Annual Report & Audited Consolidated Financial Statements

31 JANUARY 2009

HARBOURVEST
GLOBAL PRIVATE EQUITY

www.hvgpe.com

COMPANY OVERVIEW

HarbourVest Global Private Equity Limited ("HVPE" or the "Company") is a Guernsey-incorporated company listed on Euronext Amsterdam by NYSE Euronext 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" or the "Firm"), a private equity firm whose history dates back to 1982. HarbourVest is headquartered in Boston and has more than $30 billion of assets under management.

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

Contents

Financial Highlights

HVPE's primary investment objective is to offer shareholders long-term capital growth by investing in a private equity portfolio that is well diversified by vintage year, geography, industry, and strategy. The Company strives to achieve this objective through investment in a broad range of HarbourVest-managed private equity funds, which in turn make primary partnership, secondary, and direct investments primarily in unquoted companies. HVPE seeks to provide a comprehensive and balanced private equity solution for its shareholders.

Please refer to Key Definitions and Methodologies section.

HVPE'S Portfolio at a Glance
Highly Diversified By

Investment Type
Primary Partnerships
Secondary Investments
Direct Investments

Vintage
1993 to 2008

Strategy
Venture
Buyout
Debt

Geography
U.S.
Europe
Asia Pacific
Rest of World

As at, or for the year ended, 31 January 2009

$631 million
NAV

$352 million
Cash + Available Credit Facility

214%
Commitment Level Ratio (Total)

-27%
Change in NAV per share
($10.39 to $7.61)

-1%
Change in Commitments
($690 to $683 million)

52%
Commitment Coverage Ratio (Total)

Chairman's Letter

Dear Shareholder,

I signed out my letter in HVPE's Semi-Annual report in September 2008 as the financial crisis that hit in the fourth quarter of 2008 was building. Indeed, however prescient one might have been, it would have been almost impossible to foresee the market disruptions of last year, which arose in part from a catastrophic loss of confidence in banks and other financial institutions and in part from errors made by bankers, politicians and policymakers. Confidence is not a commodity that can be bought or sold, and since markets were first created, the two powerful human emotions of greed and fear have driven them at their extremes. Very clearly in the autumn of 2008, markets were gripped by fear, which demanded decisive and visibly competent responses from politicians and policymakers. Unfortunately, those in charge failed to act successfully to stem the panic at an early stage, and when they did act, some of those actions were not initially helpful. Whilst they may have sent a salutary message to those individuals and institutions that had caused such headaches for policymakers, they compounded the problems of the western world's banking system.

It was in this climate that your Company completed its first full year of operations to 31 January 2009. The Investment Manager's Review sets out in considerable detail the activities of your Company for the year, its prospects and the outlook for private equity investors. In this letter, I will pick out a number of aspects of the year and also comment on the outlook.

As the Investment Manager explains, private equity managers and their companies are all influenced by movements in publicly-listed markets. 2008 was a catastrophic year for stock markets and also a year of unprecedented volatility. Since 1871, in only one year, 1931, did the S&P 500 Index decline by a larger percentage than the 2008 loss of 38.5%. In the 58 years between 1950 and 2007, the index moved up or down by more than 5% during a trading day on only 34 occasions. In 2008 alone, it did so on no less than 42 occasions. It was within this environment that your Company was operating.

Certainly it was a disappointment that HVPE's NAV declined by 26.8% to $7.61 per share. However, HVPE is well placed to come through the trough given its highly diversified portfolio of interests in 626 underlying funds and 5,705 underlying companies with a global geographic spread and a vintage diversification from 1993. The economic downturn in 2008 resulted in a significant slow-down in distributions, and cash calls were met in part by drawing down

$60 million of the debt facility of $500 million, which expires in December 2014. At the Company's year-end, the net gearing ratio, measured by the percentage of investment assets financed by net debt, was 5.1%. As we explained both in the prospectus and in subsequent communications, we do not intend to carry long-term gearing on HVPE's balance sheet. However, we are prepared to borrow to finance cash calls ahead of realisations and thus smooth our business in exceptional times. By any standards, the year to 31 January 2009 can fairly be classed as exceptional times.

The events of the last year have had a significant negative impact on the listed private equity sector. Investors became concerned about the valuations and prospects of leveraged buyouts, particularly large buyouts from 2005 through 2008, and the ability of listed private equity companies to meet their future cash calls. Indeed, a number of companies have had to restructure, and I would not be surprised if more have to do so in 2009. These uncertainties impacted catastrophically on listed private equity share prices, and at the nadir of the market in March 2009, many listed companies, particularly those with significant exposure to large buyout deals, were on discounts to NAV of 75% or greater. HVPE has fewer such uncertainties. Only 8% of the portfolio is invested in large buyouts. The Board has reviewed the extensive modelling and stress testing that the Manager has undertaken, which demonstrate that the highly diversified portfolio, combined with a committed funding line, can support the Company's commitments barring prolonged circumstances even more extreme than those of 2008.

The Manager's extensive modelling and stress testing demonstrate that the highly diversified portfolio, combined with a committed funding line, can support the Company's commitments.

HVPE is listed on Euronext Amsterdam by NYSE Euronext. Throughout the year, trading in our shares was very sporadic with only 15,692 shares traded in the six months to 31 January. At 31 January 2009, the share price was $9.25, which was a premium of 21.6% over the NAV of $7.61. Because of the nature of Euronext, prices only adjust when an actual trade takes place and, given HVPE's lack of liquidity, I cannot say that the market in our shares is operating efficiently. This has been a matter of constant focus by your Board and the Investment Manager. However, until there has been a sustained recovery in investor perception of the listed private equity sector, it is unlikely that your Board will initiate any action to improve the liquidity in the Company's shares. Nevertheless, we are determined to see that liquidity is improved in due course and will explore all options to bring this about. Meanwhile, HarbourVest is concentrating on our portfolio so as to maximise the opportunities to deliver top quartile NAV performance for your Company as they have for their investors over the last 25 years.

The vast majority of HVPE's shareholders are institutions that have many years of experience in investing in the long-term, illiquid, asset class that is private equity. Included in those shareholders are institutions who exchanged their limited partnership interests for shares at the time of the listing in December 2007. Those institutions were subject to a "lock-up" on their holdings, which began to expire in December 2008 when approximately 30% of the company's shares became free to trade. To the best of my knowledge, none of those institutions has chosen to exit their positions. That is not to say that they will not begin to do so in due course. But it does illustrate the stability of the shareholder base, being comprised mainly of experienced and committed private equity investors.

> I am confident that the team at HarbourVest will do its utmost to deliver positive NAV returns just as soon as economies, markets and the private equity world achieve some lasting stability.

In order to be ready to welcome new sophisticated investors as markets improve, we will be seeking to boost our activities to explain the rationale of, and the strength behind, the Company. HarbourVest has recently appointed Amanda McCrystal to enhance our investor relations and communications activities. Amanda comes with outstanding experience in the field of alternative assets, having previously acted as Head of Investor Relations, Marketing & Communications at Bramdean Asset Management LLP, a specialist investor in private equity and alternative assets. She is based in HarbourVest's London office and will be supported by our Corporate Broker, Oriel Securities. When UBS closed its Investment Companies division at the end of 2008, the team moved to Oriel, and, following careful consideration, your Board has appointed Oriel to represent us. Thus we will continue to work with the same team of individuals that we got to know and respect at UBS.

The Annual Report is a substantial document. In it, we seek to provide investors with a wealth of detail on the Company, its Manager, and its underlying portfolio. We are committed to working with our investors and making the maximum possible information available to them. If we are not providing what is required, please let us know. The publication of the Annual Report will be followed by an informal meeting for shareholders in London on Wednesday 17 June at 4:00 pm. Details will be provided by separate announcement.

Until very recently, investors all over the world were very nervous about the valuations of, and prospects for, almost every asset class save for the highest quality defensive assets. That nervousness was driven by a multitude of concerns, the most important of which were the extreme stress of the world's banking system and the dire outlook for the world's economy for at least 2009 and perhaps beyond. Although very fragile, a degree of stability has returned to the world banking system as compared with the traumas of last autumn, and it is to be hoped that the stability can continue. On this basis, and despite the very difficult outlook for the world economy, it is my fervent hope that we will not have to face again a year with markets like 2008. Meanwhile I am confident that the team at HarbourVest will do its utmost to deliver positive NAV returns just as soon as economies, markets and the private equity world achieve some lasting stability, albeit in a very different environment to anything we have seen in recent years.

Before closing, I must pay tribute to the professionalism in such difficult times of all who are involved with HVPE at HarbourVest and particularly to our Chief Financial Officer, Steve Belgrad. As I reported at the half year, Steve joined HarbourVest in early September and is dedicated to HVPE as CFO. He has taken to his role with alacrity and professionalism. He has been at the forefront of managing all aspects of the Company's operations, reporting, and relationships, and the Board is very pleased to have such a seasoned professional at the helm in such difficult times.

Finally, I would like to thank our shareholders for their continued support in what has been an exceptionally challenging year both for them and for the listed private equity sector. I look forward to seeing shareholders at the meeting on 17 June and to receiving any comments that you may have. I can be contacted through the Company Secretary at reception@anson-group.com.

Michael Bunbury

Michael Bunbury
27 May 2009

Investment Manager's Review

Investment Strategy

HVPE was established to give public market investors access to the same professionally managed private equity programmes, on the same terms, that HarbourVest offers to institutional investors. The Company seeks to provide a comprehensive private equity solution and deliver top-quartile performance over a multi-year investment cycle. This objective drives HVPE's investment philosophy and approach. With more than 26 years of experience managing private equity funds, HarbourVest believes that three strategies are critical to the success of a listed private equity programme.

- Diversification
- Ongoing Commitments
- Conservative Balance Sheet

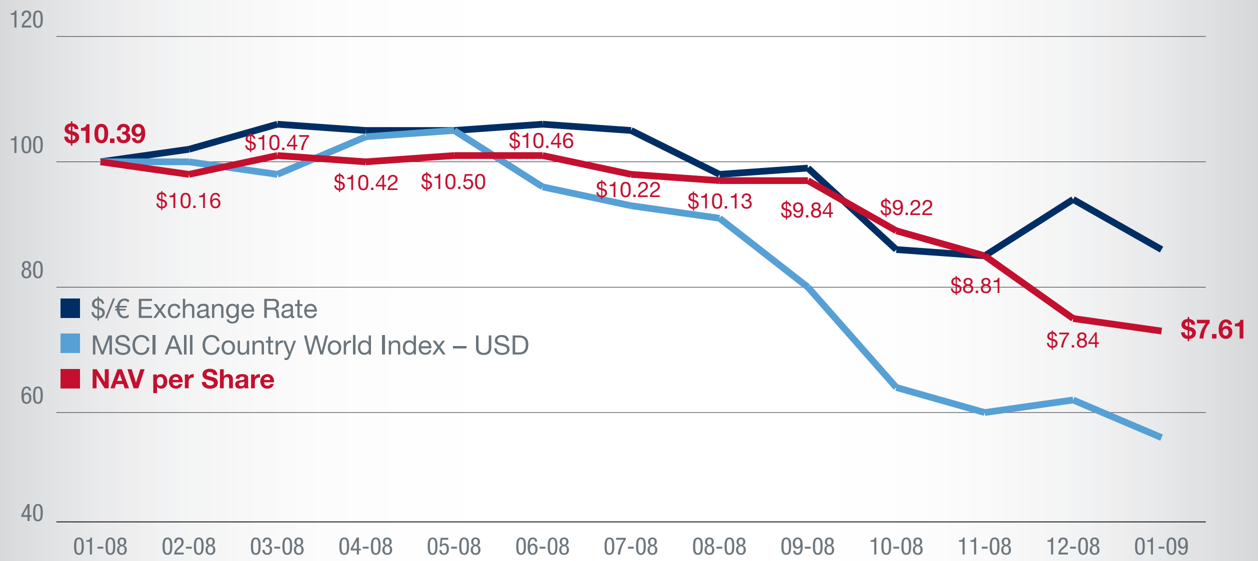
First, the investment programme should be diversified. Historical data demonstrates the benefits of a private equity portfolio that is well diversified across geography, strategy, vintage year, and industry. Returns tend to be cyclical across these segments, and a comprehensive private equity portfolio should strive to be consistently exposed to the most successful managers in their areas of expertise.

The Company seeks to provide a comprehensive private equity solution.

Second, an efficient private equity portfolio should be fully and consistently committed to the asset class, even during downturns. Many of the most attractive vintage years for private equity have been during or just after recessionary periods when investment opportunities were more reasonably priced. Given the long-term nature of private equity investing, reallocating a portfolio to capture the benefits of a missed vintage year can be difficult.

Third, based on the long-term and uncertain timing of private equity commitments, listed private equity vehicles should maintain conservative balance sheets with adequate reserves to finance obligations. While a fully diversified programme should generally generate enough distributions to meet capital calls, in challenging liquidity markets such as 2008, a reduction in distributions can cause a cashflow shortfall. In order to mitigate this risk, at its founding in December 2007, HVPE established a $500 million, seven-year credit facility as a reserve to finance capital calls during periods of negative cash flows. The credit facility and the conservative balance sheet structure it supports are key elements of HVPE's investment strategy.

Monthly NAV Per Share Compared to MSCI and U.S. $/Euro Exchange Rate



	31 January 2009	31 January 2008	Change
SUMMARY OF NET ASSET VALUE (in millions Except Per Share Data)			
NAV of Investments	$668.1	$847.6	($179.5)
Cash and Cash Equivalents	26.2	21.0	5.2
Net Other Assets (Liabilities)	(63.0)	(6.5)	(56.5)
NAV	**$631.3**	**$862.1**	**($230.8)**
NAV per Share (83.0 million shares outstanding)	$7.61	$10.39	($2.78)
SUMMARY OF COMMITMENTS			
Unfunded Commitments (Allocated to Underlying Partnerships)	$487.8	$496.1	($8.3)
Unfunded Commitments (Not Allocated to Underlying Partnerships)	194.7	193.5	1.2
Total Unfunded Commitments	**$682.5**	**$689.6**	**($7.1)**
NAV of Investments + Total Unfunded Commitments	**$1,350.6**	**$1,537.2**	**($186.6)**
% Invested	106%	98%	8%
Commitment Level (Total Unfunded Commitments)*	214%	178%	36%
Commitment Level (Allocated to Underlying Partnerships)†	183%	156%	27%
Cash + Unused Committed Credit Facility	$466.2	$521.0	($54.8)
Cash + Remaining Available Credit Facility‡	$352.3	$521.0	($168.7)

* Reflects the NAV of investments plus total unfunded commitments divided by NAV.
† Reflects the NAV of investments plus unfunded commitments (allocated to underlying partnerships) divided by NAV.
‡ Available credit facility reflects amount available subject to covenant limits.

Results for the Financial Year Ended 31 January 2009

CHANGE IN NET ASSET VALUE

At 31 January 2009, HVPE's net asset value ("NAV") was $631.3 million, or $7.61 per share. This represents a decrease of $2.78 per share, or 26.8% over the 12 months from 31 January 2008 ($10.39); and $2.61 per share, or 25.5% compared to 31 July 2008 ($10.22). The Company's NAV peaked at $10.50 (estimated) per share at 31 May 2008 and declined thereafter as the global economy deteriorated and the dollar appreciated against the euro and sterling.

The main driver of performance for the year was the late 2008 economic turmoil and its impact on financial markets, credit availability, currency, and market valuations. While HVPE had minimal portfolio exposure to the major financial companies brought down in the crisis to date, HBOS plc ("HBOS"), the Company's lender, was acquired by Lloyds Banking Group plc and received equity and balance sheet support from the U.K. government.

The market downturn also negatively affected HVPE's portfolio valuations in three significant areas. First, the public securities in the portfolio (approximately 9% of NAV) declined alongside global stock markets. Second, the valuations of HVPE's privately-held companies benchmarked against public peers declined with public company comparables. Additionally, private company valuations decreased as a consequence of declining operating results as the global recession deepened in the fourth quarter of 2008. Third, HVPE's NAV declined as the value of its investments in non-U.S. dollar-denominated funds fell on the strengthening of the U.S. dollar.

During the year ended 31 January 2009, the U.S. dollar appreciated 16% against the euro and 37% against sterling with significant volatility. The chart on the previous page illustrates the monthly movement of HVPE's NAV per share relative to the MSCI World Index (USD) and the U.S. dollar/euro exchange rate.

The main driver of performance for the year was the late 2008 economic turmoil and its impact on financial markets, credit availability, currency, and market valuations.

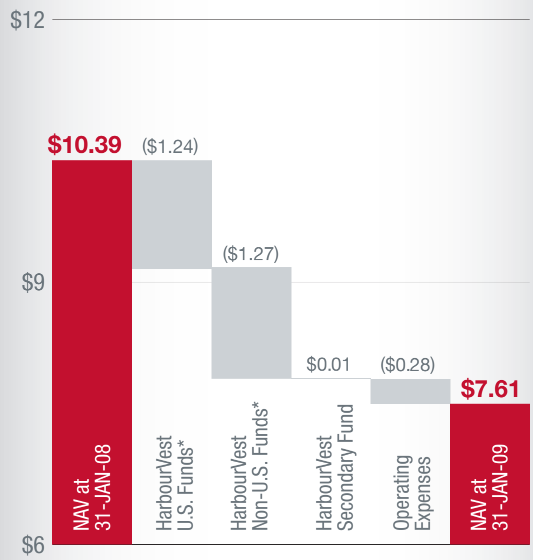
While the strengthening U.S. dollar had a negative impact on HVPE's NAV per share during the year ended 31 January 2009, for sterling-based investors, the NAV per share in sterling terms was flat, and it declined only 15% in euro terms. HVPE's U.K. and Europe-based investors that may value their investments in local currency could have benefitted from the U.S. dollar appreciation.

	NAV PER SHARE		
	$	€	£
31-Jan-2008	10.39	6.99	5.23
31-Jan-2009	7.61	5.94	5.23
Change	(2.78)	(1.05)	0.00
% Change	**-27%**	**-15%**	**0%**

When analysing changes in NAV per share, HVPE's Investment Manager reviews realised and unrealised gains and losses by HarbourVest fund category, as well as expenses. Of the $2.78 decline in NAV per share in the year ended 31 January 2009, $1.24 (approximately 45% of total) resulted from HarbourVest U.S. fund-of-funds and direct funds, $1.27 (45%) from HarbourVest non-U.S. fund-of-funds and direct funds (including foreign currency movement), and $0.28 (10%) from operating expenses. These declines were nominally offset by a $0.01 increase for the HarbourVest secondary fund in the portfolio. Losses for HarbourVest's U.S. and non-U.S. funds were driven primarily by valuation decreases for publicly-traded and privately-held portfolio companies.

Changes in HVPE NAV Per Share

31 January 2008 to 31 January 2009



* Includes direct funds.

VALUE CHANGES BY STRATEGY

The strategic benefit of maintaining a diverse portfolio was clear in HVPE's performance for the year ended 31 January 2009.

