services businesses in various international centres during the last 33 years. Currently the Group Executive Chairman of Nerine International Holdings Limited, Guernsey, which also has operations in the British Virgin Islands, Hong Kong, India, and Switzerland, he serves as a non-executive Director on the board of various regulated financial services businesses, including investment funds and other companies, some of which are listed on recognised Stock Exchanges or subsidiaries of listed companies, including HarbourVest Structured Solutions II GP Limited. Those assignments also include the chairmanship of audit and other board committees.

Paul R.P. Christopher, Independent Director
Paul Christopher (age 40) is a non-practising English Solicitor, Guernsey Advocate, and a partner in the offshore law firm Mourant Ozannes. He is Managing Partner of the firm's Hong Kong office. Paul specialises in investment, finance, and corporate work. He regularly advises on the establishment of offshore investment funds of all kinds and on the regulatory and commercial issues in relation to them.

Directors' Report

The directors present their report and financial statements for the year ended 31 January 2013.

Principal Activity

The Company is a closed-ended investment company incorporated in Guernsey on 18 October 2007 with an unlimited life. The Company has two classes of shares in issue being Class A shares of no par value ("Class A shares") and Class B shares of no par value ("Class B shares"). On 6 December 2007 the Class A shares were admitted to listing and trading on Euronext Amsterdam by NYSE Euronext. On 12 May 2010, the Class A shares were admitted to trading on the Specialist Fund Market of the London Stock Exchange. Please refer to Note 1 in the Audited Consolidated Financial Statements for information on voting rights.

Investment Objective and Investment Policy

The investment objective and investment policy of the Company is as stated on the Company's website at www.hvgpe.com.

Shareholder Information

In accordance with Dutch law, the Company announces the estimated net asset value of a Class A share on a monthly basis together with commentary on the investment performance provided by the Investment Manager. These monthly statements are available on the Company's website.

In accordance with the EU Transparency Directive that came into force on 1 January 2009, the Company must publish two Interim Management Statements, once during the first and once during the second half of each financial year, which provide an overview of the important events and transactions that have taken place during the relevant period. The Company published its seventh Interim Management Statement on 20 June 2012 covering the period from 1 February 2012 to 18 June 2012, and its eighth Interim Management Statement on 21 November 2012 covering the period from 1 August 2012 to 20 November 2012. All Interim Management Statements are available on the Company's website.

The last traded price of Class A shares is available on Reuters, Bloomberg, the London Stock Exchange, and Euronext Amsterdam. A copy of the original Prospectus of the Company is available from the Company's registered office and on the Company's website.

All Class A shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf. The buying and selling of Class A shares may be settled through Euroclear or CREST.

Results

The results for the financial year ended 31 January 2013 are set out in the Consolidated Statement of Operations within the Audited Consolidated Financial Statements that begin on page 49. The directors do not propose a dividend for the financial year ended 31 January 2013.

Directors

The directors as shown beginning on page 43 all held office throughout the reporting period and at the date of signature of these financial statements. Brooks Zug is Senior Managing Director of HarbourVest Partners, LLC, an affiliate of the Investment Manager. George R. Anson is Managing Director of HarbourVest Partners (U.K.) Limited, a subsidiary of HarbourVest Partners, LLC. Paul Christopher is a Partner in the offshore law firm Mourant Ozannes, which provides counsel to HVPE in connection with matters of Guernsey law. Jean-Bernard Schmidt is a former Managing Partner of Sofinnova Partners, which manages partnerships in which HarbourVest fund-of-funds invest. Keith Corbin and Andrew Moore are directors of HarbourVest Structured Solutions II GP Ltd., which acts as the general partner of a limited partnership managed by the Investment Manager. The Board unanimously considers that there is no conflict of interest between HVPE and the limited partnership. Save as disclosed in these financial statements, the Company is not aware of any other potential conflicts of interest between any duty of any of the directors owed to it and their respective private interests. All directors, other than Mr. Zug and Mr. Anson, are considered to be independent. Mr. Corbin is the Senior Independent Director.

Mr. Moore and Mr. Schmidt are paid an annual fee of $60,500 per annum. The Chairman receives an annual fee of $120,000 plus $12,000 for expenses, Mr. Corbin receives an annual fee of $66,000 in recognition of his additional responsibilities as chairman of the Audit Committee, and Mr. Christopher receives an annual fee of $55,000. Mr. Anson and Mr. Zug do not receive any fee from the Company.