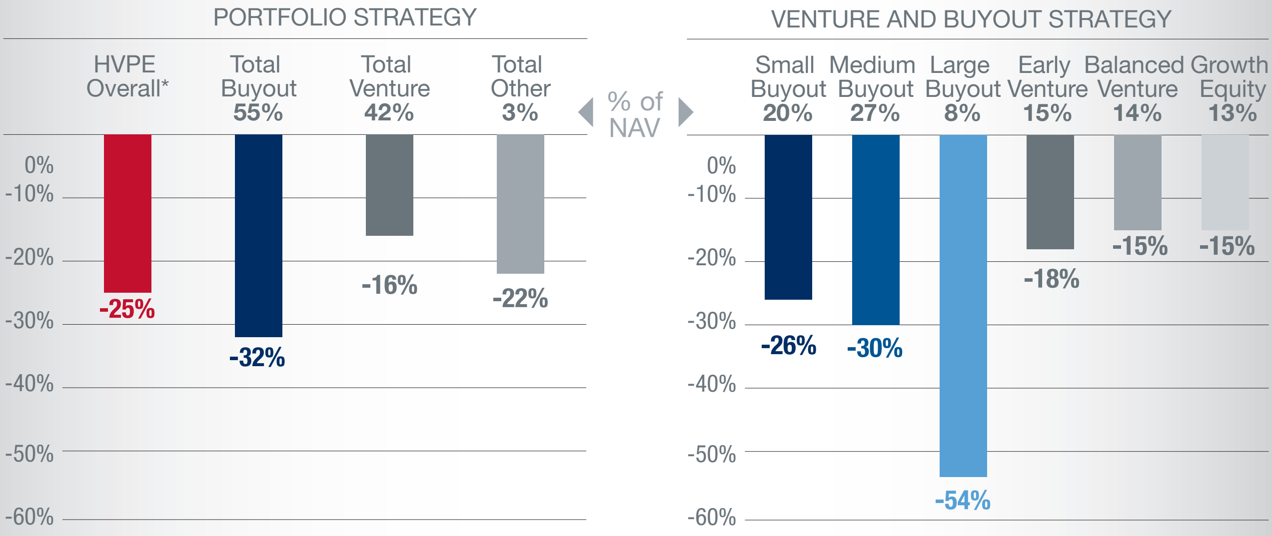
The overall change in the value of the portfolio was driven by the varying performance results for venture capital and buyout strategies in the underlying investments. The chart below highlights the annual change in NAV experienced by the venture portfolio (and its sub-segments), the buyout portfolio (and its sub-segments), and the portion of the portfolio invested in other private equity strategies, including mezzanine and distressed debt.

Each bar in the chart below reflects the annual performance decline in that segment, while the number above the bar represents its share of HVPE's NAV at 31 January 2009. While performance in all segments was negative, the approximate 42% exposure to venture capital clearly helped offset larger declines within the buyout portfolio. Within the buyout portfolio, the underweight 8% exposure to large buyouts (defined as funds of more than $7 billion in size or large direct buyout investments) benefited overall performance.

The relatively stronger performance of venture capital investments relative to buyout investments reflected both the lack of financial leverage in venture capital investing (which benefits equity holders in decreasing markets) and continued exits via strategic trade sales even when many financial buyers withdrew from the market. One example was the August 2008 sale of *ersol Solar Energy AG* , then one of HVPE's 25 largest underlying company investments, to Robert Bosch GmbH. HVPE received $13 million in distributions as a result of the sale and booked a $.09 per share gain. The seller of *ersol,* Ventizz Capital, is one of HVPE's 25 largest underlying European managers (based on NAV). This transaction was one of a number of venture capital-related sales in the HVPE portfolio announced in the year ended 31 January 2009. This trend has continued in the new financial year, evidenced by the February 2009 sales of *Corevalve Inc.* and *Ventor Technologies, Inc.* to medical devices firm Medtronic, which are expected to provide liquidity for HVPE in calendar year 2009.

Venture Portfolio has Declined Less Significantly than Buyout

Performance by Strategy 31 January 2008 to 31 January 2009



Data includes primary, secondary, and direct investments.

* Adjusted for cashflows.

The Investment Manager remains focused on controlling the Company's operating expenses, particularly in the current environment. The appreciation of the U.S. dollar relative to sterling has helped decrease sterling-denominated expenses, and the Investment Manager has actively sought price concessions, implemented process improvements, and brought certain activities in house to minimise expenses.

EXPENSES

Expenses represented $0.28 per share of the NAV decline in the year ended 31 January 2009 (10% of total decline). HVPE has three major categories of expenses: (i) management fees paid to HarbourVest funds; (ii) financing fees and expenses related to its $500 million credit facility; and (iii) operating expenses including compensation, travel, insurance, and directors' fees, as well as third party legal, administrative, accounting, and other expenses.

As an investor in HarbourVest funds, HVPE is charged the same management fees on committed capital 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 this analysis, they have been reclassified as direct HVPE expenses in order to provide a comprehensive view of operating costs. In addition to management fees on the HarbourVest funds, HVPE would pay incremental fees on any parallel investments made alongside a HarbourVest fund. To date, HVPE has not made parallel investments.

The revolving credit facility bears variable interest at LIBOR plus 150 basis points on drawn amounts and carries an annual commitment fee of 40 basis points on the unused portion. In the year ended 31 January 2009, total facility-related expenses were $3.1 million. The company had $28 million of borrowing outstanding on average over the year.

HVPE's operating costs were approximately $3.5 million in the year ended 31 January 2009. HVPE's Investment Manager remains focused on controlling the Company's operating expenses, particularly in the current environment. The appreciation of the U.S. dollar relative to sterling has helped decrease sterling-denominated expenses, and the Investment Manager has actively sought price concessions, implemented process improvements, and brought certain activities in house to minimise expenses.

NET ASSET VALUE METHODOLOGY

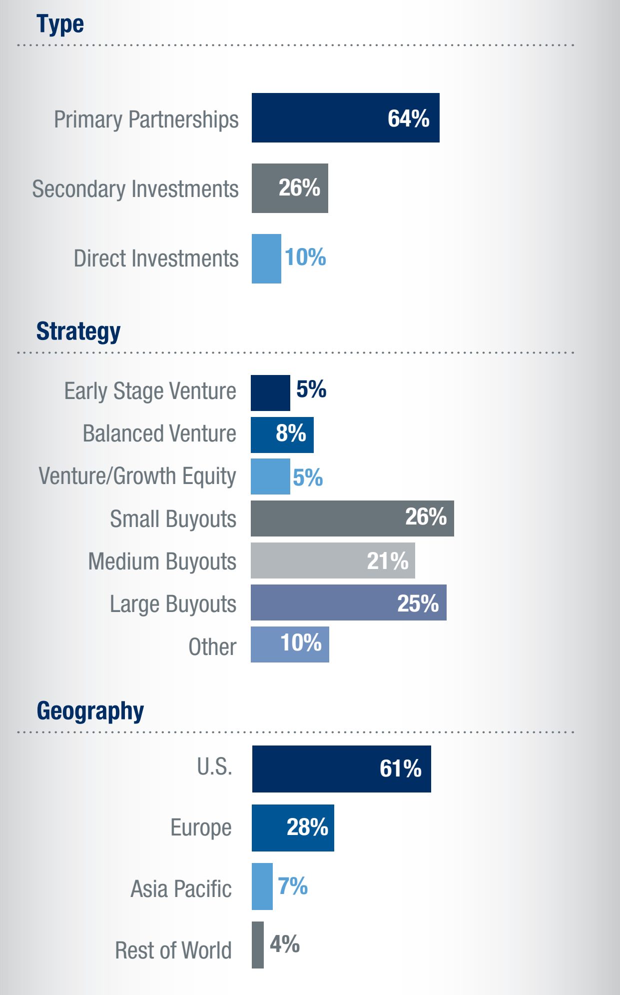
HVPE's 31 January 2009 NAV is based on the 31 December 2008 NAV of each HarbourVest fund, adjusted for changes in the value of public securities, foreign currency, known material events, cashflows, and operating expenses during January 2009. The valuation of each HarbourVest fund is presented on a fair market value basis in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

NEW COMMITMENTS

During the year ended 31 January 2009, HVPE made one new commitment to a newly formed non-U.S. fund-of-funds, HarbourVest International Private Equity Partners VI-Partnership Fund L.P. ("HIPEP VI Partnership"). The €100.0 million ($156.0 million at the 31 July 2008 foreign exchange rate) commitment was made in July 2008. HIPEP VI Partnership principally focuses on European buyout (small, medium, and large) and venture investments, Asia Pacific (buyout and venture) investments, and, to a lesser extent, other non-U.S. regions (Latin America, Africa, Russia, and the Baltic States). HIPEP VI Partnership had not called capital from HVPE at 31 January 2009.

In the year ended 31 January 2009, HVPE did not purchase additional interests in HarbourVest funds, and it did not make any parallel investments alongside HarbourVest funds. However, the Company benefited from the ongoing commitments made by eight of the actively investing HarbourVest funds in the portfolio. In total, these funds made new commitments to approximately 70 private equity managers and 135 partnerships (including secondary investments, which can include transactions made up of multiple partnerships) in the year ended 31 January 2009. Secondary investments often include managers and partnerships already held in the portfolio. The funds committed a total of approximately $125 million to primary investments and $71 million to secondary and direct investments on HVPE's behalf. Total new commitments were diversified as follows:

HVPE's Share of HarbourVest's 2008 Commitments

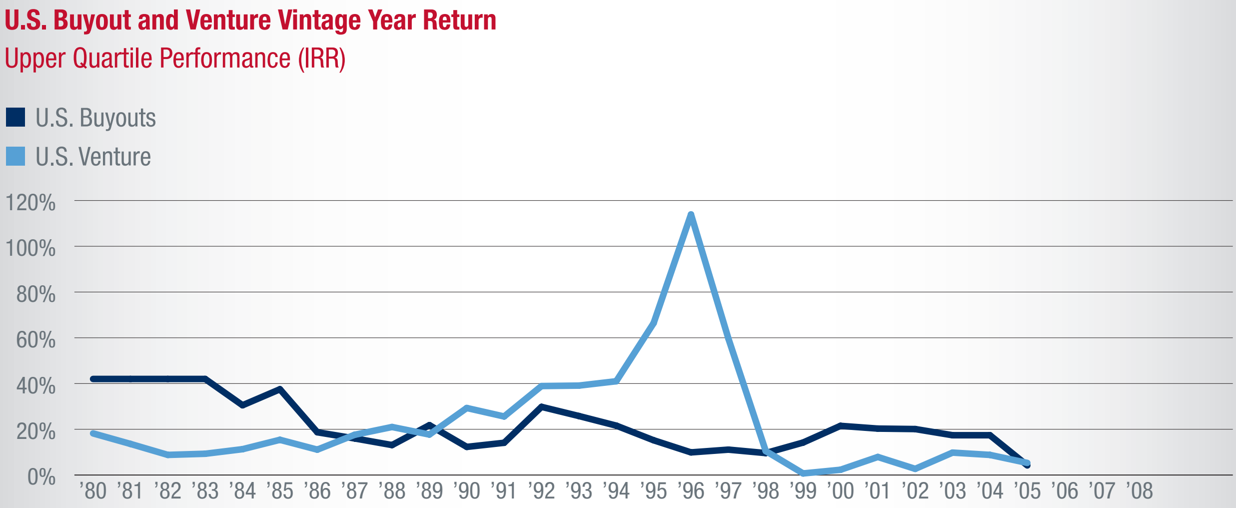


The largest primary commitments during the period were to partnerships managed by

- The Blackstone Group
- Charterhouse Capital Partners
- CVC Capital Partners
- Hellman & Friedman
- Index Ventures
- Madison Dearborn Capital Partners
- Pfingsten Partners
- Texas Pacific Group
- Unison Capital
- Welsh, Carson, Anderson & Stowe

HVPE's HarbourVest funds continue to evaluate new opportunities across markets, selecting those with the most attractive return potential.

In total, eight HarbourVest funds made new commitments to approximately 70 private equity managers and 135 partnerships in the year ended 31 January 2009. The funds committed a total of approximately $125 million to primary investments and $71 to secondary and direct investments on HVPE's behalf.



Source: *Venture Economics* 31 December 2008 Venture and Buyout data.
Data after 2005 vintage year is not yet meaningful.

Portfolio Review

PORTFOLIO DIVERSIFICATION STRATEGY

The Investment Manager believes that there are significant benefits to private equity portfolio diversification, including reduced risk, improved performance, and enhanced investment opportunities. The Company achieves its diversification by investing in a broad selection of HarbourVest private equity funds, which in turn make primary investments, secondary investments, and direct investments and provide access to underlying investments that are further diversified in terms of:

Geography: providing exposure to private equity funds investing in the U.S., Europe, Asia, and other private equity markets

Strategy (Stage of Investment): providing exposure to early stage, balanced, and growth equity venture capital; small and middle market leveraged buyouts, large capitalisation leveraged buyouts; mezzanine debt; and special situations, such as restructuring funds or distressed debt

Vintage Year: providing exposure to investments made across many years via primary, secondary, and direct investment strategies

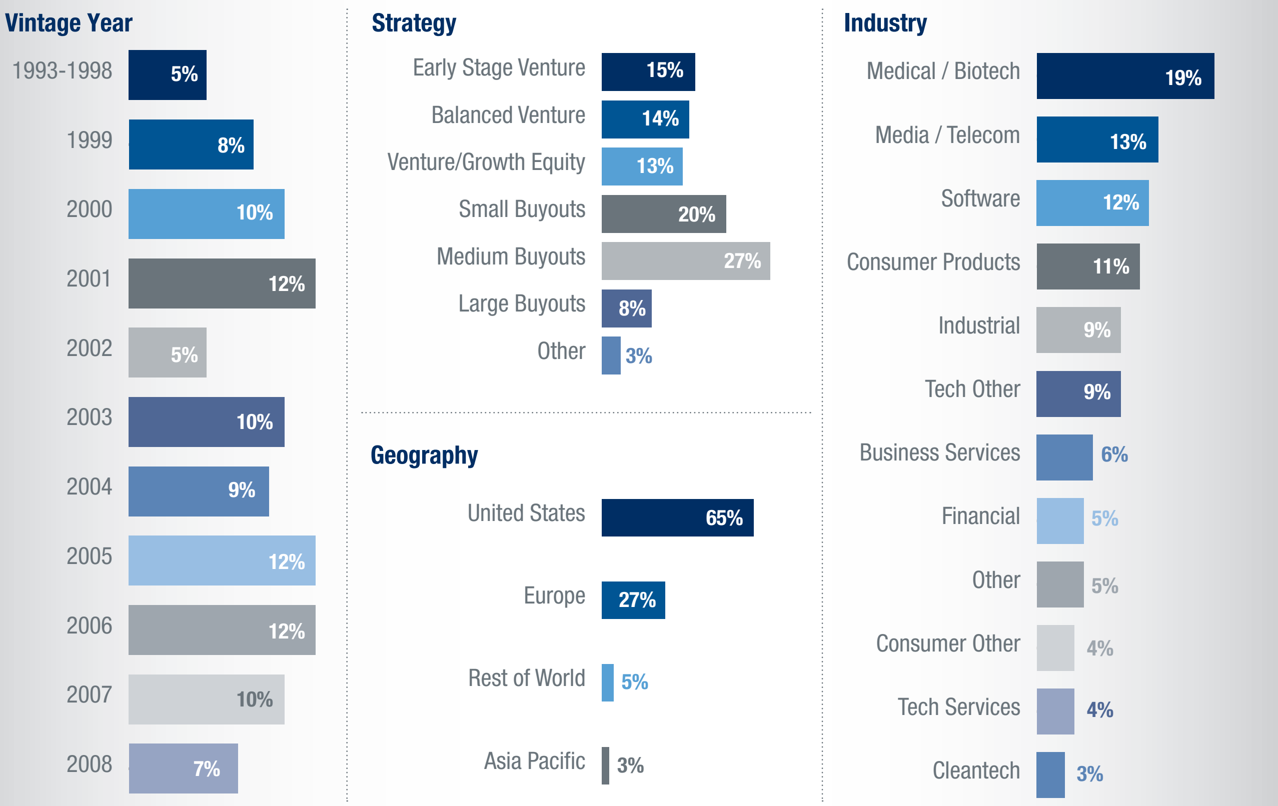
Industry: providing direct and indirect exposure to a large number of different companies across a broad array of industries

Because of this diversification, the Investment Manager believes that the risks associated with an investment in HVPE may be inherently lower than those of an investment in a single private equity fund or a listed fund managed by a single underlying manager.

Particularly during periods of economic downturn, significant NAV declines are most pronounced in concentrated portfolios focused on sectors that were previously in favour. In 2008, large buyout portfolios have seen substantial declines in value. During the 2001 to 2003 period, NAV declines were most prevalent in technology portfolios. Based on an analysis of historical results, the Investment Manager believes that venture capital and buyout investments often perform counter-cyclically, and can provide a buffer to each other during varying economic environments (as shown above).

Because changing economic environments can favour different stages of investment, diversification can also enhance the Investment Manager's ability to invest HVPE's capital effectively. Across the buyout sector of private equity, much tighter credit markets and diminished economic growth have substantially reduced new investments, while declining public equity markets and a challenging merger and acquisition market have slowed distribution flows. However, new investment activity in the venture capital sector has remained relatively steady compared to prior years. Similarly, opportunities in the secondary market have increased. Secondary market dealflow nearly doubled in 2008 over 2007 as private equity investors sought liquidity. This has led to prices that are significantly discounted to NAV. A fuller analysis of recent market factors affecting HVPE is included in the **Investment Manager's Market Commentary** section of this report.

Portfolio Diversification at 31 January 2009 Based on NAV



Diversification charts add to 100%.
Please refer to Key Definitions and Methodologies.

PORTFOLIO DIVERSIFICATION

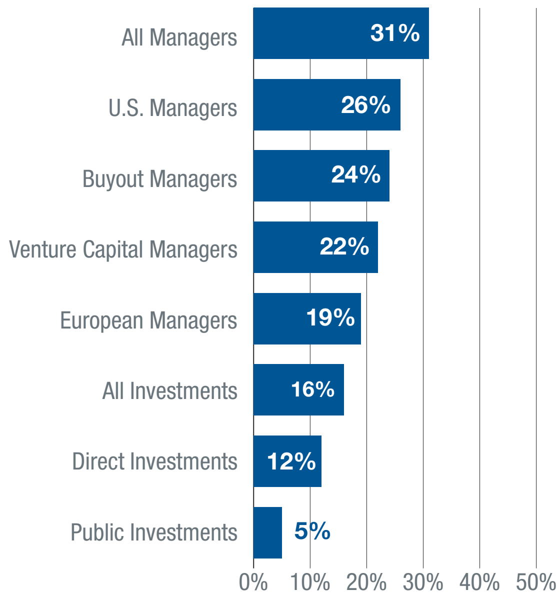
At 31 January 2009, HVPE's portfolio includes commitments to 20 HarbourVest funds at various stages of development. These funds, in turn, were invested in 626 underlying partnerships which owned stakes in 5,705 underlying companies. HVPE has 65% of NAV invested in primary fund-of-funds, 22% of NAV in secondary funds, and 13% of NAV in direct funds. At 31 January 2009, no single company represented more than 2.2% of NAV, and the top 25 companies represented only approximately 16% of NAV.

The chart to the right illustrates the highly diversified composition of the portfolio as measured by several key metrics, including the portion of NAV represented by the top 25 managers, top 25 buyout managers, and top 25 venture capital managers.

HVPE continuously analyses its portfolio by strategy, geography, vintage year, and industry and strives to be fully diversified across all of these metrics. The investment objective is to create a comprehensive private equity portfolio that is well positioned across all market cycles. The charts above illustrate this diverse mix.

Portfolio Concentration by Managers and Investments

Top 25 as a Percentage of NAV



At 31 January 2009, no single company represented more than 2.2% of NAV, and the top 25 companies represented only approximately 16% of NAV.

AT A GLANCE: KEY PORTFOLIO FACTS

Geography

- Portfolio invested 65% in the U.S., 27% in Europe, and 8% in Asia Pacific and the Rest of World
- Underlying partnerships based in 29 countries and denominated in eight different currencies (See the following page: Foreign Currency-Denominated Holdings)

Strategy (Stage of Investment)

- At 31 January 2009, venture capital assets (early stage, balanced, and growth equity) make up approximately 42% of the portfolio
- Buyout investments make up approximately 55% of the portfolio, with only 8% of the total portfolio in large, leveraged buyout transactions

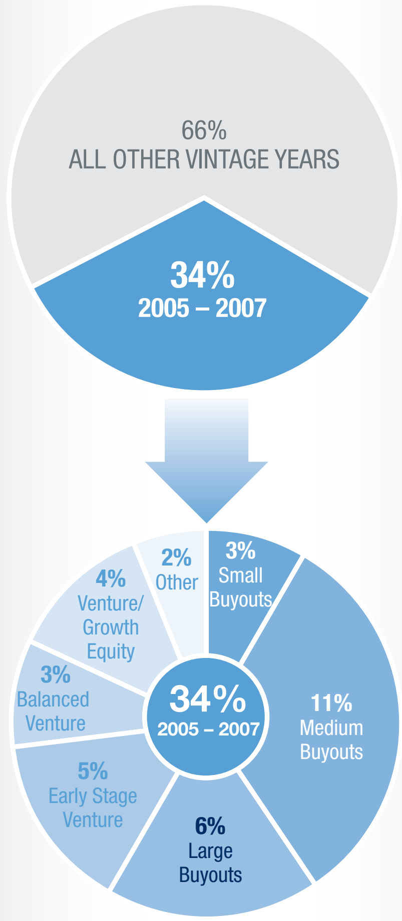
Vintage Year

- Fund investments spread over a range of 16 vintage years going back to 1993
- Two-thirds of investments are to vintage years prior to 2005 and post 2007
- Vintage year 2005 to 2007 investments, which were generally made at relatively high valuations on the buyout side, make up approximately one-third of the portfolio. Within the 2005 to 2007 vintage period, the portfolio remains well diversified by strategy (see chart to the right) with large buyouts made during this period representing only 6% of NAV
- HarbourVest funds in the portfolio continue to make new investments, ensuring continued vintage year diversification in what is expected to be a lower valuation environment

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 and software (25%), medical/biotech (19%), and only 5% in financial services
- Approximately 70% of HVPE's NAV is held in sectors that have outperformed, or are in line with, the MSCI World Index, as illustrated on the following page

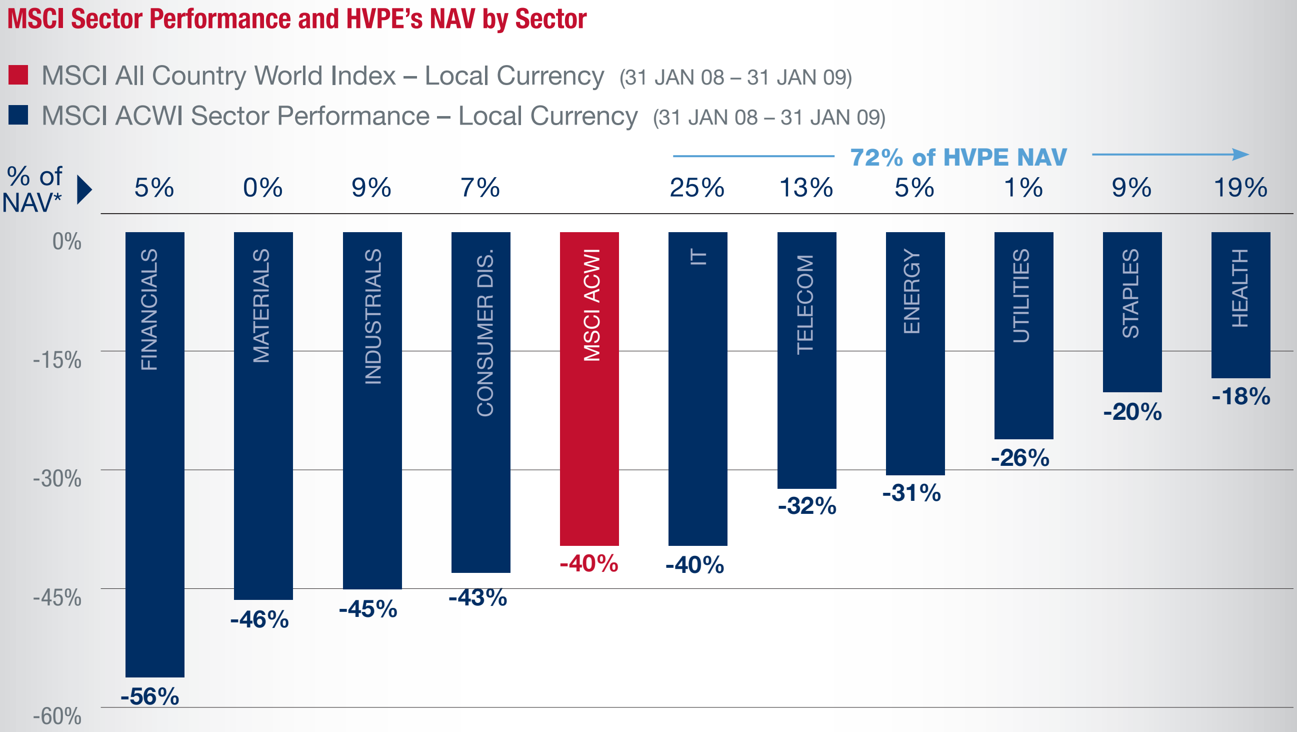
Allocation of 2005-2007 Vintage Years by Strategy
Based on NAV at 31 January 2009



% of total HVPE NAV

HarbourVest funds in the portfolio continue to make new investments, ensuring continued vintage year diversification in what is expected to be a lower valuation environment.

Approximately 70% of HVPE's NAV is held in sectors that have outperformed, or are in line with, the MSCI World Index, as illustrated below.



* 7% of NAV has not been classified in defined MSCI ACWI sectors; HVPE's industry diversification has been modified to align more closely with the MSCI ACWI sectors and may not match HVPE diversification information presented elsewhere in this document.

FOREIGN CURRENCY-DENOMINATED HOLDINGS

At 31 January 2009, HVPE held interests in two euro-denominated funds: HIPEP V 2007 European Buyout and HIPEP VI Partnership. A number of HarbourVest direct funds in the HVPE portfolio have also made investments in companies denominated in other currencies, and HarbourVest fund-of-funds have made investments in foreign currency-denominated partnerships. Therefore, HVPE had exposure to the following currencies at 31 January 2009 (approximate, based on NAV): Euro (19%), Sterling (2%), Australian Dollar (1%), and Swedish Krona (0.6%).

In addition to this currency exposure, HVPE's NAV is also affected by investments in U.S. dollar-denominated partnerships that have made investments in non-U.S. companies or companies that have significant foreign currency-based business activities.

The Portfolio Listing on the following page illustrates HVPE's diversity.

Portfolio Listing

The Portfolio Listing illustrates HVPE's diversity and shows the major attributes of the 20 HarbourVest funds in which HVPE is invested.

Fund/Investment Name	Types of Investments			Primary Geographic Focus				Strategy		
	PRIMARY	SECONDARY	DIRECT	U.S.	EUROPE	ASIA	ROW	VENTURE	BUYOUT	MEZZ/ DEBT
U.S. FUND-OF-FUNDS										
HarbourVest IV Partnership	•	•		•				•	•	
HarbourVest V Partnership	•	•		•				•	•	
HarbourVest VI Partnership	•	•		•				•	•	
HarbourVest VI Buyout Partnership	•	•		•					•	
HarbourVest VII Venture Partnership	•	•		•				•		
HarbourVest VII Buyout Partnership	•	•		•					•	
HarbourVest VIII Venture	•	•	•	•				•		
HarbourVest VIII Buyout	•	•	•	•					•	
HarbourVest VIII Mezzanine and Distressed Debt	•	•	•	•	•					•
NON-U.S. FUND-OF-FUNDS										
HIPEP II Partnership	•	•			•	•	•	•	•	
HIPEP III Partnership	•	•			•	•	•	•	•	
HIPEP IV Partnership	•	•			•	•	•	•	•	
HIPEP V 2007 European Buyout	•				•				•	
HIPEP VI Partnership	•				•	•	•	•	•	
DIRECT FUNDS										
HarbourVest V Direct			•	•				•	•	
HarbourVest VI Direct			•	•				•	•	
HIPEP II Direct			•		•	•	•	•	•	
HIPEP IV Direct			•		•	•	•	•	•	
2007 Direct Fund			•	•	•	•	•		•	
GLOBAL SECONDARY FUND										
Dover VII		•		•	•	•	•	•	•	•

Portfolio Listing

All data shown in U.S. dollars (millions) at 31 January 2009

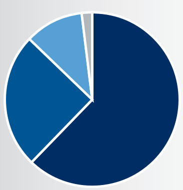
Fund/Investment Name (Fund Currency)	Vintage Year(s)	Commitment Amount ($)	% of Fund owned by HVPE
U.S. FUND-OF-FUNDS			
HarbourVest IV Partnership ($)	1993 – 1996	$56.0	28.5%
HarbourVest V Partnership ($)	1996 – 1999	148.0	24.4
HarbourVest VI Partnership ($)	1999 – 2005	258.8	9.2
HarbourVest VI Buyout Partnership ($)	1999 – 2003	10.0	0.9
HarbourVest VII Venture Partnership ($)	2003 – 2006	132.5	6.6
HarbourVest VII Buyout Partnership ($)	2003 – 2007	70.0	3.5
HarbourVest VIII Venture ($)	2006 – 2010	50.0	2.4
HarbourVest VIII Buyout ($)	2006 – 2010	250.0	8.5
HarbourVest VIII Mezzanine and Distressed Debt ($)	2006 – 2010	50.0	10.3
Total U.S. Fund-of-Funds (9)			
NON-U.S. FUND-OF-FUNDS			
HIPEP II Partnership ($)	1995 – 1998	$145.0	18.1%
HIPEP III Partnership ($)	1998 – 2001	230.0	13.8
HIPEP IV Partnership ($)	2001 – 2005	125.0	5.8
HIPEP V 2007 European Buyout (€)	2007 – 2008	60.8	24.9
HIPEP VI Partnership (€)*	2008 – 2011	128.1	13.8
Total Non-U.S. Fund-of-Funds (5)			
DIRECT FUNDS			
HarbourVest V Direct ($)	1997	$48.0	15.8%
HarbourVest VI Direct ($)	1999	87.5	17.3
HIPEP II Direct ($)	1995	21.0	20.8
HIPEP IV Direct ($)	2001	80.0	21.4
2007 Direct Fund ($)	2007	100.0	13.6
Total Direct Funds (5)			
GLOBAL SECONDARY FUND			
Dover VII ($)*	2007 – 2010	$100.0	3.8%
TOTAL			

* Fund had not held final close at 31 January 2009.

% Called	Investment Value (NAV) at 31 JAN 2009 ($)	Amount Unfunded at 31 JAN 2009 ($)	Total Exposure at 31 JAN 2009 ($)	NAV % of Total Exposure	Unfunded % of Total Exposure
95.0%	$6.1	$2.8	$8.9	69%	31%
98.0	30.1	3.0	33.1	91	9
92.0	145.3	20.7	166.0	88	12
92.0	5.2	0.8	6.0	87	13
70.5	90.8	39.1	129.9	70	30
71.5	44.0	20.0	64.0	69	31
35.0	15.9	32.5	48.4	33	67
31.5	65.2	171.2	236.4	28	72
34.5	13.8	32.8	46.6	30	70
	$416.4	**$322.9**	**$739.3**	**56%**	**44%**
98.1%	$9.2	$2.9	$12.1	76%	24%
96.0	76.3	9.2	85.5	89	11
87.0	63.4	16.2	79.6	80	20
28.5	15.6	43.4	59.0	26	74
0.0	(0.3)	128.1	127.8	0	100
	$164.2	**$199.8**	**$364.0**	**45%**	**55%**
100.0%	$3.9	$0.0	$3.9	100%	0%
97.5	23.1	2.2	25.3	91	9
100.0	0.3	0.0	0.3	100	0
98.0	27.1	1.6	28.7	94	6
27.0	15.9	73.0	88.9	18	82
	$70.3	**$76.8**	**$147.1**	**48%**	**52%**
17.0%	$17.2	$83.0	$100.2	17%	83%
	$668.1	**$682.5**	**$1,350.6**	**49%**	**51%**

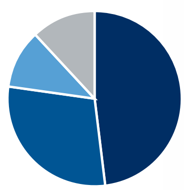
Portfolio Allocation Based on

Investment Value ($668.1 million)



- 62% U.S. Fund-of-Funds
- 25% Non-U.S. Fund-of-Funds
- 11% Direct Funds
- 2% Global Secondary Funds

Amount Unfunded ($682.5 million)



- 48% U.S. Fund-of-Funds
- 29% Non-U.S. Fund-of-Funds
- 11% Direct Funds
- 12% Global Secondary Funds

LARGEST MANAGERS

Over the past 26 years, HarbourVest has built deep relationships with leading private equity sponsors, many of whose funds can be difficult to access for new investors. In many cases, HarbourVest investment professionals are members of the advisory committees of the funds. Relationships and the ability to access certain investment opportunities play a critical role in the private equity investment process. New funds raised by the most sought-after venture capital and buyout managers are generally oversubscribed, making these funds difficult to access for many new investors.

The longevity and continuity of HarbourVest's team has enabled it to cultivate relationships with many of the top-tier and exclusive fund managers, positioning the HarbourVest funds as both preferred prospective investors and preferred investment partners.

At 31 January 2009, HVPE's investments provided exposure to 626 fund interests across multiple high-quality managers (compared to 538 at 31 July 2008 and 533 at 31 January 2008). For each strategy and region, the largest private equity managers based on HVPE's NAV at 31 January 2009 are listed on the following pages. 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 below.

LARGEST MANAGERS BY STRATEGY BASED ON INVESTMENT VALUE

Top 25 Venture Capital/Growth Equity

In aggregate, these managers represented **22.2%**

The five largest managers represented **8.5%**

2.0% to 2.5%
- Oak Investment Partners

1.5% to 2.0%
- New Enterprise Associates
- Sofinnova Partners*
- TA Associates

1.0% to 1.5%
- Accel Partners

0.5% to 1.0%
- Atlas Venture
- Austin Venture
- Battery Ventures
- Domain Associates**
- Draper Fisher Jurvetson
- Foundation Capital**
- Highland Capital Partners
- Index Ventures
- InterWest Partners
- Mayfield Fund
- Menlo Ventures
- Pitango Venture Partners
- Polaris Venture Partners
- Sanderling Venture Partners**
- Sequoia Capital
- Summit Partners
- Thoma Bravo
- Versant Ventures**

Up to 0.5%
- Jerusalem Venture Partners
- Tempo Capital Partners

Top 25 Buyout

In aggregate, these managers represented **23.9%**

The five largest managers represented **7.6%**

1.5% to 2.0%
- BC Partners
- Doughty Hanson & Co.
- Silver Lake Technology Management

1.0% to 1.5%
- Accretive Exit Capital Partners
- American Capital
- CVC Capital Partners
- IK Investment Partners
- The Jordan Company

0.5% to 1.0%
- Advent International
- Alpha Group
- Apax Partners (U.K.)**
- Bain Capital
- Berkshire Partners
- The Blackstone Group
- Brait Manager Mauritius Limited
- BS Investments
- Clyde Blowers Capital**
- Code Hennessey & Simmons**
- GTCR Golder Rauner
- Hellman & Friedman
- KKR Associates Europe
- Newbridge Capital Group
- Nordic Capital
- Providence Equity Partners
- Welsh, Carson, Anderson & Stowe

Top 10 Mezzanine And Other

In aggregate, these managers represented **2.4%**

The five largest managers represented **1.6%**

0.5% to 1.0%
- Welsh, Carson, Anderson & Stowe

Up to 0.5%
- Capital Resource Partners
- Clearwater Capital Partners
- Falcon Investment Advisors
- GSO Capital Partners**
- Indigo Capital
- Levine Leichtman Capital Partners
- Lighthouse Capital Partners
- Oaktree Capital Management
- RBS Asset Management

The longevity and continuity of HarbourVest's team has enabled it to cultivate relationships with many of the top-tier and exclusive fund managers, positioning the HarbourVest funds as both preferred prospective investors and preferred investment partners.

LARGEST MANAGERS BY REGION BASED ON INVESTMENT VALUE

Top 25 U.S.

In aggregate, these managers represented **26.2%**

The five largest managers represented **8.9%**

2.0% to 2.5%

Oak Investment Partners

1.5% to 2.0%

New Enterprise Associates
Silver Lake Technology Management
TA Associates

1.0% to 1.5%

Accretive Exit Capital Partners
American Capital
The Jordan Company
Thoma Bravo
Welsh, Carson, Anderson & Stowe

0.5% to 1.0%

Accel Partners**
Austin Ventures
Bain Capital
Battery Ventures
Berkshire Partners
The Blackstone Group
Draper Fisher Jurvetson
GTCR Golder Rauner
Hellman & Friedman
Highland Capital Partners
InterWest Partners
Menlo Ventures
Polaris Venture Partners
Providence Equity Partners
Sanderling Venture Partners**
Summit Partners

Top 25 Europe

In aggregate, these managers represented **18.5%**

The five largest managers represented **7.5%**

1.5% to 2.0%

BC Partners
Doughty Hanson & Co.
Sofinnova Partners*

1.0% to 1.5%

CVC Capital Partners
IK Investment Partners

0.5% to 1.0%

Alpha Group
Apax Partners (U.K.)
Atlas Venture
BS Investments
CapVis Limited
Clyde Blowers Capital**
Index Ventures
KKR Associates Europe
Nordic Capital
Permira Advisers
QC Private Equity

Up to 0.5%

ABENEX Capital
Accel Partners**
Candover Partners
Cinven Limited
Galileo Partners
Kennet Venture Partners
Macquarie Capital Funds**
Tempo Capital Partners
Ventizz Capital Partners

Top 10 Asia And Rest Of World

In aggregate, these managers represented **5.2%**

The five largest managers represented **3.5%**

0.5% to 1.0%

Advent International
Brait Manager Mauritius Limited
Newbridge Capital Group
Pitango Venture Capital

Up TO 0.5%

CHAMP**
Clearwater Capital Partners
CVC Capital Partners Asia
HM Capital Partners
Jerusalem Venture Partners
Unitas Capital**

* Jean-Bernard Schmidt, an Independent Director of HVPE, is Managing Partner of Sofinnova Partners.