Directors' Interests as at 31 January (invested directly or indirectly)

Class A Shares	2013	2012
Sir Michael Bunbury	20,000	20,000
Jean-Bernard Schmidt	20,000	20,000
Keith Corbin	22,000	20,000
Paul Christopher	11,500	11,500
Andrew Moore	11,000	9,000

There has been no change in Directors' interests post 31 January 2013.

Substantial Shareholders

At May 2013, insofar as is known to HVPE, the following shareholders were interested, directly or indirectly, in 5% or more of the total issued Class A shares:

Shareholder	Number of Shares	% of Total Shares May 2013	% of Total Shares May 2012
State Teachers Retirement System of Ohio	15,327,677	18.53%	18.53%
Washington State Investment Board	13,563,699	16.40	16.40
Blackrock Investment Management UK Ltd.	8,478,700	10.25	10.25
Retirement Board of the Policemen's Annuity & Benefit Fund, City of Chicago	6,891,926	8.33	8.33
Oregon Public Employees Retirement Fund	6,627,190	8.01	11.58
Lothian Pension Fund	4,158,496	5.03	5.03
Total	**55,047,688**	**66.55%**	**70.12%**

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 Institution

The directors confirm:

1. The compliance of the accompanying Audited 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.

Corporate Governance

Statement of Compliance with the AIC Code

The directors place a high degree of importance on ensuring that high standards of corporate governance are maintained and have therefore chosen to comply with the provisions of the AIC Code of Corporate Governance for Investment Companies published in October 2010 (AIC Code).

The Board of HVPE has considered the principles and recommendations of the AIC Code by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as sets out additional principles and recommendations on issues that are of specific relevance to HVPE.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions not relevant to the position of HVPE, being an externally-managed investment company. The Company has therefore not reported further in respect of these provisions. Other areas of non-compliance with the AIC Code by the Company, and the reasons therefore, are as follows:

- Two of the independent directors are also directors of HarbourVest Structured Solutions II GP Ltd., which acts as the general partner of a limited partnership managed by the Investment Manager. This is not in accordance with the recommendations of the AIC Code but given that HVPE invests in the limited partnership, the Board unanimously considers that there is no conflict of interest between HVPE and the limited partnership. The Board nevertheless keeps the matter under review.
- Each director is appointed for an initial term of three years and is subject to re-election by the holders of Class B shares every third year thereafter. This differs slightly from the requirement of the AIC Code where directors are subject to re-election at the first Annual General Meeting after their appointment.
- There is no separate nomination committee or remuneration committee, which is not in accordance with the AIC Code. Given that the Board is comprised of five independent directors and two directors affiliated with the Investment Manager, it is felt that it is appropriate for the whole Board to consider these matters.
- The Board has not formalised a policy on tenure, which is not in accordance with the AIC Code. The Board has agreed to keep the matter under review.

Board Responsibilities

The Board meets at least four times a year, and between these scheduled meetings there is regular contact between directors, the Investment Manager and the Company Secretary. Board meetings are always held outside of the U.K.

The directors are kept fully informed of investment and financial controls and other matters that are relevant to the business of the Company and should be brought to the attention of the directors. The directors also have access, where necessary in the furtherance of their duties, to professional advice at the expense of the Company.

Under the Investment Management Agreement, the Board has delegated to the Investment Manager substantial authority for carrying out the day-to-day management and operations of the Company, including making specific investment decisions. However, the Board can elect to direct the Investment Manager not to make a commitment to any particular investment that would otherwise be required pursuant to the Company's investment strategy. In addition to requiring regular approval by the Board, certain matters require the additional special approval of a majority of all of the HarbourVest-affiliated directors or a majority of the independent directors. Those matters requiring special approval are set out in the Company's Prospectus dated 2 November 2007.

In the financial year ended 31 January 2013, the Board met each quarter to review the activities of the Company for that period and held a meeting devoted solely to strategic issues. An additional six meetings were held at short notice to consider limited objectives; these meetings were attended by those directors available in the jurisdiction to constitute a meeting at the relevant time on limited notification. All directors received notice of the meetings, the agenda, and supporting documents and were able to comment on the matters to be raised at the proposed meeting. In addition to the formal quarterly, strategy, and ad-hoc meetings, the Board also receives detailed updates from the Investment Manager via update calls.

Below is a summary of the director attendance at the scheduled Board meetings held in the financial year, compared against those for which they were eligible:

Scheduled and Strategic Board Meetings	
Sir Michael Bunbury	5/5
Mr. Brooks Zug	5/5
Mr. George Anson	5/5
Mr. Jean-Bernard Schmidt	5/5
Mr. Andrew Moore	5/5
Mr. Keith Corbin	5/5
Mr. Paul Christopher	5/5

The Board has a breadth of experience relevant to the Company, and the directors believe that any changes to the Board's composition can be managed without undue disruption. With any new director appointment to the Board, consideration will be given as to whether an induction process is appropriate.