** Manager not included in largest managers at 31 July 2008.

LARGEST UNDERLYING COMPANIES BASED ON INVESTMENT VALUE

At 31 January 2009, the HVPE portfolio included interests in 5,705 company investments (held by the HarbourVest funds both directly and indirectly), compared to 5,612 at 31 July 2008 and 5,560 at 31 January 2008. The 25 largest portfolio company investments based on NAV at 31 January 2009 are listed below.The companies are grouped by percentage of investment value and shown in alphabetical order.

Companies in bold below are held at least in part in HarbourVest direct funds and represent 16 of the top 25 holdings. In most cases, HarbourVest has access to more complete financial information on these companies, and in some cases, HarbourVest representatives sit on the companies' Board of Directors.

In aggregate, these investments represented **16.2%**
The five largest investments represented **6.0%**

Company	Status	Location	Industry
2.0% to 2.5%			
Nycomed SCA-SICAR	**Private**	**Denmark**	**Medical/Biotech**
1.0% to 1.5%			
The Sun Products Corporation*	**Private**	**U.S.**	**Consumer Products**
0.5% to 1.0%			
Acromas Holdings (Saga/AA)	**Private**	**U.K.**	**Consumer Products**
Avago Technologies, Inc.	Private	U.S.	Tech Other
AWS Convergence Technologies, Inc.	**Private**	**U.S.**	**Tech Services**
CDW Corporation, Inc.	**Private**	**U.S.**	**Tech Services**
CoreValve Inc.*	Private	U.S.	Medical/Biotech
The Hillman Group	**Private**	**U.S.**	**Consumer Products**
Legrand Holdings S.A.	Public	France	Industrial
LM Glasfiber A/S	Private	Denmark	Cleantech
Mimeo.com, Inc.	**Private**	**U.S.**	**Software**
MYOB Limited*	**Private**	**Australia**	**Software**
Nero A.G.	**Private**	**Germany**	**Software**
Radiation Therapy Services	**Private**	**U.S.**	**Medical/Biotech**
Shenzhen Development Bank	Public	China	Financial
Up to 0.5%			
Camstar Systems, Inc.	**Private**	**U.S.**	**Software**
Clearwater Undersea Cable Investments*	Private	Singapore	Media/Telecom
Datatel, Inc.*	**Private**	**U.S.**	**Software**
GTS Central European	**Private**	**Hungary**	**Media/Telecom**
MobileAccess Networks, Inc.*	**Private**	**U.S.**	**Media/Telecom**
Net 1 UEPS Technologies Inc.	Public	South Africa	Software
Pepkor Holdings*	Private	South Africa	Consumer Products
PSI Holdings Inc. (Akibia)	**Private**	**U.S.**	**Business Services**
SunGard Data Systems, Inc.	Private	U.S.	Software
Transmode	**Private**	**Sweden**	**Media/Telecom**

* Company not included in top 25 at 31 July 2008.

PUBLICLY-LISTED SECURITIES BASED ON INVESTMENT VALUE

At 31 January 2009, approximately 9% of the HVPE investment portfolio was made up of publicly-listed securities. The decline in publicly-listed securities from 14% of NAV at 31 July 2008 and 16% at 31 January 2008 reflects the larger mark downs experienced in the public markets relative to HVPE's privately-held companies and the August 2008 sale of *ersol* (detailed previously), which represented over 2.0% of NAV at 31 July 2008.

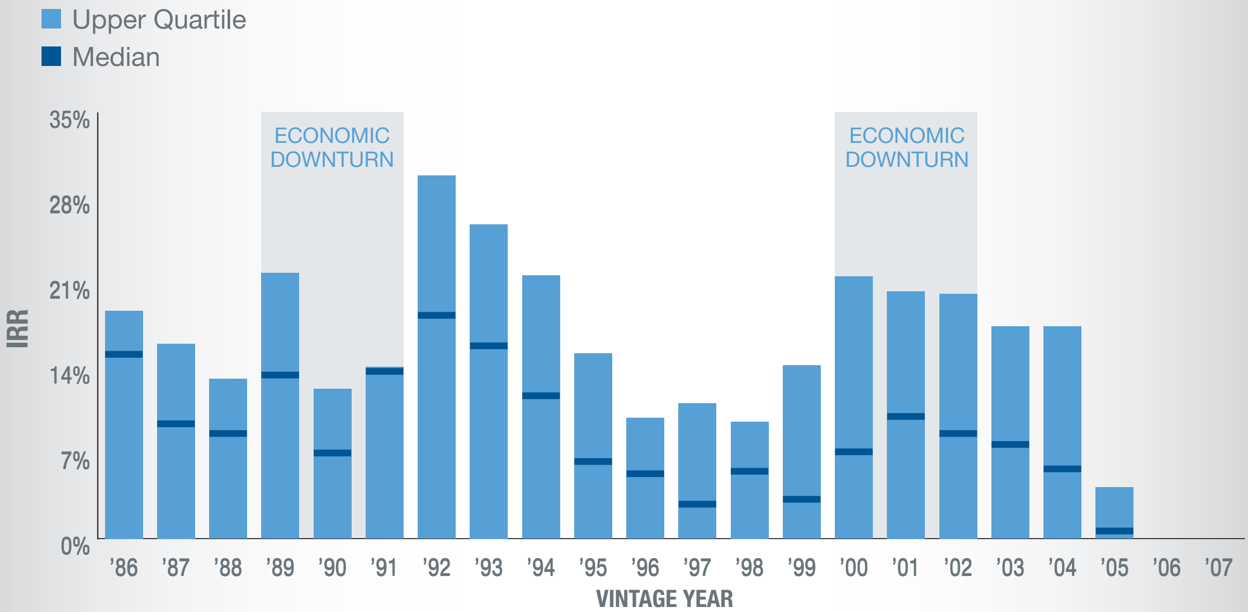
HVPE holds many of its publicly-listed securities indirectly through fund interests managed by third parties. In many cases, the shares are subject to lock-up provisions following an initial public offering ("IPO"). The liquidation of indirectly held publicly-listed securities is at the discretion of the third party manager, who can sell shares and distribute the proceeds to HarbourVest funds or distribute the shares to HarbourVest funds. When HarbourVest funds receive stock distributions, HarbourVest focuses on achieving liquidity for investors as soon as is practical, subject to market conditions. The 25 largest publicly-listed investments based on HVPE's NAV at 31 January 2009 are grouped by percentage of investment value and shown in alphabetical order.

In aggregate, these investments represented **4.5%**
The five largest investments represented **2.4%**

Company	Location	Industry
0.5% to 1.0%		
Legrand Holdings S.A.	France	Industrial
Shenzhen Development Bank	China	Financial
Up to 0.5%		
3PAR, Inc.*	U.S.	Tech Other
Ablynx NV	Belgium	Medical/Biotech
Addex Pharmaceuticals	Switzerland	Medical/Biotech
Alpha Radio BV	France	Media/Telecom
Emeritus Corporation	U.S.	Other
ersol Solar Energy AG	Germany	Cleantech
Flextronics International*	U.S.	Tech Services
Gartner Group, Inc.*	U.S.	Tech Services
Isilon Systems	U.S.	Tech Other
MedAssets, Inc.	U.S.	Medical/Biotech
Mediacontech S.p.A.*	Italy	Media/Telecom
MetroPCS Communications	U.S.	Media/Telecom
The Nasdaq OMX Group, Inc	U.S.	Financial
Net 1 UEPS Technologies Inc.	South Africa	Software
Nikas S.A.	Greece	Consumer Products
Otor SA	France	Industrial
Palm, Inc.*	U.S.	Media/Telecom
PARIS RE	Switzerland	Financial
Republic Services, Inc.*	U.S.	Cleantech
Smurfit Kappa	Ireland	Industrial
TAL International Group, Inc.	U.S.	Business Services
Whole Foods Market, Inc.*	U.S.	Consumer Other
Zhuhai Zhongfu*	China	Consumer Products

* Company not included in top 25 at 31 July 2008.

Private Equity Performance Across Market Cycles: U.S. BUYOUT



Source: *Venture Economics,* U.S. buyout returns at 31 December 2008
Data after 2005 vintage year is not yet meaningful.

Commitments and Balance Sheet Review

HVPE's Investment Manager consistently seeks to invest capital over time across a broad range of strategies, resulting in ongoing vintage year diversification. While many private equity investors have responded to cyclical economic declines and reduced distributions by limiting new commitments, historical data indicates that investors can benefit from continued investing. As shown in the chart above, over the last two economic downturns, the most attractive relative vintage years have come during or just after periods of economic recession when asset valuations were depressed.

HVPE's objective of remaining fully invested through the economic cycle has important implications for its balance sheet strategy. Capital committed to a new private equity fund is typically drawn down over multiple years as investments are made, while capital is only returned as realisations occur. In order to minimise the negative impact of holding significant amounts of low-yielding cash, listed private equity companies typically implement an over-commitment strategy, where the portfolio contains more commitments than cash available on the balance sheet.

In a typical market environment, private equity managers can expect to receive cash distributions that are used to fund outstanding commitments. However, executing an over-commitment strategy in a recessionary, liquidity-constrained market is often more difficult. In a market environment like 2008 or 2009, drawdowns can decline over 50% from peak periods, while distributions can decline more than 80%, resulting in unpredictable cash flows and a need for additional liquidity to fund commitments not covered by distributions or cash reserves.

For private equity investors, a fundamental issue is determining the appropriate level of commitments. Managers must balance the benefits of remaining fully and effectively invested against the risk of defaulting on future capital calls.

HVPE's Investment Manager consistently seeks to invest capital over time across a broad range of strategies, resulting in ongoing vintage year diversification.

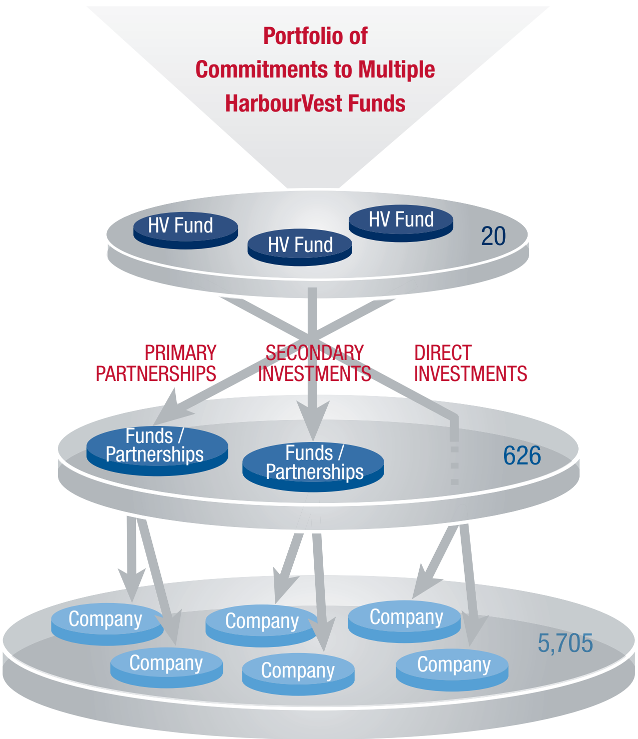
COMMITMENTS

At 31 January 2009, HVPE had total outstanding commitments of $682.5 million, which the Investment Manager considers to be appropriate even in the current economic environment. The Investment Manager's analysis of commitments considers various factors, including HVPE's distinct three-tiered fund-of-funds structure, the anticipated pace of capital calls and distributions, and the flexibility provided by HVPE's long-term credit facility.

The chart below illustrates HVPE's three-tiered fund-of-funds structure. HVPE makes commitments to HarbourVest funds, which in turn commit capital to underlying partnerships over the next three to four years. Of HVPE's total outstanding commitments to HarbourVest funds of $682.5 million at 31 January 2009, $487.8 million (71%) has been allocated by HarbourVest to underlying partnerships, while $194.7 million (29%) has not yet been allocated to underlying partnerships.

All of HVPE's commitments to HarbourVest direct and secondary funds are classified as "allocated" commitments because their drawdown profiles are more similar to that of third party partnerships. Notably, the inclusion of all secondary commitments in the "allocated" tranche is a conservative change from previous classifications and results in an approximate $72 million of additional commitments in the "allocated" tranche. The Company intends to classify its commitments on this basis going forward.

The Investment Manager's analysis of commitments considers various factors, including HVPE's distinct three-tiered fund-of-funds structure, the anticipated pace of capital calls and distributions, and the flexibility provided by HVPE's long-term credit facility.



NAV of Investments + Unfunded Commitments*

$195 million Unfunded Commitments
(Not Allocated to Underlying Partnerships)*

$488 million Unfunded Commitments
(Allocated to Underlying Partnerships)

$683 MILLION TOTAL UNFUNDED COMMITMENTS

$668 MILLION NAV OF INVESTMENTS

$1,351 million
Total Private Equity Exposure

* At 31 January, approximately $195 million of HVPE's total unfunded commitments of $683 million represent commitments to HarbourVest funds that have not yet been committed to underlying partnerships.

The table to the right illustrates the change in HVPE's commitments in the year ended 31 January 2009 and the movement of those commitments from "not allocated" to "allocated" to drawn capital (and part of HVPE's NAV).

- At the beginning of the year, HVPE had $689.6 million of commitments to HarbourVest funds, of which $496.1 million was allocated to underlying partnerships and $193.5 million was not allocated to underlying partnerships.
- Over the course of the year, HVPE committed €100 million ($156.0 million) to HIPEP VI Partnership (not allocated).
- During the same period, $124.6 million, or 64% of the commitments that were not allocated at the beginning of the year, were allocated to underlying partnerships as HarbourVest fund-of-funds made new primary partnership commitments.
- Finally, $128.4 million, or 26% of HVPE's allocated but unfunded commitments at the beginning of the year were drawn and became part of the Company's NAV.

Please note that within this calculation, some variance exists due to the currency impact of commitments made to funds not denominated in U.S. dollars.

Analysis of Commitments ($ millions)

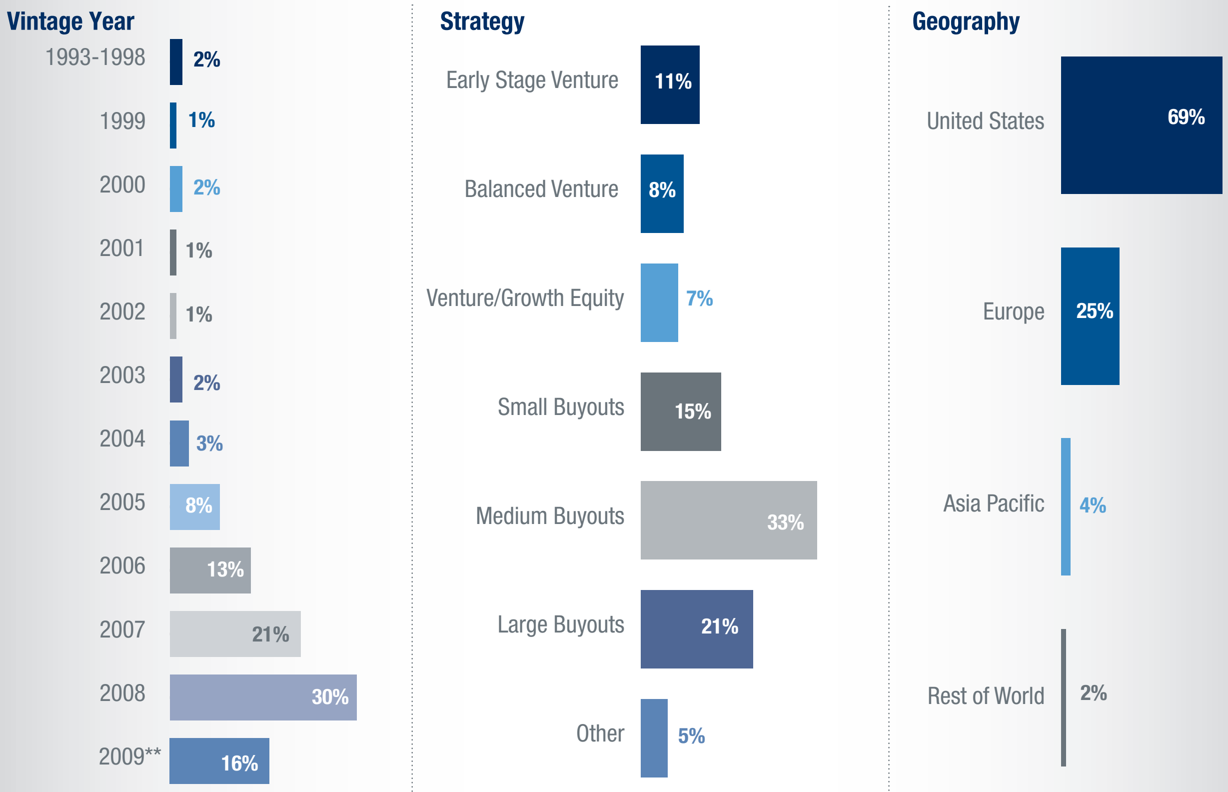
31 January 2008 to 31 January 2009

COMMITTED – NOT ALLOCATED (BEGINNING OF YEAR)	**$193.5**
New Commitments to HarbourVest Funds	156.0
Commitments Allocated	(124.6)
FX Change	(30.2)
COMMITTED – NOT ALLOCATED (END OF YEAR)	**$194.7**
COMMITTED – ALLOCATED (BEGINNING OF YEAR)	**$496.1**
Commitments Allocated	124.6
Drawdowns	(128.4)
FX Change	(4.5)
COMMITTED – ALLOCATED (END OF YEAR)	**$487.8**
TOTAL COMMITMENTS (BEGINNING OF YEAR)	**$689.6**
New Commitments to HarbourVest Funds	**156.0**
Drawdowns	**(128.4)**
FX Change	**(34.7)**
TOTAL COMMITMENTS (END OF YEAR)	**$682.5**

MIX OF ALLOCATED COMMITMENTS

HVPE's allocated (but unfunded) commitments include commitments to U.S. and non-U.S. partnerships, secondary funds, and direct funds across vintage years, strategies, and geographies. The mix related to the primary fund-of-funds portfolio as well as commitments purchased by secondary funds is shown below.