The Board undertakes a formal annual evaluation of its performance and the performance of the Manager and the Secretary. Each director's performance is reviewed annually by the Chairman, and the performance of the Chairman is assessed by the remaining directors.

The Board has an ongoing process in place for identifying, evaluating, and managing the significant risks faced by the Company. A description of the principal risks and uncertainties facing the Company are given on page 66.

Committees of the Board

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.

In the financial year ended 31 January 2013, the Audit Committee met twice. Below is a summary of the director attendance at the committee meetings held in the financial year, compared against those for which they were eligible:

Audit Committee Meetings	
Mr. Keith Corbin	2/2
Mr. Jean-Bernard Schmidt	2/2
Mr. Andrew Moore	2/2

The terms of reference of the Audit Committee are available from the Company Secretary on request.

Internal Controls

The Board is responsible for the Company's systems of internal control, although the Audit Committee reviews the effectiveness of such systems and reports its findings to the Board. The Board confirms that there is an ongoing process for identifying, evaluating, and managing the significant risks faced by the Company. This process has been in place for the year under review and up to the date of approval of this Annual Report and Audited Consolidated Financial Statements, and is reviewed by the Board.

The internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss.
The Investment Manager has received its fourth report on controls placed in operation, a Type II SSAE 16 (formerly SAS 70) Report - 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 from its auditors.

The Company does not have an internal audit department. All of the Company's management and administration functions are delegated to independent third parties or the Investment Manager and it is therefore felt there is no need for the Company to have an internal audit facility. However, this matter will be reviewed annually.

Corporate Responsibility

The Company considers the ongoing interests of investors on the basis of open and regular dialogue with the Investment Manager. The Company keeps abreast of regulatory and statutory changes and responds as appropriate.

Going Concern

After making enquiries and given the nature of the Company and its investments, the directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the Audited Consolidated Financial Statements, and, after due consideration, the directors consider that the Company is able to continue in the foreseeable future. In addition, the Board monitors and manages the ongoing commitments via the criteria set out on page 35. Furthermore, the Board, as part of its regular review of the Balance Sheet and debt position, considers model scenario outputs that are based on a look-through to the anticipated underlying fund and portfolio cashflows.

Relations with Shareholders

The Board recognises that it is important to maintain appropriate contact with major shareholders to understand their issues and concerns. Members of the Board have had the opportunity to attend meetings with major shareholders, and the Board accesses major shareholders' views of HVPE via, among other things, direct face-to-face contact and analyst and broker briefings.

In addition, the Investment Manager maintains dialogue with institutional shareholders, the feedback from which is reported to the Board. The Company has also appointed J.P. Morgan Cazenove and Jefferies Hoare Govett as its joint corporate brokers to enhance communications with shareholders.

The Board monitors the Company's trading activity on a regular basis.

The Company reports formally to shareholders twice a year. In addition, current information is provided to shareholders on an ongoing basis through the Company's website and monthly newsletters and Interim Management Statements. Shareholders may contact the directors through the Company Secretary.

Auditors

Ernst & Young LLP have expressed its willingness to continue in office as auditor. A resolution proposing its reappointment will be put to the Class B shareholders at the Annual General Meeting.

By order of the Board

Michael Bunbury

Michael Bunbury
Chairman

Keith Corbin
Chairman of the Audit Committee

30 May 2013

Audited Consolidated Financial Statements

Independent Auditor's Report to the Members of HarbourVest Global Private Equity Limited

We have audited the accompanying consolidated financial statements of HarbourVest Global Private Equity Limited, which comprise the consolidated balance sheets as of 31 January 2013 and 2012, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Directors' Responsibilities for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above give a true and fair view of the consolidated financial position of HarbourVest Global Private Equity Limited at 31 January 2013 and 2012, and the consolidated results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles, and have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

- Proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

Michael Bane
For and on behalf of Ernst & Young LLP
Recognised Auditor
Guernsey, Channel Islands
30 May 2013

Notes:

1. The maintenance and integrity of the HarbourVest Global Private Equity Limited web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated Financial Statements

Consolidated Statement of Assets and Liabilities
31 January 2013 and 2012

In U.S. Dollars

	2013	2012
ASSETS		
Investments *(Note 4)*	1,187,773,735	1,096,161,444
Cash and equivalents	5,265,357	2,199,198
Other assets	259,848	628,977
Total assets	1,193,298,940	1,098,989,619
LIABILITIES		
Notes payable *(Note 6)*	161,726,211	154,369,003
Accounts payable and accrued expenses	960,675	551,774
Accounts payable to HarbourVest Advisers L.P. *(Note 9)*	374,453	47,352
Total liabilities	163,061,339	154,968,129
Commitments *(Note 5)*		
NET ASSETS	**$1,030,237,601**	**$944,021,490**
NET ASSETS CONSIST OF		
Class A shares, Unlimited shares authorised, 82,700,000 shares issued and outstanding, no par value	1,030,237,500	944,021,389
Class B shares, 10,000 shares authorised, 101 shares issued and outstanding, no par value	101	101
NET ASSETS	**$1,030,237,601**	**$944,021,490**
Net asset value per share for Class A shares	**$12.46**	**$11.42**
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 Audited Consolidated Financial Statements were approved by the Board on 30 May 2013 and were signed on its behalf by:

Michael Bunbury
Chairman

Keith Corbin
Chairman of the Audit Committee

Consolidated Statement of Operations
For the Years Ended 31 January 2013 and 2012

In U.S. Dollars

	2013	2012
REALISED AND UNREALISED GAINS (LOSSES) ON INVESTMENTS AND PUT RIGHTS		
Net realised gain (loss) on investments	88,124,567	75,193,521
Net change in unrealised appreciation (depreciation) on:		
Investments	8,006,021	22,385,510
Put rights *(Note 10)*	—	2,458,009
Translation of other assets and liabilities denominated in foreign currency	(1,806,175)	5,494,997
Net change in unrealised appreciation (depreciation)	6,199,846	30,338,516
NET GAIN ON INVESTMENTS AND PUT RIGHTS	**94,324,413**	**105,532,037**
INVESTMENT INCOME		
Dividends	511,837	316,260
Interest from cash and equivalents	5,487	5,678
Total investment income	517,324	321,938
EXPENSES		
Interest expense *(Note 6)*	2,322,323	2,652,272
Non-utilisation fees *(Note 6)*	1,526,572	1,509,325
Investment services *(Note 3)*	1,264,950	599,257
Management fees *(Note 3)*	988,338	360,602
Professional fees	674,174	569,158
Federal and state tax expenses	614,065	10,186
Directors' fees and expenses *(Note 9)*	416,203	350,260
Other expenses	819,001	803,883
Total expenses	8,625,626	6,854,943
NET INVESTMENT LOSS	**(8,108,302)**	**(6,533,005)**
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	**$86,216,111**	**$98,999,032**

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

Consolidated Statement of Changes in Net Assets
For the Years Ended 31 January 2013 and 2012

In U.S. Dollars

	2013	2012
INCREASE IN NET ASSETS FROM OPERATIONS		
Net realised gain (loss) on investments	88,124,567	75,193,521
Net change in unrealised appreciation (depreciation)	6,199,846	30,338,516
Net investment loss	(8,108,302)	(6,533,005)
Net increase in net assets resulting from operations	86,216,111	98,999,032
Retirement of Class A shares	—	(2,154,874)
NET ASSETS AT BEGINNING OF YEAR	944,021,490	847,177,332
NET ASSETS AT END OF YEAR	**$1,030,237,601**	**$944,021,490**

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

Consolidated Statement of Cash Flows
For the Years Ended 31 January 2013 and 2012

In U.S. Dollars

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Net increase in net assets resulting from operations	86,216,111	98,999,032
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided used in operating activities:		
Net realised (gain) loss on investments	(88,124,567)	(75,193,521)
Net change in unrealised (appreciation) depreciation	(6,199,846)	(30,338,516)
Contributions to private equity investments	(105,013,301)	(167,404,297)
Purchase of private equity investments	(93,894,011)	(83,578,030)
Distributions from private equity investments	203,280,388	180,636,075
Change in other assets	369,129	(168,668)
Change in accounts payable to HarbourVest Advisers L.P.	327,101	(170,158)
Change in accounts payable and accrued expenses	408,901	(1,229,732)
Net cash used in operating activities	(2,630,095)	(78,447,815)
FINANCING ACTIVITIES		
Proceeds from notes payable	105,100,000	148,350,000
Payments on notes payable	(99,403,746)	(79,500,000)
Retirement of Class A shares	—	(2,154,874)
Net cash provided by financing activities	5,696,254	66,695,126
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	3,066,159	(11,752,689)
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	2,199,198	13,951,887
CASH AND EQUIVALENTS AT END OF YEAR	**$5,265,357**	**$2,199,198**
SUPPLEMENTAL DISCLOSURE		
Interest paid	$2,323,170	$2,827,021

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

Consolidated Schedule of Investments at 31 January 2013

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 2012 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.