Diversification of Allocated Unfunded Commitments at 31 January 2009*

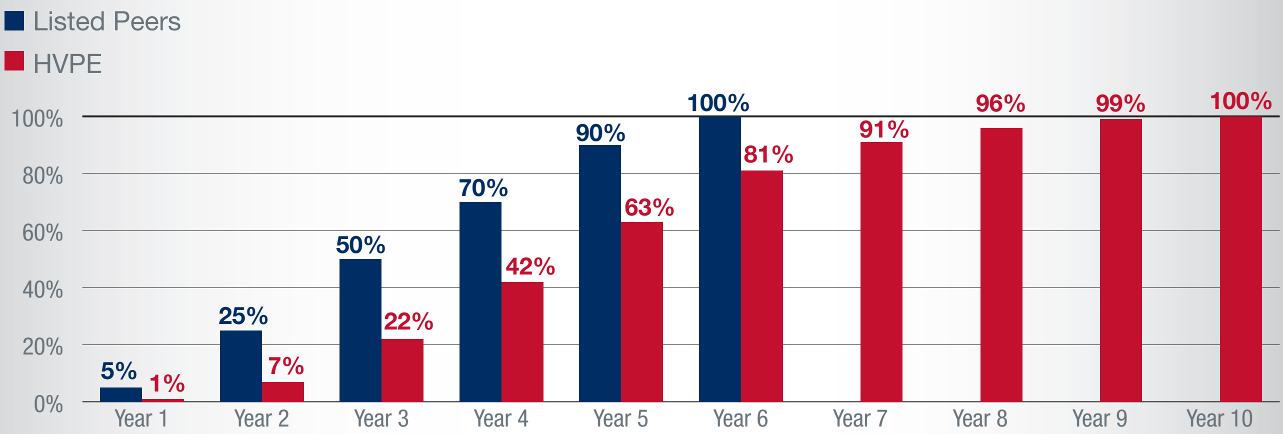


Diversification charts add to 100%.

* Allocated primary commitments plus commitments purchased by secondary funds.

** Some partnership commitments had not called capital at 31 January 2009.

Estimated Timing of Capital Calls
Cumulative Percentage of Commitment Drawn by Year



PACE OF DRAWDOWNS

HVPE's expected drawdown schedule differs significantly from its listed peers and is driven by HVPE's differentiated three-tiered fund-of-funds structure. Most listed fund-of-funds vehicles make commitments directly to newly-formed third party partnerships, which are expected to draw down most of the commitments over three to five years. In contrast, HVPE makes the majority of its commitments to newly-formed HarbourVest primary fund-of-funds, which typically have a seven to nine-year drawdown period. This extended drawdown period reflects the fact that HarbourVest primary fund-of-funds commit capital to partnerships over a period of three to four years, which in turn build their portfolios and generally draw down most capital over the next three to five years. A hypothetical comparison of HVPE's expected capital calls relative to a listed peer's expected capital calls is shown above.

At the end of year three for a hypothetical partnership commitment, the listed peer's underlying partnership would have drawn approximately 50% of the commitment, while the HarbourVest fund-of-funds would have drawn only approximately 22%. Similarly, by the end of year five, approximately 90% of the listed peer's commitment would be drawn, compared to only 63% of HVPE's commitment.

These differing drawdown schedules have a significant impact on the level of commitments that can be supported, even for two companies of similar NAV and vintage year profiles. In the hypothetical example shown above, if current investments are expected to liquidate over five years, each company could support a level of commitments equal to its NAV divided by its cumulative percentage of commitment drawn down by the end of year five. Therefore, the peer manager could support total commitments equal to 111% of NAV, while HVPE could support commitments to HarbourVest primary fund-of-funds equal to 159% of NAV. To the extent that the vehicle's NAV is made up of more mature vintages and relatively faster distributions are expected, the NAV base could potentially support even higher commitment levels.

HVPE's expected drawdown schedule differs significantly from its listed peers and is driven by HVPE's differentiated three-tiered fund-of-funds structure. HVPE makes the majority of its commitments to newly-formed HarbourVest primary fund-of-funds, which have a seven to nine-year drawdown period.

CREDIT FACILITY

HVPE's commitment strategy is predicated on a typical operating environment for private equity where distributions received are generally at a level sufficient to fund capital calls. However, private equity cashflows can vary greatly in different markets and cannot always be predicted with a high degree of accuracy. Private equity managers often require additional capital to bridge short-term differences between incoming and outgoing cash flows.

During past market cycles, HVPE's Investment Manager has experienced significant variations in distributions and drawdowns from peak to trough periods. In order to address the natural variability between the receipt of distributions and the requirement to fund commitments, HVPE secured its long-term $500 million multi-currency revolving credit facility with The Bank of Scotland, a subsidiary of HBOS, on 4 December 2007.

Under the terms of the agreement, HVPE may borrow, repay, and reborrow 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. As discussed previously, the revolving credit facility bears variable interest at LIBOR plus 150 basis points on drawn amounts and carries an annual commitment fee of 40 basis points on the unused portion of the facility.

The credit facility contains financial covenants that, among other things, 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 on a quarterly basis. In addition, non-financial covenants confer customary limitations that restrict HVPE's ability to, among other things, 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. Under the terms of the agreement, HBOS may choose to syndicate the facility.

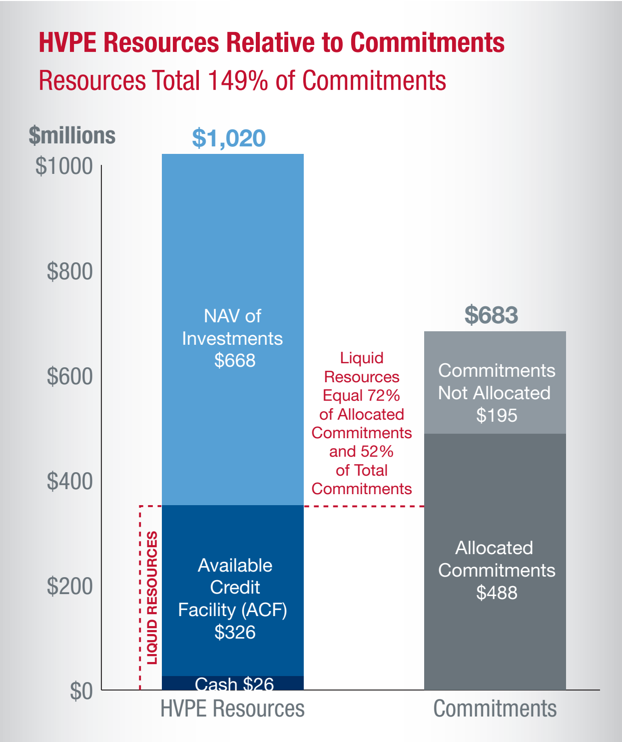
From 1 February 2008 to 31 January 2009, the Company drew down a total of $87.5 million, repaid $27.5 million, and $60.0 million of borrowings remained outstanding under the facility as at 31 January 2009. Based on the Asset Test Covenant, the remaining maximum amount available to be drawn at 31 January 2009 was $326.1 million. HVPE also had $26.2 million in cash on its balance sheet. While the Investment Manager expects borrowings under the facility to increase in the current economic environment, the Company intends to repay the facility as distributions return to more normal levels. HVPE's Investment Manager does not believe that permanent leverage is appropriate for the Company's balance sheet.

In January 2009, HBOS was acquired by Lloyds TSB Group plc, creating Lloyds Banking Group plc. The combined institution has received equity infusions and balance sheet support from the U.K. government, which now owns approximately 43% of the combined company. HVPE's Investment Manager does not expect the acquisition or the government ownership to have a material impact on the credit facility, which is fully committed until December 2014.

In order to address the natural variability between the receipt of distributions and the requirement to fund commitments, HVPE secured its long-term $500 million multi-currency revolving credit facility with The Bank of Scotland, a subsidiary of HBOS, on 4 December 2007.

COMMITMENT RATIOS

At 31 January 2009, HVPE had total liquid resources, including cash and the remaining available credit facility, of $352.3 million; and total resources, including NAV, of $1,020.4 million to meet its commitments. Total resources represent 149% of total commitments, as shown on the following page.



HVPE's Investment Manager considers two ratios to be critical in analysing its balance sheet position and commitment levels relative to peers:

- The Commitment Level Ratio measures the ratio of private equity exposure (NAV of investments plus commitments) relative to NAV.
- The Commitment Coverage Ratio, calculated as the ratio of liquid resources (cash plus available credit facility) to commitments, measures the Company's ability to fund its obligations.

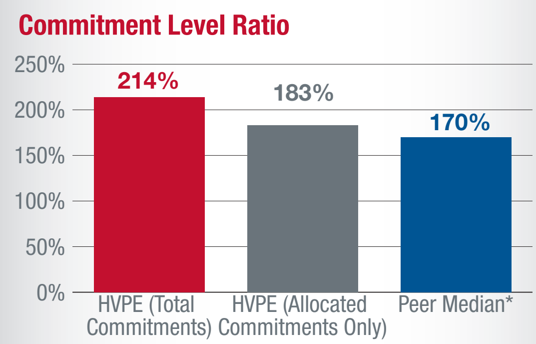
When comparing HVPE's commitments and associated ratios to its peers, the Investment Manager believes that it is most appropriate to include only those commitments that have been allocated to underlying partnerships. The portion of HVPE's commitments that have not yet been allocated to underlying partnerships are not at risk of being called immediately and are not likely to be called for several years. However, in order to provide a complete picture, total unfunded commitments are also analysed because they represent the Company's total outstanding legal obligations that may be funded over time.

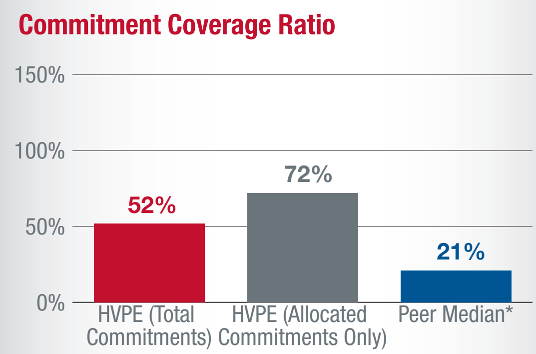
The chart to the right illustrates HVPE's Commitment Level Ratios and Commitment Coverage Ratios relative to its peers. HVPE's Commitment Level Ratio at 31 January 2009 was 214% based on total unfunded commitments and 183% based on unfunded commitments that are allocated to underlying partnerships. The listed peer group's median Commitment Level Ratio is approximately 170% as shown in the chart.

HVPE's Commitment Coverage Ratio at 31 January 2009 was 52% of total commitments and 72% of allocated commitments, a significantly stronger ratio than what the Investment Manager believes is the peer average of 21%. Several listed peers have recently announced plans or taken action to lower their commitment level ratios and improve their commitment coverage ratios.

During the year ended 31 January 2009, HVPE's Commitment Level Ratio based on total unfunded commitments increased from 178% to 214%. While HVPE's absolute level of commitments declined by $7.1 million (1.0%) during the year, the denominator in the calculation declined by 26.8% as HVPE's NAV decreased during the second half of the year.

HVPE's Commitment Coverage Ratio on total unfunded commitments declined during the year from 76% to 52%. This decline was driven by a $168.7 million decrease in the level of cash and available credit as liquid resources were used to fund drawdowns and the maximum amount of credit available was reduced as falling NAV affected the facility's Asset Test Covenant.





Source: Oriel Securities Limited and company reports

* Reflects 31 December 2008 for Absolute Private Equity AG, AIG Private Equity Ltd, J.P. Morgan Private Equity Ltd, Castle Private Equity AG, Conversus Capital LP, F&C Private Equity Trust PLC, Graphite Enterprise Trust PLC, NB Private Equity Partners, Pantheon International Participations PLC, Princess Private Equity Holdings Ltd, Standard Life European Private Equity PLC, and SVG Capital PLC. Reflects 31 January 2009 for HVPE.

CASH FLOWS

From 1 February 2008 to 31 January 2009, HVPE funded $128.4 million of capital calls and received $83.3 million in distributions from HarbourVest funds. The current financial environment, highlighted by a severe lack of liquidity, market volatility, and economic uncertainty has significantly affected HVPE's distributions and drawdowns.

Relative to the pro forma financial year ended 31 January 2008, capital calls increased 26%, and distributions declined 59%. Net cash flows (distributions less drawdowns) were $102.9 million in the financial year ended 31 January 2008, compared to ($45.1 million) in the year ended 31 January 2009, a decline of $148.0 million.

Capital Calls

In the year ended 31 January 2009, capital was called by 14 of the 20 HarbourVest funds in the portfolio. The largest capital calls were funded to the following HarbourVest funds, which together represent 72% of the total drawdowns in the year ended 31 January 2009.

- HarbourVest VIII Buyout
- Dover VII (a global secondary fund)
- HarbourVest VII Venture Partnership
- HIPEP V 2007 European Buyout
- HarbourVest VIII Mezzanine and Distressed Debt
- HarbourVest VIII Venture

In the fourth quarter, capital calls of $17.3 million were 53% less than the average of $37.1 million in each of the prior three quarters. The ratio of capital calls to total commitments was 10% on an annualised basis in the fourth quarter, down from a 21% annualised rate over the first three quarters.

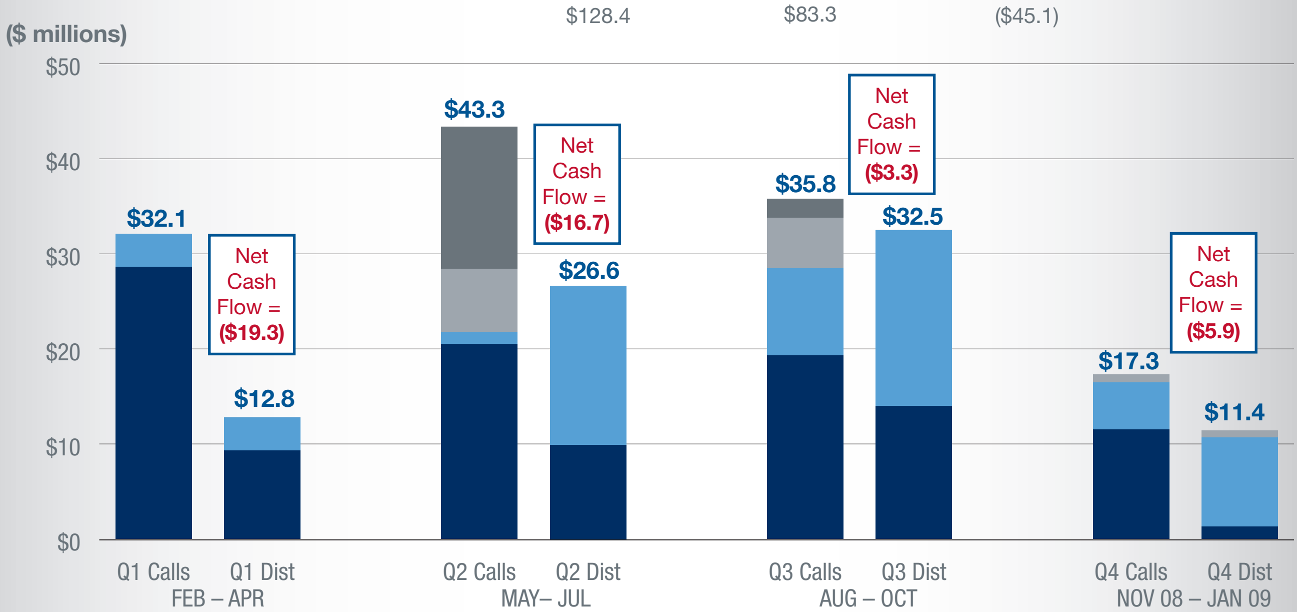
Distributions

During the year ended 31 January 2009, distributions were received from 10 of HVPE's 20 HarbourVest investments, including U.S. and non-U.S. fund-of-funds focused on venture capital and buyout, as well as a mature non-U.S. direct fund.

Total Quarterly Contributions and Distributions

01 February 2008 to 31 January 2009

	FY 2009		
	Contributions	Distributions	Net Cash Flow
U.S. Fund-of-Funds	$79.8	$34.5	($45.3)
Non-U.S. Fund-of-Funds	18.9	48.1	29.2
Direct Funds	12.7	0.7	(12.0)
Secondary Funds	17.0	0.0	(17.0)
	$128.4	$83.3	($45.1)



- HIPEP IV Partnership accounted for approximately 33% of total distributions.
  - HIPEP IV Partnership was formed in 2001 to make primarily European venture and buyout partnership investments. The largest liquidity event during the period was the August 2008 sale of *ersol,* detailed previously.

- HarbourVest VI Partnership accounted for approximately 25% of total distributions.
  - HarbourVest VI Partnership was formed in 1999 to make primarily U.S.-based venture capital and buyout partnership investments (primary and secondary).

HIPEP IV Partnership and HarbourVest VI Partnership are currently harvesting their partnership investments.

In the fourth quarter, distributions of $11.4 million were down 52% from the average of $24.0 million received in each of the previous three quarters. The ratio of distributions to NAV of investments was 6% on an annualised basis in the fourth quarter, down from a 12% annualised rate over the first three quarters.

HVPE'S ABILITY TO MEET FUTURE CAPITAL CALLS

Given the current economic environment, including reduced NAV and lower levels of distributions in the last quarter of the year ended 31 January 2009, the Investment Manager continuously reviews HVPE's level of commitments relative to the sources of liquidity discussed earlier in this section. HVPE's Investment Manager has analysed a number of hypothetical scenarios that vary NAV declines, distributions-to-NAV ratios and drawdowns-to-commitment ratios. Based on these analyses, the Investment Manager is comfortable with HVPE's level of commitments and liquidity in the current environment. As market conditions continue to evolve, the Investment Manager will continue to review its analyses and take appropriate action, if necessary, to ensure that HVPE can meet its financial obligations.

Recent Events

Subsequent to HVPE's financial year ended 31 January 2009, the following events have taken place: the March 2009 appointment of Amanda McCrystal as HVPE's Head of Investor Relations and Communications; the May 2009 appointment of Oriel Securities Limited as HVPE's Corporate Broker; and the publication of HVPE's estimated NAV at each month end.

AMANDA MCCRYSTAL JOINS AS HEAD OF INVESTOR RELATIONS AND COMMUNICATIONS

Amanda McCrystal joined HarbourVest's London-based subsidiary in early March 2009 to manage relationships with investors and prospective investors in HVPE. She joined HarbourVest from Bramdean Asset Management LLP, a specialist investor in private equity and alternative assets, where she was Head of Investor Relations, Marketing & Communications. While at Bramdean, she was actively involved in the listing of Bramdean Alternatives Limited on the London Stock Exchange as well as the company's investor, analyst, and media relations. Amanda started her career at U.K. merchant bank SG Warburg Group before branching out into the media industry where she worked in financial journalism, public relations consulting, and interactive television.

APPOINTMENT OF ORIEL SECURITIES LIMITED AS CORPORATE BROKER

In May 2009, HVPE's Board of Directors approved the appointment of Oriel Securities Limited as the Company's Corporate Broker. The former corporate broker, UBS Limited, closed its investment companies division in late 2008. The members of the UBS team who had worked with HVPE subsequently moved to Oriel, an established broker based in London. After careful consideration, the Company selected Oriel as its broker, ensuring continuity of the dedicated team already familiar with HVPE.

In May 2009, the Company selected Oriel as its corporate broker, ensuring continuity of the dedicated team already familiar with HVPE.

PUBLICATION OF ESTIMATED NAV AT 30 APRIL 2009

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

At 30 April 2009, HVPE's estimated NAV per share was $7.70, representing a 1.2% increase from the 31 January 2009 NAV per share of $7.61. This change resulted primarily from increases in the value of publicly-traded holdings to 30 April and foreign currency movement for non-US. dollar denominated holdings. These gains were partially offset by ongoing operating expenses.

During the three months to 30 April, HVPE did not make any new commitments or purchase additional interests in HarbourVest funds. During this period, HVPE funded $26.6 million of capital calls and received $10.7 million of distributions. Of the Company's total unfunded commitments of $661.5 million at 30 April, approximately $481.8 million has been committed by HarbourVest funds to underlying partnerships, while the remaining $179.7 million has not yet been committed (note that this reflects the new methodology discussed previously).

In April, the Company drew down $30 million of additional capital against its $500.0 million credit facility. At 30 April 2009, a total of $90.0 million has been drawn. Based on the facility's most restrictive covenant, the remaining amount currently available is $300.2 million. The Company also has $36.5 million of cash on its balance sheet. At 30 April, HVPE's cash and available credit facility of $336.7 million represents 70% of commitments allocated to underlying partnerships and 51% of total commitments.

At 30 April 2009, HVPE's estimated NAV per share was $7.70, representing a 1.2% increase from the 31 January 2009 NAV per share of $7.61.

Investment Manager's Market Commentary

2008 marked one of the most dramatic and volatile periods in global financial history. The third and fourth quarters of 2008 brought sweeping changes to the financial industry and precipitated the global economic downturn. The second half of the year witnessed the demise of a number of leading investment banks, consolidation in the U.S. banking and insurance sectors, and unprecedented government bailout initiatives. In response, public equity markets around the world plummeted. The market dislocation has caused a sharp decline in savings and consumer confidence, as well as increased unemployment. These factors have driven reduced demand for many products and services, negatively affecting both publicly-traded and privately-held companies.

Private companies continue to experience downward valuation pressure as a result of mark-to-market adjustments. In some cases, writedowns result from public company comparables, while operating performance remained relatively steady. Private equity managers are focused on supporting portfolio company growth to withstand the economic slowdown and position them for success in a stronger market environment.

U.S. MARKET

2008 proved to be an exceptionally challenging year for the U.S. economy. What began with the seizure of credit markets rapidly swelled into a widespread economic crisis that included the collapse and rescues of some major Wall Street institutions, the passing of emergency fiscal legislation, and sweeping redundancies at some of the nation's largest corporations. By December 2008, the *National Bureau of Economic Research* declared that the U.S. economy was officially in recession.

Investor uncertainty, coupled with a massive global deleveraging, resulted in broad sell-offs across the U.S. public markets. In the second half of 2008, the major U.S. public indices fell precipitously, with the Dow Jones Industrial Average falling 31% during the period, and the S&P 500 down 35%. Real GDP shrank at an annual rate of 6.2% in the fourth quarter of 2008, marking the worst level of economic decline since the 1982 recession.

Unsurprisingly, fundraising, investment, trade sales, and distribution activity slowed across the private equity industry in late 2008, a period marked by an almost total absence of IPOs, as well as a dramatic slowdown in mergers and acquisitions (M&A).

Venture Capital Activity

Despite remaining relatively stable through the first three quarters of the year, U.S. venture capital fundraising and investment activity fell during the fourth quarter of 2008. According to *Venture Economics,* 43 venture capital funds raised $3.4 billion during the fourth quarter, compared to the 62 funds that raised $8.4 billion in the previous quarter. For the full year, 211 funds raised $27.9 billion, falling short of the $35.5 billion raised in 2007. Venture capital disbursements to companies through the third quarter held steady at $22.9 billion, but also fell in the fourth quarter, totalling $28.3 billion for the year, compared to the $30.8 billion invested in 2007. The amount of capital raised and invested by venture funds continued to be balanced, reducing the risk of capital overhang.

The global economic downturn had a severe impact on opportunities for venture-backed trade sales and IPOs. According to *Venture Economics,* venture-backed companies generated just $14.0 billion in IPO and M&A exit value in 2008, a 65% decline from the $39.9 billion produced in 2007. There were no venture-backed IPOs in the second quarter, and only one IPO was completed in the second half of the year. In total, only six venture-backed companies completed IPOs in 2008, generating $470.0 million in value. M&A activity during the period was also weak, with 333 transactions raising $13.3 billion, marking an 11% decline in M&A activity and a 55% decline in the dollar amount generated compared to 2007. As exit activity has slowed and holding periods have increased, venture managers continue to focus on operations and cash management, as well as conservative budgeting of reserves and fund capital, to help ensure flexibility within the current difficult market conditions.

Buyout Activity

Buyout fundraising remained stable through the first three quarters of 2008, but declined significantly in the fourth quarter, with $14.7 billion raised, down considerably from the $46.7 billion raised in the previous quarter. According to *Venture Economics,* 158 funds raised $161.5 billion in 2008, compared to the 179 funds that raised $193.4 billion in 2007. Despite this drop from the record levels set in the previous year, 2008 still represents the second-highest year on record for private equity fundraising.

Private equity deal activity was also affected by the global economy, particularly given the withdrawal of viably-priced debt. According to *Buyouts*, U.S. buyout managers closed a total of 859 change-of-control deals for a disclosed value of $136.1 billion, a sharp decline from 2007's record-setting $474.8 billion in disclosed deal value. Given the steep market falls and continued lack of investor appetite, the market for IPOs remained challenging through to the end of the year, further hindering exit opportunities for U.S. buyout managers. According to *Venture Economics*, only six buyout-backed companies completed IPOs in 2008, raising $1.3 billion. M&A activity was also weak, with $35.8 billion of disclosed value reported from 112 exits. This compares to the $43.8 billion of disclosed value from 169 exits in 2007.

Given the steep market falls and continued lack of investor appetite, the market for IPOs remained challenging through to the end of the year, further hindering exit opportunities for U.S. buyout managers.

Debt Activity

Consolidation in the banking and financial services sector has dramatically reduced the number of lenders, affecting the availability of credit for mergers and acquisitions. The constricted credit markets and the downturn in the economy are likely to create opportunities for distressed managers, and, to a lesser extent, mezzanine managers, as these managers may be well positioned to take advantage of increasing default rates and the need for alternate sources of financing.

According to *Venture Economics*, distressed debt and turnaround managers attracted $23.2 billion of new commitments in 2008, double the $10.3 billion raised in 2007. Mezzanine debt managers also experienced a dramatic increase in fundraising activity, with $23.7 billion raised, almost twice the $11.9 billion raised in 2007. In terms of investment activity, early indications are that disbursements by both distressed and mezzanine managers in 2008 outpaced 2007 levels. Deal activity among distressed and mezzanine managers is expected to maintain that momentum.

Outlook

The severe challenges in the global economy have had a serious impact on both the public and private equity markets, and many economists do not anticipate a trend towards recovery until at least the end of the year. In mid-February 2009, the U.S. Federal Reserve projected that GDP would decline by -0.5% to -1.3% in 2009; however, experts polled by *The Economist Intelligence Unit* are forecasting an even greater contraction of -3.1%. In addition, although falling interest rates had previously caused upward pressure on inflation, the Federal Reserve now suggests that a prolonged recession may cause inflation rates to remain "abnormally low" through at least 2010. As investors struggle to mitigate the risks of the current downturn to their portfolios, investment pace and exit opportunities for both buyout and venture capital managers are expected to remain sluggish.

EUROPEAN MARKET

The slowing of Europe's economy, which began in the middle of 2007, accelerated sharply in the second half of 2008, pushing the Eurozone and the U.K. into recession by the third quarter of the year. The escalation of the global financial crisis in late 2008 put the European banking system under severe pressure, with government rescue packages required to save major institutions such as HBOS, the Royal Bank of Scotland, and Fortis. *The Economist Intelligence Unit* estimates real GDP growth of just 0.9% across the 15 EU countries in 2008, a significant decline from the 2.9% and 2.6% growth experienced in 2006 and 2007, respectively. Additionally, *The Economist Intelligence Unit* forecasts that the 15 EU countries will decline in 2009, before a gradual return to growth in 2010. Central banks are taking action and have pursued an active policy of cutting interest rates in order to combat the effects of slowing economic growth. Following a series of interest rate cuts throughout 2008, The Bank of England cut U.K. interest rates to an all-time low of 0.5% in March 2009. The European Central Bank (ECB) also cut interest rates successively to 2.5% in 2008, with further rate cuts taking the base rate to 1.5% as at March 2009.

Buyout Activity

Following the extremely active fundraising environment of 2006 and 2007, the pace of buyout fundraising in Europe began to slow during 2008. *Venture Economics* estimates that €44.4 billion was raised during the year, a 21% decline from 2007. While a number of European private equity managers were able to successfully raise funds during 2008, a significant decline in fundraising is expected for 2009 as private equity managers concentrate on their existing portfolios.

After a year of record activity in 2007, the European buyout industry also experienced significant declines in deal activity during 2008, primarily due to the lack of available credit to finance transactions. *Incisive Media* reports aggregate deal value of €74 billion in 2008, down 61% from the record €189 billion deployed in 2007. The most notable change relative to 2007 was the absence of mega-deals, with only seven transactions over €1 billion of enterprise value completed over the year (down from 33 transactions in 2007). The decline in total deal volume was less pronounced, falling 28% (842 transactions in 2007 to 609 in 2008). Small and mid-market buyout firms continued to execute transactions with more modest leverage requirements. The financial market turmoil and stress applied to the global banking system throughout 2008 created a difficult environment for completing transactions. Pressure on bank balance sheets resulted in less available leverage, and the cost of financing has also increased. Additionally, there is limited visibility on company earnings for 2009.

> Over the coming year, privately-held portfolio companies will be faced with a difficult operating environment, as most major European economies suffer recessions and diminished consumer spending.

Volatility in global financial markets, together with valuation declines, created a tough environment for exits in 2008. M&A transactions were down significantly from 2007, although some activity remained, while the IPO market was virtually frozen. Exit opportunities are expected to remain limited throughout 2009, and until global equity markets stabilise, credit markets function, and there is greater visibility on company earnings.

Venture Capital Activity

Fundraising during 2008 in the European venture capital industry was relatively consistent with 2007 levels. *Venture Economics* estimates that €9.8 billion was raised in 2008, a modest increase from the €9.3 billion raised in 2007. In contrast with the buyout market, venture capital investing in Europe remained active in 2008. European venture capital experienced increased deal activity, with the number of investments in early stage companies growing by 21% to 381, compared to 315 in 2007. However, the aggregate value of venture deals fell slightly in 2008, with €1.6 billion invested, a 6% decline from 2007.

Most European managers are focused on actively supporting management, restructuring company balance sheets, and taking decisive actions at the operational level.

Outlook

Over the coming year, privately-held portfolio companies will be faced with a difficult operating environment, as most major European economies suffer recessions and diminished consumer spending. Additionally, declines in the operating performance of publicly-listed companies alongside pressure on earnings are expected to be reflected in mark-to-market valuation decreases across portfolios. Most managers are focused on actively supporting management, restructuring company balance sheets, and taking decisive actions at the operational level to enable their portfolio companies to remain competitive. With scarce liquidity, managers must work to ensure that fund structures have adequate capital reserves to withstand the current economic downturn.

ASIA PACIFIC

The recent turmoil in global financial markets, rising unemployment rates, and a rapid decline in commodity prices continue to amplify challenges and opportunities across the Asia Pacific region. Although the global economic downturn appeared to have a delayed impact in Asia in the first half of the year, Asian countries followed the U.S. and Europe into rapid decline in the second half of 2008, with public markets suffering heavy losses and consumer confidence deteriorating sharply. In an attempt to support their economies, governments around the region are implementing fiscal stimulus packages. Additionally, central banks across Asia have been pursuing expansionary economic policies and have reduced key interest rates to historical lows. Further monetary easing is widely expected to continue in 2009.

Growth Equity and Buyout Activity

Private equity fundraising in Asia Pacific continued its momentum in 2008, experiencing growth from 2007 levels. According to data from the *Asia Private Equity Review,* private equity managers raised $47.8 billion in 2008, representing a 17% increase over the $40.9 billion raised in 2007. Approximately $20.0 billion was raised by buyout funds, $17.9 billion by growth and expansion funds, and the remainder by early stage venture and mezzanine opportunities. In terms of geography, pan-Asian funds dominated, accounting for 24% of the capital raised, followed by country-specific funds in China, India, and Australia.

Private equity investment volume in 2008 was relatively flat from 2007. According to data from the *Asia Private Equity Review,* Asia Pacific transactions amounted to $46.3 billion in 2008, representing a nominal decline of 1.2% compared to 2007. In terms of transaction type, buyouts led Asia Pacific investment volume ($24.1 billion), followed by growth and expansion investments ($21.3 billion), and early stage venture capital and mezzanine opportunities ($0.5 billion). Compared to 2007, the number of change-of-control transactions completed in 2008 only increased by 3.4%, with 120 deals representing $25.3 billion.

Private equity liquidity in Asia Pacific was weak in 2008 due to struggling public markets, tightened credit standards, and the increasingly conservative budgets of strategic investors. According to year-end 2008 data from the *Asia Private Equity Review,* exits totaled $8.6 billion for the year, down 57% from the $20.0 billion in 2007. Exit volume declined by 60% from 2007, with only 176 exits recorded in 2008. Of the documented exits, approximately 89% were through trade sales and 11% through IPOs. There was little to no capital returned to investors by portfolio companies based in China and India through IPOs during the year.

Outlook

Privately-held companies in Asia Pacific are expected to face an increasingly challenging operating and liquidity environment throughout 2009. As the private equity industry and global economy continue to seek stability, private equity deal activity is expected to remain slow, with buyers unable to secure financing and sellers unwilling to accept low prices. Additionally, the opportunity for exits and distributions is likely to continue to be limited, as a consequence of ongoing weak public markets. Given the extraordinary public market volatility during the fourth quarter of 2008 and early 2009 and its impact on all stages of private equity investments, continued valuation declines are expected. Exits are expected to be opportunistic and scarce throughout the first six months of 2009, as public market investors remain wary and strategic buyers continue to conserve capital for more immediate needs.

Private equity liquidity in Asia Pacific was weak in 2008 due to struggling public markets, tightened credit standards, and the increasingly conservative budgets of strategic investors.

SECONDARY MARKET

Because there is little accurate data available to track secondary dealflow, only HarbourVest's secondary dealflow is described here. The unprecedented economic and financial market events experienced in 2008 led to a dramatic rise in assets available for sale on the secondary market, particularly in the final months of the year. HarbourVest evaluated approximately $59 billion of original commitments for sale during the year, nearly double the record $30 billion reviewed in 2007, as various types of investors sought to reduce risk and raise cash across their portfolios.

Public market declines, particularly in late 2008, resulted in valuation decreases for many capital market assets held by financial institutions, pension investors, and endowment funds. In many cases, these caused over-allocations to private equity, forcing a number of investors to sell some of their holdings. This situation has been compounded by diminished distributions across many investors' private equity portfolios, which are used to fund capital calls and meet ongoing obligations. Additionally, some private equity investors are concerned about their ability to meet future capital calls given the likelihood that distributions will remain limited throughout 2009.

Buyout assets represented the largest portion of 2008 deal flow at 54% of the total (up from 45% in 2007). Meanwhile, venture capital assets accounted for 38% of the total (down from 48% in 2007), with mezzanine and other assets representing the remaining 8%. The increase in buyout assets available for sale reflects increasing concerns about the appropriate valuation and likely performance of these assets in the current difficult economic climate. With the current economic uncertainty, secondary pricing has improved significantly from a buyer's perspective, with assets trading at steep discounts to the most recently reported net asset values. These discounts can be attributed to continued uncertainty surrounding future values, investors' desire for liquidity, and the supply and demand imbalance that currently favours buyers.

HarbourVest evaluated approximately $59 billion of original commitments for sale during the year, nearly double the record $30 billion reviewed in 2007.

HVPE Outlook

Without question, 2008 was a challenging year for the financial markets, and it is difficult to predict economic conditions over the coming year. The private equity market, particularly buyouts, has experienced a marked decline in new investment activity. In addition, given the current lack of IPO or M&A activity, the opportunity for exits and distributions is expected to remain difficult. HVPE's Investment Manager expects fund managers to focus on preparing their portfolio companies to withstand the current economic slowdown and position them for an exit when the markets become more favourable. Market dislocations can create opportunities for private equity managers, and the HarbourVest funds continue to evaluate and select new opportunities across the private equity spectrum.

During the second half of 2008, HVPE's net asset value per share declined alongside falling global public markets. The Investment Manager expects industry NAVs to remain under pressure for much of 2009 as the economic downturn affects earnings at portfolio companies and overleveraged buyouts are forced to restructure. However, HVPE's highly diversified portfolio was structured to provide some defence against changing economic conditions and to generate growth over the long term.

The portfolio continues to have lower exposure to buyout investments and fewer 2005, 2006, and 2007 vintage year investments than many of its more concentrated peers. Only approximately 8% of HVPE's portfolio is invested in large, leveraged buyouts at 31 January 2009. The remainder of the portfolio is invested in venture capital (42%), mid and smaller-sized buyouts with less leverage (47%), and other private equity strategies including mezzanine and distressed debt, which make up 3%.

With funds focused on primary partnership, secondary, and direct investments across global venture, buyout, and debt markets, HVPE expects to continue to add new opportunities to its underlying portfolio, expanding its vintage year diversification and taking advantage of what is expected to be extraordinary dealflow at attractive prices in the secondary market. Additionally, weak markets and the global recession can provide attractive opportunities for mezzanine and distressed managers as they are generally positioned to take advantage of the need for alternate sources of financing and increasing default rates.

HVPE's highly diversified portfolio was structured to provide some defence against changing economic conditions and to generate growth over the long term.

The Company's portfolio includes exposure to both mature funds in the process of harvesting their venture capital and buyout investments and newly-formed funds just beginning to commit capital to investments. While distributions are generally expected to remain slow over the course of 2009, HVPE continues to receive distributions from its more mature HarbourVest funds, which should increase when exit opportunities improve. As stated previously, the Investment Manager expects borrowings under HVPE's credit facility to continue to rise through 2009. The facility provides a cushion between drawdowns (which should increase first in a recovering market) and improved distributions (which could lag higher drawdowns by several quarters). However, the Investment Manager's experience has demonstrated that distributions can increase dramatically in a relatively short period of time when markets improve and the IPO market opens.

In the current global economic environment, the Investment Manager remains very cautious, but also optimistic about the long-term potential of private equity markets and HVPE in particular. Over the coming year, the Investment Manager will consider opportunities for HVPE to invest in new HarbourVest funds, to purchase existing fund interests for cash or stock, and to co-invest alongside HarbourVest funds based on the investment's potential impact on portfolio diversification, commitment levels and coverage, value creation for existing shareholders, and the Investment Manager's assessment of the economic outlook.

Note Unless otherwise specified, all information is current at the time of issue. Unless otherwise noted, all data represents HarbourVest's own estimates. Any opinions expressed are those of HarbourVest and not a statement of fact. The opinions expressed do not constitute investment advice and are subject to change.

Investment Manager

INDEPENDENT, EXPERIENCED, CONSISTENT, FOCUSED

Given the long-term nature of private equity investing, where committed capital is invested over multiple years, some of the most important indicators of a prospective investment manager's success are experience, track record, organisational stability, a consistent strategy, and a proven process. These attributes are embodied in HarbourVest.