Consolidated Schedule of Investments at 31 January 2012

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	10,400,326	1,357,922	0.1%
HarbourVest Partners V-Direct Fund L.P.	—	4,365,345	4,163,216	955,091	0.1
HarbourVest Partners V-Partnership Fund L.P.	2,220,000	46,709,079	31,052,084	17,683,599	1.9
HarbourVest Partners VI-Direct Fund L.P.	1,312,500	46,722,408	24,372,663	15,612,810	1.7
HarbourVest Partners VI-Partnership Fund L.P.	7,762,500	202,035,549	106,221,448	116,538,844	12.3
HarbourVest Partners VI-Buyout Partnership Fund L.P.	550,000	8,533,048	4,633,066	4,159,214	0.4
HarbourVest Partners VII-Venture Partnership Fund L.P. †	13,250,000	124,359,198	27,679,661	127,106,344	13.4
HarbourVest Partners VII-Buyout Partnership Fund L.P. †	8,750,000	69,517,291	21,433,240	55,722,925	5.9
HarbourVest Partners VIII-Cayman Mezzanine & Distressed Debt Fund L.P.	15,000,000	35,201,553	7,346,622	30,944,309	3.3
HarbourVest Partners VIII-Cayman Buyout Fund L.P.	90,625,000	162,133,801	11,661,247	174,272,658	18.5
HarbourVest Partners VIII-Cayman Venture Fund L.P.	13,750,000	36,441,736	2,155,382	41,740,511	4.4
HarbourVest Partners 2007 Cayman Direct Fund L.P.	16,000,000	84,126,849	14,809,306	84,574,646	9.0
HarbourVest Partners IX-Cayman Buyout Fund L.P.	24,250,000	750,000	—	632,790	0.1
HarbourVest Partners IX-Cayman Credit Opportunities Fund L.P.	4,700,000	300,000	—	295,436	0.0
HarbourVest Partners IX-Cayman Venture Fund L.P.	19,000,000	1,000,000	—	903,072	0.1
Total U.S. Funds	**219,970,000**	**835,702,677**	**265,928,261**	**672,500,171**	**71.2**

International / Global Funds	Unfunded Commitment	Amount Invested*	Distributions Received	Fair Value	Fair Value as a % of Net Assets
HarbourVest International Private Equity Partners II-Partnership Fund L.P.	2,900,000	23,463,610	15,848,431	3,069,388	0.3%
HarbourVest International Private Equity Partners III-Partnership Fund L.P.	5,750,000	145,428,557	108,582,106	34,105,500	3.6
HarbourVest International Private Equity Partners IV-Direct Fund L.P.	—	61,452,400	29,650,838	18,600,927	2.0
HarbourVest International Private Equity Partners IV-Partnership Fund L.P.	6,250,000	123,522,051	71,374,434	64,786,891	6.9
Dover Street VII Cayman Fund L.P. ††	17,250,000	82,750,000	7,439,274	101,875,448	10.8
HIPEP V - 2007 Cayman European Buyout Companion Fund L.P. ‡	19,556,327	46,368,881	927,762	44,492,973	4.7
HIPEP VI-Cayman Partnership Fund L.P.§	113,830,800	17,579,550	—	15,774,501	1.7
HIPEP VI-Cayman Asia Pacific Fund L.P.	41,000,000	9,187,431	—	7,745,666	0.8
HIPEP VI-Cayman Emerging Markets Fund L.P.	25,350,000	4,709,489	—	4,098,862	0.4
HVPE Avalon Co-Investment L.P.	1,643,962	85,135,136	—	114,656,125	12.2
HarbourVest Senior Loans Europe**	—	14,409,000	474,350	14,454,992	1.5
Total International / Global Funds	**233,531,089**	**614,006,105**	**234,297,195**	**423,661,273**	**44.9**
TOTAL INVESTMENTS	**$453,501,089**	**$1,449,708,782**	**$500,225,456**	**$1,096,161,444**	**116.1%**

* 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 2012. 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 January 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 January 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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's consolidated financial position.

Basis of Presentation

The consolidated financial statements include the accounts of HarbourVest Global Private Equity Limited and its five wholly owned subsidiaries, HVGPE - Domestic A L.P., HVGPE - Domestic B L.P., HVGPE - Domestic C L.P., HVGPE - International A L.P., and HVGPE - International B L.P. Each of the subsidiaries is a Cayman Islands limited partnership formed to facilitate the purchase of certain investments. All intercompany accounts and transactions have been eliminated in consolidation. Certain comparative amounts have been reclassified to conform to the current year's presentation.