HarbourVest is a private equity firm whose history dates back to 1982. HarbourVest currently manages more than $30 billion of assets on behalf of investors around the world. Over the past 26 years, HarbourVest has grown to 230 employees who are based in Boston and the firm's London and Hong Kong subsidiaries.

- HarbourVest is independently owned by its senior investment professionals. The team of 19 managing directors averages 18 years with HarbourVest.
- The HarbourVest team has a 26-year track record, investing successfully in private equity over numerous market cycles.
- In an era of acquisitions and management changes, the HarbourVest team is characterised by low turnover, which creates continuity of service and retention of expertise.
- The team relies on a consistent, time-tested investment process to source, evaluate, and select private equity opportunities with the strongest potential for returns across private equity markets, which has resulted in a long track record of success.
- The investment process is implemented within a controlled operational environment with a built-in system of checks and balances designed to monitor and minimise risk.

INDEPENDENT PRIVATE EQUITY MANAGER

As an independent, privately-held firm, HarbourVest is focused on its business and its clients and has control of its future. The benefits of HarbourVest's independent private structure have become particularly clear over the past six to twelve months. Aligned with the success of its business and investors, HarbourVest's employee partners have significant incentive to focus on long-term investment performance and continued value creation.

SUCCESS ACROSS MARKET CYCLES AND EXTENSIVE EXPERIENCE IN THE PRIVATE EQUITY ASSET CLASS

The HarbourVest team has invested in private equity since the late 1970s, managing assets through a variety of market cycles and experiencing the ups and downs of venture capital and leveraged buyout investments, stock market crashes, and financial crises. Throughout its history, the team has learned to capitalise on opportunities created from market dislocations and aims to do so in the current cycle. Over the past twelve months, the Investment Manager expanded its relationships with several top-tier managers that were seeking to diversify their client base and welcomed HarbourVest, a longstanding private equity manager with a significant commitment to the asset class and a strong reputation, as a partner.

HarbourVest's expertise encompasses all areas of global private equity. Team members based in key investment regions throughout the world provide an important local perspective and enable HarbourVest to identify and evaluate a broad range of global investment opportunities.

Consistency is a central theme throughout HarbourVest. HarbourVest hires talented investment professionals, and most remain with the Firm for the long term. As a result, HVPE benefits from decades of teamwork and investing expertise. HarbourVest's leadership has remained stable, bringing a consistent, proven approach to investing in global private equity.

HarbourVest hires talented investment professionals, and most remain with the Firm for the long term. HVPE benefits from decades of teamwork and investing expertise.

CONSISTENT STRATEGY AND FOCUSED INVESTMENT PROCESS HAS RESULTED IN STRONG TRACK RECORD

The Investment Manager remains confident about the continued innovation and success of the private equity industry and intends to follow its consistent strategy of striving for top-quartile returns by partnering with high quality managers.

Within a focused due diligence process, the Investment Manager searches for exceptional investments, evaluates them carefully, and selects those opportunities that it believes offer the strongest potential for superior returns.

Throughout its history, the HarbourVest investment team has used a consistent, time-tested investment process, following the same rigorous approach to due diligence whether making a primary partnership, secondary, or direct investment and regardless of stage or location. The insights gained over years of primary, secondary, and direct investing enhance the comprehensive evaluation of potential investments. The investment team includes nearly 80 professionals who can effectively cover the global private equity markets and are encouraged to communicate within an open and collaborative environment.

The HarbourVest team has one of the longest verifiable track records of investment performance in primary, secondary, and direct investments. This track record demonstrates HarbourVest's historic ability to outperform recognised private equity benchmarks, while also providing diversification. HarbourVest's continued ability to successfully identify and gain access to the top-tier private equity players has been a key factor in establishing this track record. Of course, past performance is no assurance that such results will be achieved in the future, either by HarbourVest generally or by HVPE's Investment Manager.

2008 Primary Partnership Due Diligence: Global Coverage

TEAM OF 78 Investment Professionals	REVIEWED 552 Primary Partnerships		APPROVED 41 Primary Partnership Commitments
Boston	U.S.	Venture	7% of all Partnerships reviewed
London	Europe	Buyout	
Hong Kong	Asia Pacific	Debt	
	Rest of World		

The investment team includes nearly 80 professionals who can effectively cover the global private equity markets.

INVESTMENT PROCESS IMPLEMENTED WITHIN CONTROLLED ENVIRONMENT TO MINIMISE RISK

HarbourVest operates within a strictly-controlled environment with multiple checks and balances in place and received a Type 1 SAS 70 Report (Report on Controls Placed In Operation) from its auditors Ernst & Young LLP as at 30 April 2009. The Firm has committed significant resources to the financial management and administration of its investment programmes. The compliance, treasury, finance, partnership performance, tax, reporting, and communications staff is among the largest and most developed in the private equity industry and includes more than 140 professionals. Teams are focused on:

- Compliance: A dedicated compliance officer is responsible for the overall compliance of the Investment Manager and HarbourVest funds. Outside legal counsel also manages compliance issues.
- Cash Management: A treasury team of more than 15 dedicated professionals manages and monitors cash (including all incoming and outgoing wires) for all HarbourVest funds on a daily basis.
- Finance/Accounting: A finance team of over 25 professionals is responsible for preparing accounts for all HarbourVest funds and reconciling data continuously with the partnership performance group.
- Partnership Performance: A dedicated team of more than 20 professionals tracks all primary and secondary partnership investments, capital calls and distributions, performance, and underlying company investment data (currently more than 6,500 companies).

HarbourVest's compliance, treasury, finance, partnership performance, tax, reporting, and communications staff is among the largest and most developed in the private equity industry and includes more than 140 professionals.

Key Definitions and Methodologies

HARBOURVEST

- HarbourVest Partners L.P., a limited partnership organised under the laws of the State of Delaware, its predecessors and also, as the context requires, HarbourVest Partners, LLC, a limited liability company also organised under the laws of the State of Delaware, and which is the general partner of HarbourVest Partners L.P., and its affiliates.

THE HARBOURVEST TEAM

- The team originated in the late 1970s when D. Brooks Zug and Edward W. Kane began making primary investments on behalf of John Hancock. In 1982, they founded Hancock Venture Partners, Inc. (''HVP Inc.''). On 29 January 1997, the management team of HVP Inc. formed a new management company known as HarbourVest Partners, LLC or HarbourVest. Concurrent with the formation of HarbourVest, all of the employees of HVP Inc. became owners and/or employees of HarbourVest.

INVESTMENTS

Underlying Investments

- Investments in funds or companies in which HVPE has an interest through its investment in HarbourVest fund(s)

Primary Investment

- Investment in a private equity fund during its initial fund-raising

Secondary Investment

- Purchase of interests in private equity funds after their initial fund-raising and after some or all capital has already been invested by those funds in operating companies, as well as the purchase of a portfolio of interests in operating companies

Direct Investment

- Acquisition of equity participation or debt in an operating business

Parallel Investment

- Investment in a primary, secondary, or direct investment alongside a HarbourVest fund on the same terms at the same time

Diversification

- The diversification analysis of HVPE's portfolio is based on the fair value of the underlying investments, as estimated by the Investment Manager.
- Strategy, vintage, and geography diversification are based on the estimated net asset value of Primary and Secondary Investments within HVPE's fund-of-funds and Direct Investments within HVPE's direct funds.
- Industry diversification is based on the reported value of the underlying company investments.
- Large buyout includes funds of more than $7 billion in size, medium buyout includes those between $1 billion and $7 billion in size, and small buyout includes those less than $1 billion in size. Direct investments in operating companies are categorised by deal size.

Vintage Year

- Vintage year is the year in which a private equity fund begins to invest capital. Although a private equity fund ultimately invests capital over several years, it has only one vintage year. For a fund-of-funds, vintage year is presented as the range of vintage years during which it made commitments to underlying partnerships. A fund's vintage year can provide a sense of the market environment during which it made investments. Additionally, grouping similar funds by vintage year allows for performance comparison among those funds.
- Primary Investments: year of first capital call
- Secondary Investments: year of purchase
- Direct Investments: year of first capital call of relevant HarbourVest fund

COMMITMENTS AND BALANCE SHEET

Net Asset Value (NAV) of Investments

- Total NAV (which represents fair market value) of all Underlying Investments

NAV

- The sum of the NAV of Investments and cash and other assets less the fair market value of HVPE's liabilities

Unfunded Commitments
(Allocated to Underlying Partnerships)

- Capital committed to a HarbourVest fund that has been allocated to an underlying partnership but has not yet been called
- Includes all capital committed to secondary and direct HarbourVest funds

Unfunded Commitments
(Not Allocated to Underlying Partnerships)

- Capital committed to a HarbourVest fund that has not yet been allocated by HarbourVest to an underlying partnership

Total Unfunded Commitments

- Capital committed to a HarbourVest fund that has not yet been called
- Sum of Unfunded Commitments (Allocated to Underlying Partnerships) and Unfunded Commitments (Not Allocated to Underlying Partnerships)

Total Private Equity Exposure

- Sum of NAV of Investments and Total Unfunded Commitments

Commitment Level Ratio
(Total Unfunded)

- Sum of the NAV of Investments and Total Unfunded Commitments divided by NAV

Commitment Level Ratio
(Allocated to Underlying Partnerships)

- Sum of the NAV of Investments and Unfunded Commitments (Allocated to Underlying Partnerships) divided by NAV

Available Credit Facility

- Amount of HVPE's $500 million credit facility currently available to be drawn subject to covenant limits

Asset Test Covenant

- Covenant in HVPE's credit facility that limits borrowings (and other liabilities) to 40% of the sum of HVPE's NAV of Investments and cash, subject to certain adjustments.
- Key borrowing constraint that determines the maximum amount HVPE is able to borrow under its facility.

Commitment Coverage Ratio *(Total Unfunded)*

- Sum of cash on the balance sheet and Available Credit Facility (together, "Liquid Resources") divided by Total Unfunded Commitments

Commitment Coverage Ratio *(Allocated)*

- Sum of cash on the balance sheet and Available Credit Facility (together, "Liquid Resources") divided by Unfunded Commitments (Allocated to Underlying Partnerships)

Risk Factors

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

- The NAV is at risk of decline, particularly in the current uncertain market environment.
- Commitments could be difficult to fund under certain circumstances.
- The Company is reliant on the HBOS credit facility to fund capital calls.
- HVPE depends on HarbourVest and its investment professionals for core services.
- HVPE shares are highly illiquid and could trade at a substantial discount to NAV.

NAV RISKS

The current economic environment is highly uncertain. 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 9% 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 further, or the economic environment continue to remain difficult, it is likely that HVPE's NAV could decline further. There is also a risk that leveraged buyout investments could breach debt covenants, resulting in additional writedowns in value. Currency movements also affect the Company's NAV. Approximately 23% of the HVPE portfolio is denominated in non-U.S. dollar currencies, primarily euros, which results in NAV declines during periods of U.S. dollar appreciation. From 31 January 2009 to 15 May 2009, the MSCI World index has risen by 10%, while the dollar has depreciated 5% against the euro.

COMMITMENT RISKS

The **Commitments and Balance Sheet Review** section of this document describes HVPE's commitment strategy and the level of commitments outstanding relative to NAV and liquid resources. While the Company intends to draw on its credit facility to bridge periods of negative cash flow when capital calls are greater than distributions, the borrowing available under the credit facility is negatively affected by declining NAVs.

In a scenario with declining NAVs, a lack of distributions, and rapid substantial capital calls, the Company may be unable to meet all of its capital calls. In such a situation, the Company could undertake a series of actions, including an asset sale, which could result in further NAV declines.

CREDIT FACILITY

The Company is highly dependent on its HBOS credit facility to meet its capital calls. Should HBOS, now part of Lloyds Banking Group plc, become unable or unwilling to meet its obligations to fund the credit facility, there would be a negative impact on HVPE's financial condition. The Investment Manager believes that it could be difficult to secure another $500 million credit facility at attractive terms, or even at all, in the current environment. In addition, HBOS has the right to syndicate the facility. Were this to happen, and a syndicate bank subsequently became unable to meet its obligations, HVPE might likewise be at risk.

RELIANCE ON HARBOURVEST

HVPE is dependent on its Investment Manager and HarbourVest's investment professionals. 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 HVPE is listed on Euronext Amsterdam by NYSE Euronext, trading in the Company's stock is sporadic and its shares are highly illiquid. The lack of trading has resulted in a higher valuation relative to NAV for HVPE than that of its peers in the listed private equity sector. The Company's last trade of $9.25 on 26 February 2009 represented a 22% premium to the Company's 31 January NAV of $7.61. None of the Company's listed private equity peers currently trade at a premium to NAV. In the current environment, 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 a substantial discount to NAV.

Directors' Report

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

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.

BIOGRAPHIES

Sir Michael Bunbury, Chairman, Independent Director

Sir Michael Bunbury (age 62) 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, Director of Foreign & Colonial Investment Trust plc (which has been an investor in numerous HarbourVest funds, including two of the seeded funds and three of the new funds in which the Company invested at listing), Director of Invesco Perpetual Select Trust plc, and a consultant to Smith & Williamson. 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 a range of families on their business and property assets.

D. Brooks Zug, Director

Brooks Zug (age 63) is a senior managing director of HarbourVest Partners, LLC and a founder of HarbourVest. He is responsible for overseeing HarbourVest's U.S. and non-U.S. partnership and direct investments. He joined the corporate finance department of John Hancock 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 foreign 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. His previous experience includes investment banking for Paine Webber Jackson & Curtis (1970 to 1974) and private investments with Sun Life of Canada (1974 to 1977). 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 48) manages HarbourVest Partners (U.K.) Limited, which supports HarbourVest's investment and client service activities in Europe. George joined HarbourVest's London subsidiary in 1990 and serves on the advisory boards of a number of European private equity partnerships, including funds managed by Atlas Venture, BC Partners, BS Private Equity, Cinven, Doughty Hanson, Ethos Private Equity, Global Finance, and IK Investment Partners. 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 63) is 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 Sofinnova's investments in Europe 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 a M.B.A. from Columbia University in New York.

Andrew W. Moore, Independent Director

Andrew Moore (age 54) 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, Channel Islands Development Corporation 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, Independent Director and Chairman of the Audit Committee

Keith Corbin (age 56) 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 30 years. Currently the Group Executive Chairman of Nerine International Holdings Limited, which has operations in Guernsey, British Virgin Islands and Switzerland, he also serves as a non-executive Director on the board of various regulated financial services businesses, including investment funds, insurance companies and other companies, some of which are listed on recognised Stock Exchanges or subsidiaries of listed companies. Those assignments also include the chairmanship of audit and remuneration committees.

Paul R.P. Christopher, Independent Director

Paul Christopher (age 36) is an English Solicitor, Guernsey Advocate, and a partner in the Guernsey law firm Ozannes. He 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. He has an established trust practice and acts for a number of the leading trust institutions in Guernsey. He is the Bar Council representative on the Guernsey International Business Association's council and is a member of the Guernsey Joint Money Laundering Steering Group.

Directors' Report

The directors present their report and financial statements for the year ended 31 January 2009.

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 Nil Par Value and Class B shares of Nil Par Value. On 6 December 2007 the Class A shares were admitted to listing and trading on Euronext Amsterdam by NYSE Euronext.

INVESTMENT OBJECTIVE AND INVESTMENT POLICY

The investment objective and investment policy of the Company is as stated on page 1.

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 a commentary on the investment performance provided by the Investment Manager. These monthly statements are available on the Company's Web site.

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 intends to publish its first Interim Management Statement during June 2009 covering the period from 1 February 2009 to the date of publication.

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

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.

RESULTS

The results for the financial year ended 31 January 2009 are set out in the Consolidated Statement of Operations within the Audited Consolidated Financial Statements that begin on page 47. The directors do not propose a dividend for the financial year ended 31 January 2009.

DIRECTORS

The directors as shown beginning on page 40 all held office throughout the reporting period and at the date of signature of these financial statements. D. 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 Guernsey law firm Ozannes, which provides counsel to HVPE in connection with matters of Guernsey law. Jean-Bernard Schmidt is a Managing Partner of Sofinnova Partners, which manages partnerships in which HarbourVest fund-of-funds invest. 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.

Each director, with the exception of the Chairman, Keith Corbin, Mr. Zug, and Mr. Anson, is paid an annual fee of $50,000 per annum. The Chairman receives an annual fee of $100,000 plus $10,000 for expenses, and Mr. Corbin receives an annual fee of $60,000 in recognition of his additional responsibilities as chairman of the Audit Committee. Mr. Anson and Mr. Zug do not receive any fee from the Company.

Each director is appointed for an initial term of three years and is subject to re-election every third year thereafter. This differs slightly from the requirement of the Combined Code where directors are subject to re-election at the first Annual General Meeting.

DIRECTORS' INTERESTS IN SHARES

As at 31 January 2009, the Chairman had invested, directly or indirectly, in 4,000 Class A shares in the Company. Jean-Bernard Schmidt had invested, directly or indirectly, in 10,000 Class A shares in the Company. Keith Corbin, Andrew Moore, and Paul Christopher had each invested, directly or indirectly, in 1,500 Class A shares in the Company.

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 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 DECREE IMPLEMENTATION DIRECTIVE TRANSPARENCY ISSUING INSTITUTIONS

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 Combined Code

As a Guernsey incorporated company, the Company was not required to comply with the Combined Code on Corporate Governance (the "Combined Code") for the year under review. However, the directors place a high degree of importance on ensuring that high standards of corporate governance are maintained and have therefore chosen voluntarily to comply with the provisions of the Combined Code to the extent that they are considered relevant to the Company.

The Company has complied with the main principles set out in Section 1 of the Combined Code, except as set out below.

The Combined Code includes provisions relating to:

- The role of the chief executive;
- Executive directors' remuneration; and
- The need for an internal audit function.

For the reasons set out in the preamble to the Combined Code, the Board considers these provisions not relevant to the Company's position, 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 Combined Code by the Company, and the reasons therefore, are as follows:

- The Chairman is the senior independent director. This is not in accordance with provision A.3.3 of the Combined Code but is felt to be appropriate for the size and nature of the Company.
- There is no separate nomination committee or remuneration committee, which is not in accordance with provision A.4.1 and B.2.1 of the Combined Code, respectively. Given that the Board is wholly comprised of non-executive directors, the whole Board considers these matters.

The Combined Code is available on the following website: www.frc.org.uk.

BOARD RESPONSIBILITIES

The Board meets at least four times a year and between these formal meetings there is regular contact with the Company Secretary. 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 2009, the Board met five times. 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. The four regular quarterly Board meetings were attended by all directors, whilst the other meeting was called at short notice with a limited objective and was attended by Mr. George Anson, Mr. Paul Christopher, and Mr. Andrew Moore.

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.

Each director's performance is reviewed annually by the Chairman, and the performance of the Chairman is assessed by the remaining directors.

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 and to make 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 Company Secretary's compliance department and the external auditor.

In the financial year ended 31 January 2009, the Audit Committee met three times. Mr. Keith Corbin attended all three meetings, whilst Mr. Andrew Moore and Mr. Jean-Bernard Schmidt each attended two meetings.

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 received a Type 1 SAS 70 Report (Report on Controls Placed In Operation) from its auditors Ernst & Young LLP as at 30 April 2009.