Method of Accounting

The consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"), The Companies (Guernsey) Law, 2008, and the Principal Documents. Under applicable rules of Dutch law implementing the EU Transparency Directive, the Company is allowed to prepare its financial statements in accordance with U.S. GAAP instead of IFRS or Dutch GAAP.

Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Investments

Investments are stated at fair value in accordance with the Company's investment valuation policy. The 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 ASC 820, the currency in which the investment is denominated, and other information deemed appropriate. The Company determines whether it is appropriate to value the investments based on the capital account balance provided by the investment partnerships or to adjust such value. This valuation does not necessarily reflect amounts that might ultimately be realised from the investment and the difference can be material.

Securities for which a public market does exist are valued by the Company at quoted market prices at the balance sheet date. Generally, the partnership investments have a defined term and cannot be transferred without the consent of the General Partner of the limited partnership in which the investment has been made.

Foreign Currency Transactions

The currency in which the Company operates is U.S. dollars, which is also the presentation currency. Transactions denominated in foreign currencies are recorded in the local currency at the exchange rate in effect at the transaction dates. Foreign currency investments, investment commitments, cash and equivalents, and other assets and liabilities are translated at the rates in effect at the balance sheet date. Foreign currency translation gains and losses are included in realised and unrealised gains (losses) on investments as incurred. The Company does not segregate that portion of realised or unrealised gains and losses attributable to foreign currency translation on investments.

Cash and Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The carrying amount included in the balance sheet for cash and equivalents approximates the fair value. The Company maintains bank accounts denominated in U.S. dollars, in euros, and in pounds sterling. The Company may invest excess cash balances in highly liquid instruments such as certificates of deposit, sovereign debt obligations, and commercial paper as well as money market funds that are highly rated by the credit rating agencies.

Investment Income

Investment income includes interest from cash and equivalents and dividends. Dividends are recorded when they are declared and interest is recorded when earned.

Operating Expenses

Operating expenses include amounts directly incurred by the Company as part of its operations, and do not include amounts incurred from the operations of the investment entities.

Net Realised Gains and Losses on Investments

For investments in private equity funds, the Company records its share of realized gains and losses as reported by the Investment Manager including fund level related expenses and management fees, and is net of any carry allocation. For investments in publicly-traded securities, the Company records its share of realised gains and losses as the difference between the original cost of the securities and the related market price at the sale.

Net Change in Unrealised Appreciation and Depreciation on Investments

For investments in private equity funds, the Company records its share of change in unrealised gains and losses as reported by the investment manager as an increase or decrease in unrealized appreciation or depreciation of investments and is net of any carry allocation. For investments in publicly-traded securities, the differences between the original cost and the estimated fair value of investment securities owned at the end of the period represent unrealised appreciation or depreciation of investments.

Income Taxes

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

Income may be subject to withholding taxes imposed by the U.S. or other countries which will impact the Company's effective tax rate.

Investments made in entities that generate U.S. source income may subject the Company to certain U.S. federal and state income tax consequences. A U.S. withholding tax at the rate of 30% may be applied on the distributive share of any U.S. source dividends and interest (subject to certain exemptions) and certain other income that is received directly or through one or more entities treated as either partnerships or disregarded entities for U.S. federal income tax purposes. Furthermore, investments made in entities that generate income that is effectively connected with a U.S. trade or business may also subject the Company to certain U.S. federal and state income tax consequences. The U.S. requires withholding on effectively connected income at the highest U.S. rate (generally 35%). In addition, the Company may also be subject to a branch profits tax which can be imposed at a rate of up to 30% of any after-tax, effectively connected income associated with a U.S. trade or business. However, no amounts have been accrued.

The Company accounts for income taxes under the provisions of ASC 740, "Income Taxes." This standard establishes consistent thresholds as it relates to accounting for income taxes. It defines the threshold for recognising the benefits of tax-return positions in the financial statements as "more-likely-than-not" to be sustained by the taxing authority and requires measurement of a tax position meeting the more-likely-than-not criterion, based on the largest benefit that is more than fifty percent likely to be realised. For year ended 31 January 2013, the Investment Manager has analysed the Company's inventory of tax positions taken with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction), and has concluded that no provision for income tax is required in the Company's financial statements.

Shareholders in certain jurisdictions may have individual tax consequences from ownership of the Company's shares. The Company has not accounted for any such tax consequences in these consolidated financial statements.

Market and Other Risk Factors

The Company's investments are subject to various risk factors including market, credit, interest rate, and currency risk. Investments are based primarily in the U.S. and Europe and thus have concentrations in such regions. The Company's investments are also subject to the risks associated with investing in leveraged buyout and venture capital transactions that are illiquid and non-publicly traded. Such investments are inherently more sensitive to declines in revenues and to increases in expenses that may occur due to general downward swings in the world economy or other risk factors including increasingly intense competition, rapid changes in technology, changes in federal, state and foreign regulations, and limited capital investments.

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 £22,506 per annum from 1 February 2012 through 11 October 2012 and £12,000 per annum from 12 October 2012 through 31 January 2013, a secretarial fee of £25,575 per annum, an additional value fee equal to 1/12 of 0.005% of the net asset value of the Company above $100 million as at the last business day of each month from 1 February 2012 through 11 October 2012 and above $200 million as at the last business day of each month from 12 October 2012 through 31 January 2013, and reimbursable expenses. During the year ended 31 January 2013, fees of $122,763 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 £7,890 per annum from 1 February 2012 through 31 December 2012 and £8,127 per annum from 1 January 2013 through 31 January 2013. During the year ended 31 January 2013, registrar fees of $18,059 were incurred and are included as other expenses in the Consolidated Statement of Operations.

Independent Auditor's Fees

For the year ended 31 January 2013, $114,400 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 year ended 31 January 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 year ended 31 January 2013, reimbursements for services provided by the Investment Manager were $1,264,950.

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 January 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 years ended 31 January 2013 and 2012, management fees included in the Consolidated Statement of Operations were as follows:

	2013	2012
HVPE Avalon Co-Investment L.P.	$939,955	$360,602
HVPE Charlotte Co-Investment L.P.	48,383	—
Total Management fees	$988,338	$360,602

For the year ended 31 January 2013, management fees on the HVPE Avalon Co-Investment L.P. investment were calculated based on a weighted average 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 0.47% for the period from 17 December 2012 to 31 December 2012 and 0.49% for the period 1 January 2013 to 31 January 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 2011	15,453,510	—	912,782,651	928,236,161
Purchase of investment	—	—	83,578,030	83,578,030
Contributions to investments	—	—	167,404,297	167,404,297
Net realised gain (loss) on investments	—	—	75,193,521	75,193,521
Net change in unrealised appreciation (depreciation) on investments	(998,518)	—	23,384,028	22,385,510
Distributions received from investments	—	—	(180,636,075)	(180,636,075)
Transfers in and/or (out) of Level	—	—	—	—
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**
Net change in unrealised gain (loss) on investments related to investments still held at 31 January 2013			$17,473,187	

The Company recognises transfers at the current value at the transfer date. There were no transfers during the year ended 31 January 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 16 remaining.

As of 31 January 2013, the Company had invested $1,649,596,373 or 78.2% of the Company's committed capital in investments and had received $704,925,992 in cumulative distributions (including dividends from HarbourVest Senior Loans Europe).

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

NOTE 5 Commitments

As of 31 January 2013, the Company has unfunded investment commitments to other limited partnerships of $459,522,420 which are payable upon notice by the partnerships to which the commitments have been made. Unfunded investment commitments of $115,764,708 within this balance are denominated in euros.

NOTE 6 Notes Payable

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. Amounts borrowed against the Facility accrue interest at LIBOR/GBP LIBOR/EURIBOR plus 1.5% per annum. For the year ended 31 January 2013, the weighted average interest rate was 1.77% and interest rates on the outstanding balance ranged from 1.61% to 2.27%. The Facility expires on 4 December 2014. 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 January 2013 and 2012, $161,726,211 and $154,369,003 respectively was outstanding against 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 year ended 31 January 2013, $2,322,323 in interest expense and $1,526,572 in non-utilisation fees have been incurred.

NOTE 7 Financial Highlights*

For the Years Ended 31 January 2013 and 2012

	2013	2012
Class A Shares		
PER SHARE OPERATING PERFORMANCE:		
Net Asset Value, beginning of period	$11.42	$10.21
Net realised and unrealised gains	1.14	1.28
Net investment loss	(0.10)	(0.08)
Net increase from repurchase of Class A shares	—	0.01
Total from investment operations	**1.04**	**1.21**
Net asset value, end of period	$12.46	$11.42
Market value, end of period	$8.66	$6.10
Total return at net asset value	9.1%	11.9%
Total return at market value	42.0%	(6.2%)
RATIOS TO AVERAGE NET ASSETS		
Expenses†	0.87%	0.77%
Net investment (loss)	(0.82)%	(0.73)%
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.