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.

RELATIONS WITH SHAREHOLDERS

The Board recognises the need to maintain sufficient 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 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. Shareholders may contact the directors through the Company Secretary.

AUDITORS

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

By order of the Board

Michael Bunbury

Michael Bunbury
Chairman

Keith Corbin
Chairman of the Audit Committee

27 May 2009

Audited Consolidated Financial Statements

Independent Auditor's Report Harbourvest Global Private Equity Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARBOURVEST GLOBAL PRIVATE EQUITY LIMITED

We have audited the group's financial statements for the period ended 31 January 2009 which comprise the Consolidated Statement of Assets and Liabilities, Consolidated Schedule of Investments, Consolidated Statement of Operations, Consolidated Statement of Changes in Net Assets, Consolidated Statement of Cash Flows and the related notes 1 to 9. These consolidated financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The Directors are responsible for the preparation of the consolidated financial statements in accordance with applicable Guernsey law as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the consolidated financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the consolidated financial statements give a true and fair view and are properly prepared in accordance with The Companies (Guernsey) Law, 2008. We also report to you if, in our opinion, the company has not kept proper accounting records, the financial statements are not in agreement with the accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the consolidated financial statements and consider whether it is consistent with the audited financial statements. This other information comprises Company Overview, Financial Highlights, Chairman's Letter, Investment Manager's Review, Risk Factors, Forward-Looking Statements and Certain Information and Advisors and Contact Information. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards of Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements.

OPINION

In our opinion the consolidated financial statements give a true and fair view, in accordance with accounting principles generally accepted in the United States, of the state of the group's affairs as at 31 January 2009 and of its loss for the year then ended, and have been properly prepared in accordance with The Companies (Guernsey) Law, 2008.

Ernst & Young LLP
Guernsey, Channel Islands
27 May 2009

Consolidated Financial Statements

Consolidated Statement of Assets and Liabilities

31 January 2009

ASSETS	
Investments (Note 4)	$ 668,051,759
Investment commitments (Note 4)	682,532,666
Cash and equivalents	26,215,322
Other assets	433,512
Total assets	**1,377,233,259**
LIABILITIES	
Investment commitments (Note 4)	682,532,666
Notes payable (Note 5)	60,000,000
Accounts payable and accrued expenses	3,072,104
Accounts payable to HarbourVest Advisers L.P.	346,660
Total liabilities	**745,951,430**
NET ASSETS	**$ 631,281,829**
Net assets consist of	
Class A shares, Unlimited shares authorised, 83,000,000 shares issued and outstanding, no par value	$ 631,281,728
Class B shares, 10,000 shares authorised, 101 shares issued and outstanding, no par value	101
NET ASSETS	**$ 631,281,829**
Net asset value per share for Class A shares	**$7.61**
Net asset value per share for Class B shares	**$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 27 May 2009 and were signed on its behalf by:

Michael Bunbury
Chairman

Keith Corbin
Chairman of the Audit Committee

Consolidated Schedule of Investments

31 January 2009

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	$5,273,817	$6,120,904	1.0
HarbourVest Partners V-Direct Fund L.P.	—	4,365,345	—	3,902,743	0.6
HarbourVest Partners V-Partnership Fund L.P.	2,960,000	45,969,079	11,031,635	30,061,494	4.8
HarbourVest Partners VI-Direct Fund L.P.	2,187,500	45,847,408	7,796,250	23,063,060	3.6
HarbourVest Partners VI-Partnership Fund L.P.	20,700,000	189,098,049	22,788,518	145,381,701	23.0
HarbourVest Partners VI-Buyout Partnership Fund L.P.	800,000	8,283,048	1,013,967	5,142,213	0.8
HarbourVest Partners VII-Venture Partnership Fund L.P.*	39,087,500	98,521,698	1,963,198	90,825,976	14.4
HarbourVest Partners VII-Buyout Partnership Fund L.P.*	19,950,000	58,317,291	4,135,880	44,009,988	7.0
HarbourVest Partners VIII-Cayman Mezzanine & Distressed Debt Fund L.P.	32,750,000	17,451,553	—	13,752,057	2.2
HarbourVest Partners VIII-Cayman Buyout Fund L.P.	171,250,000	81,508,801	—	65,193,756	10.3
HarbourVest Partners VIII-Cayman Venture Fund L.P.	32,500,000	17,691,736	—	15,925,079	2.5
TOTAL U.S. FUNDS	**324,985,000**	**580,560,828**	**54,003,265**	**443,378,971**	**70.2**

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

Consolidated Schedule of Investments (continued)
31 January 2009

Non-U.S./Global Funds	Unfunded Commitment	Amount Invested	Distributions Received	Fair Value	Fair Value as a % of Net Assets
HarbourVest International Private Equity Partners II-Direct Fund L.P.	—	980,279	669,967	259,811	0.0
HarbourVest International Private Equity Partners II-Partnership Fund L.P.	2,900,000	23,463,610	12,032,067	9,193,248	1.5
HarbourVest International Private Equity Partners III-Partnership Fund L.P.	9,200,000	141,978,557	32,499,000	76,318,532	12.1
HarbourVest International Private Equity Partners IV-Direct Fund L.P.	1,600,000	59,852,400	—	27,048,783	4.3
HarbourVest International Private Equity Partners IV-Partnership Fund L.P.	16,250,000	113,522,051	31,899,871	63,412,424	10.0
HarbourVest Partners 2007 Cayman Direct Fund L.P.	73,000,000	27,126,849	—	15,923,355	2.5
Dover Street VII Cayman Fund L.P.	83,000,000	17,000,000	—	17,183,088	2.7
HIPEP V – 2007 Cayman European Buyout Companion Fund L.P. **	43,469,666	20,373,280	—	15,618,088	2.5
HIPEP VI-Cayman Partnership Fund L.P.***	128,128,000	—	—	(284,541)	(0.0)
TOTAL NON-U.S./GLOBAL FUNDS	**357,547,666**	**404,297,026**	**77,100,905**	**224,672,788**	**35.6**
TOTAL INVESTMENTS	**$682,532,666**	**$984,857,854**	**$131,104,170**	**$668,051,759**	**105.8**

* 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.

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

Consolidated Statement of Operations

For the Year Ended 31 January 2009

INVESTMENT INCOME	
Interest from cash and equivalents	$ 344,689
EXPENSES	
Non-utilisation fees (Note 5)	1,929,600
Investment services (Note 3)	1,101,235
Professional fees	995,766
Interest expense (Note 5)	987,333
Directors' fees and expenses (Note 8)	351,135
Insurance expense	350,814
Travel expenses	221,392
Marketing expenses	157,799
Administration fees (Note 3)	153,314
Financing costs	150,706
Tax expenses	14,859
Other expenses	107,124
Total expenses	6,521,077
NET INVESTMENT LOSS	(6,176,388)
REALISED AND UNREALISED GAINS (LOSSES) ON INVESTMENTS	
Net realised gain on investments	1,464,584
Net change in unrealised depreciation on investments	(226,123,117)
Net loss on investments	(224,658,533)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	($230,834,921)

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

Consolidated Statement of Changes in Net Assets

For the period from 18 October 2007 (date of incorporation) to 31 January 2008
and the year ended 31 January 2009

FOR THE PERIOD FROM 18 OCTOBER 2007 TO 31 JANUARY 2008	
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Net investment loss	$ (6,839,960)
Net realised gain on investments	61,412,932
Net unrealised depreciation on investments	(22,456,323)
Net increase in net assets resulting from operations	32,116,649
CAPITAL SHARE TRANSACTIONS	
Proceeds from issuance of Class A ordinary shares	830,000,000
Proceeds from issuance of Class B ordinary shares	101
Net increase in net assets from capital share transactions	830,000,101
TOTAL INCREASE IN NET ASSETS	862,116,750
NET ASSETS AT BEGINNING OF PERIOD	—
NET ASSETS AT 31 JANUARY 2008	**$862,116,750**
FOR THE YEAR ENDED 31 JANUARY 2009	
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	
Net investment loss	$ (6,176,388)
Net realised gain on investments	1,464,584
Net change in unrealised depreciation on investments	(226,123,117)
Net decrease in net assets resulting from operations	(230,834,921)
NET ASSETS AT BEGINNING OF YEAR	862,116,750
NET ASSETS AT 31 JANUARY 2009	**$631,281,829**

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

Consolidated Statement of Cash Flows
For the Year Ended 31 January 2009

CASH FLOWS FROM OPERATING ACTIVITIES	
Net decrease in net assets resulting from operations	($230,834,921)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash used in operating activities	
Net realised (gain) on investments	(1,464,584)
Net change in unrealised depreciation on investments	226,123,117
Contributions to private equity investments	(128,436,226)
Distributions from private equity investments	83,355,990
Change in other assets	(107,524)
Change in accounts payable to HarbourVest Advisers L.P.	103,835
Change in accounts payable and accrued expenses	(3,547,785)
Net cash used in operating activities	(54,808,098)
FINANCING ACTIVITIES	
Proceeds from notes payable	87,500,000
Payments on notes payable	(27,500,000)
Net cash provided by financing activities	60,000,000
NET INCREASE IN CASH AND EQUIVALENTS	5,191,902
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	21,023,420
CASH AND EQUIVALENTS AT END OF YEAR	**$ 26,215,322**
SUPPLEMENTAL DISCLOSURE:	
Interest paid	$ 980,796

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. The Company's registered office is Anson Place, Mill Court, La Charroterie St. Peter Port, Guernsey GY1 2BE. 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 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 stages of investment. Operations 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 solely on Euronext Amsterdam by NYSE Euronext under the symbol "HVPE". As at 31 January 2009 there are 83,000,000 issued Class A ordinary shares of no par value. The Class A shares are entitled to the income or 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. Certain Class A shares are subject to lock-up provisions.

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 2009, 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 association, 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

The Company is managed by the Investment Manager pursuant to an investment management and services agreement. 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 to assist in the administrative functions of the Company.

Directors

The directors are responsible for the determination of the investment policy of the Company 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. The directors have delegated the day-to-day operations of the Company to the Investment Manager. A majority of directors must be independent directors and not affiliated with HarbourVest or any affiliate of HarbourVest.

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.

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. The Company received dispensation from the Netherlands Authority for the Financial Markets allowing the Company to prepare the 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. In establishing the fair value of the partnership investments, the Company takes into consideration the information received from those partnerships, including their financial statements, the currency in which the investment is denominated and other information deemed appropriate.

The consolidated financial statements include investments valued at $668,051,759 at 31 January 2009, whose values have been estimated by the Investment Manager in the absence of readily ascertainable market values. However, because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the investment existed, and the differences could be material.

Generally, the 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.

Notes Payable

The notes are accounted for on the amortised cost basis.

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 and investment commitments 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 and losses on investments as incurred. The Company does not segregate that portion of realised or unrealised gains and losses attributable to foreign currency translation.

Cash 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 pound 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. 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.

Realised Gains and Losses on Investments

For investments in private equity funds, the Company records its share of realised gains and losses as reported by the Investment Manager.

Net Change in Unrealised Appreciation and Depreciation of Investments

Gains and losses arising from changes in investment values are recorded as an increase or decrease in the unrealised appreciation or depreciation of investments.

Income Taxes

The Company is registered in Guernsey as an 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.

In accordance with Financial Accounting Standards Board ("FASB") Interpretation No. 48, Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109 ("FIN 48"), the Company recognises a tax position in the financial statements only when it is more likely than not that the position will be sustained upon examination by the relevant taxing authority based on the technical merits of the position. The Company adopted FIN 48 on the first day of the Company's fiscal year. There was no impact resulting from the adoption of this Interpretation on the Company's financial statements. Each of the Company's federal tax returns from the prior period remains subject to examination by the Internal Revenue Service.

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

Administration 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 £25,500 per annum, a secretarial fee of £34,000 per annum and 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. During the year ended 31 January 2009, fees of $153,314 were incurred to AFML.

Registrar

The Company has retained Anson Registrars Limited ("ARL") as share registrar. Fees for this service are paid as invoiced by ARL and include an annual basic fee of £4,000 per annum and activity fees calculated on a per event basis.

Independent Auditor's Fees

For the financial period ended 31 January 2009, $100,000 has been accrued for auditor's fees and is included in professional fees in the Consolidated Statement of Operations.

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. During the period ended 31 January 2009, reimbursements for services provided by the Investment Manager were $1,101,235. The Investment Manager does not charge HVPE management fees or performance fees other than with respect to parallel investments (of which there are none at 31 January 2009). 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. A management fee will be paid for any parallel investments made by the Company consistent with the fees charged by the fund alongside which the parallel investment is made.

NOTE 4. INVESTMENTS

Net loss includes the following activity related to the Company's investments:

For The Year Ended 31 January 2009

Net realised gain on investments	$ 1,464,584
Net unrealised depreciation on investments	(226,123,117)
NET REALISED AND UNREALISED LOSS ON INVESTMENTS	($224,658,533)

As required by FAS 157, the Company's investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The hierarchy established under FAS 157 gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FAS 157, and its applicability to the Company's investments, are described below:

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

Level 2 – Quoted prices for similar assets or liabilities, or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data. Level 2 includes investments valued at quoted prices adjusted for legal or contractual restrictions specific to the security.

Level 3 – Pricing inputs are unobservable for the asset or liability, that is, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Level 3 includes private investments that are supported by little or no market activity.

The following table summarises the Company's investments that were accounted for at fair value by Level within the fair value hierarchy of FAS 157:

	Level 1	Level 2	Level 3	Total
Balance at 31 January 2008			$847,630,056	$847,630,056
Contributions to investments			128,436,226	128,436,226
Total net realised gain included in net decrease in net assets	—	—	1,464,584	1,464,584
Total net change in unrealised depreciation included in net loss	—	—	(226,123,117)	(226,123,117)
Distributions received from investments	—	—	(83,355,990)	(83,355,990)
Transfers in and/or (out) of Level	—	—	—	—
Balance at 31 January 2009	—	—	$668,051,759	$668,051,759
Net change in unrealised gain (loss) on investments related to investments still held at 31 January 2009				($226,123,117)

NOTE 5. NOTES PAYABLE

On 4 December, 2007 the Company entered into an agreement with The Bank of Scotland 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 plus 1.5% per annum. The Facility expires on 4 December 2014. The Facility is secured by the private equity investments and cash 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 2009, $60,000,000 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 2009, $1,929,600 in non-utilisation fees and $987,333 in interest expense have been incurred.

NOTE 6. FINANCIAL HIGHLIGHTS (A)

Class A Shares	For the Year Ended 31 JAN 2009	For the Period from 18 OCT 2007 (Date of Incorporation) to 31 JAN 2008
PER SHARE OPERATING PERFORMANCE		
Net Asset Value, beginning of period	$10.39	$10.00
Net investment loss	(.07)	(.08)
Net realised and unrealised gains (losses)	(2.71)	.47
Total from investment operations	(2.78)	.39
Net asset value, end of period	$7.61	$10.39
Total return:	(26.8)%	3.9 % (B)
RATIOS TO AVERAGE NET ASSETS (B)		
Expenses	0.87%	0.84%
Net investment income (loss)	(0.83)%	(0.81)%
PORTFOLIO TURNOVER (C)	0.0 %	0.0 %

(A) The class B shares are not entitled to any income or increases and decreases in the net asset value of the Company.
(B) The calculations are not annualised for the period from 18 October 2007 (date of incorporation) to 31 January 2008.
(C) The turnover ratio has been calculated as the number of transactions divided by the average net assets.

NOTE 7. 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 intends to publish the NAV per share for the Class A shares as calculated, monthly in arrears, as at each month-end, generally within 15 business days.

NOTE 8. 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 $346,660 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 2009.

One of the directors, Paul Christopher, is a Partner of 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 Managing Partner.

Each director, with the exception of the Chairman, Keith Corbin, D. Brooks Zug, and George R. Anson is paid an annual fee of $50,000 per annum, paid quarterly. The Chairman of the Board receives an annual fee of $100,000 plus $10,000 for expenses. The Chairman of the Audit Committee receives an annual fee of $60,000. George R. Anson and D. Brooks Zug do not receive any fee from the Company. In total, the directors were paid $351,135 during the financial period ended 31 January 2009.

NOTE 9. 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.

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. 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.

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.

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. HVPE is subject to certain ongoing requirements under the FMSA and certain rules promulgated thereunder relating to the disclosure of certain information to investors, including the publication of financial statements.

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 NAV per share for the Class A shares as calculated, monthly in arrears, as at each month-end, generally within 15 business days.

Advisors and Contact Information

Key Information

Exchange	**Euronext Amsterdam**
Ticker	**HVPE**
Listing Date	**6 December 2007**
Fiscal Year End	**31 January**
Base Currency	**USD**
ISIN	**GG00B28XHD63**
Bloomberg	**HVPE NA**
Reuters	**HVPE.AS**
Common Code	**032908187**
Amsterdam Security Code	**612956**
Investment Manager	**HarbourVest Advisors L.P. (affiliate of HarbourVest Partners, LLC)**
Registration	**Netherlands Authority for the Financial Markets**
Fund Consent	**Guernsey Financial Services Commission**

Management and Administration

REGISTERED OFFICE
HarbourVest Global Private Equity Limited
Company Registration Number: 47907
Anson Place
Mill Court
La Charroterie
St Peter Port, Guernsey GY1 1EJ
Tel +44 1481 722 260
Fax +44 1481 729 829

INVESTMENT MANAGER
HarbourVest Advisers L.P.
c/o HarbourVest Partners, LLC
One Financial Center
Boston, MA 02111
U.S.A.
Tel +1 617 348 3707
Fax +1 617 348 0305

AUDITORS
Ernst & Young LLP
14 New Street
St. Peter Port, Guernsey GY1 4AF

COMPANY SECRETARY AND FUND ADMINISTRATOR
Anson Fund Managers Limited
PO Box 405
Anson Place
Mill Court
La Charroterie
St Peter Port, Guernsey GY1 3GF
Tel +44 1481 722 260
Fax +44 1481 729 829
reception@anson-group.com

REGISTRAR
Anson Registrars Limited
PO Box 426
Anson Place
Mill Court
La Charroterie
St Peter Port, Guernsey GY1 3WX
Tel +44 1481 722 260
Fax +44 1481 729 829
registrars@anson-group.com

CORPORATE BROKER (MAY 2009)
Oriel Securities Limited
125 Wood Street
London EC2V 7AN U.K.
Tel +44 20 7710 7600
Fax +44 20 7710 7609

Contacts

Steve Belgrad, Chief Financial Officer
sbelgrad@harbourvest.com
+1 617 348 3653

Amanda McCrystal, Head of Investor Relations and Communications
amccrystal@harbourvest.com
+44 (0)20 7399 9820

Calendar of Events 2009

Monthly NAV Estimate	**Generally within 15 days of month end**
Annual Report and Audited Consolidated Financial Statements	**May 2009**
Annual Information Document	**June 2009**
Interim Management Statement	**June 2009**
Informal Meeting for Shareholders	**17 June 2009**
Semi-Annual Report and Unaudited Consolidated Interim Financial Statements	**September 2009**
Interim Management Statement	**December 2009**

www.hvgpe.com