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 $374,453 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 January 2013.

One of the directors, Paul Christopher, is a Partner of Mourant Ozannes, which acts as Guernsey counsel to the Company. 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 $416,203 were incurred during the year ended 31 January 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. Refer to Note 1 Directors for additional information.

NOTE 10 Put Rights

On 12 May 2010, HVPE was admitted to the Specialist Fund Market of the London Stock Exchange. In conjunction with the listing, on 18 May 2010, HVPE's joint corporate brokers coordinated a secondary placing of 4.8 million shares of HVPE held by existing shareholders. HVPE provided a put right to purchasers of the shares for both shares purchased in the secondary placing and for shares purchased thereafter, in the public markets. The put right allowed shareholders to sell their shares back to HVPE on 15 November 2011 at the lower of $5.75 or estimated Economic NAV per share as of 31 October 2011. On 15 November 2011, the put rights expired and the fair value of the liability of $2,458,009 was reversed and included in the Consolidated Statement of Operations during the year ended 31 January 2012.

NOTE 11 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 12 Subsequent Events

In the preparation of the financial statements, the Company has evaluated the effects, if any, of events occurring after 31 January 2013 through 30 May 2013, the date that the financial statements were issued.

During April 2013, the Company committed an additional $90 million to Dover Street VIII L.P.

There were no other events or material transactions subsequent to 31 January 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.

Risk Factors

HVPE's Investment Manager believes that there are four principal risks related to an investment in HVPE:

- The NAV is at risk of decline, particularly if the economic recovery or equity markets falter.
- HVPE's Net Leverage is likely to fluctuate, and obligations could be difficult to fund under certain circumstances.
- HVPE depends on HarbourVest and its investment professionals for core services.
- HVPE could continue to experience periods of share illiquidity, ongoing price volatility, and discounts to NAV.

NAV Risks

Despite positive trends, the economic and stock market recovery remains fragile with persistent levels of unemployment in many markets. HVPE makes venture capital and buyout investments in companies where operating performance is affected by the economy. While these companies are generally privately owned, their valuations are influenced by public market comparables. In addition, approximately 17% of the Company's portfolio is made up of publicly-traded securities whose values increase or decrease alongside public markets. Should the global public markets decline, or the economic recovery falter, it is likely that HVPE's NAV could be negatively affected. There is also a risk that leveraged buyout investments could breach debt covenants, resulting in writedowns in value.

Approximately 21% of the HVPE portfolio is denominated in non-U.S. dollar currencies, primarily euros. Foreign currency movement affects HVPE's investments, borrowings on the credit facility, and unfunded commitments. HVPE has exposure to foreign currency movements through the foreign currency-denominated assets within the portfolio and through foreign currency-denominated unfunded commitments. 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.

Balance Sheet Risks

The Balance Sheet Management and Commitments section of this document describes HVPE's balance sheet strategy and a willingness to utilise leverage to finance the share buyback arrangement and new investments, including the December 2012 purchase of Conversus assets. The Company also continues to maintain its over-commitment strategy and may draw on its credit facility to bridge periods of negative cash flow when investments are greater than realisations. The level of potential borrowing available under the credit facility is negatively affected by declining NAVs. Therefore, in a period of declining NAVs, reduced realisations, and rapid substantial investments, the Company's Net Leverage Ratio could increase beyond an appropriate level. In such a situation, the Company could undertake a series of actions, including an asset sale, which could result in further NAV declines.

Reliance on HarbourVest

HVPE is dependent on its Investment Manager and HarbourVest's investment professionals. With the exception of the 2011 Absolute investment and 2012 Conversus investment, nearly all of HVPE's assets are invested in HarbourVest funds. Additionally, HarbourVest employees play key roles in the operation of the Company. The departure or reassignment of some or all of HarbourVest's professionals could prevent HVPE from achieving its investment objectives.

Trading Illiquidity and Price

While trading in HVPE shares has increased as a result of the Company's Liquidity Plan, the stock continues to experience periods of illiquidity. Without liquidity, it could be very difficult or impossible for a shareholder to sell shares without having a significant negative impact on the share price and possibly causing the shares to trade at an even greater discount to NAV.

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 Calendar

Monthly NAV Estimate
Generally within 15 days of Month End

Interim Management Statement
June 2013 / November 2013

Semi-Annual Report and Unaudited Consolidated Financial Statements
September 2013

Annual Information Document
June 2013

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