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Pantheon International PLC
27 February 2019

PANTHEON INTERNATIONAL PLC (the "Company" or "PIP")
HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 30 NOVEMBER 2018

The full Half-Yearly Financial Report can be accessed via the Company's website at www.piplc.com or by contacting the Company Secretary by telephone on +44 (0)1392 477500.

Pantheon International Plc (the "Company" or "PIP")

Pantheon International Plc, an investment trust that provides access to a global and diversified portfolio of private equity, today publishes its Interim Report for the half year ended 30 November 2018.

PIP's objective is to generate capital gains which outperform the equity returns of broader public markets over the long term. PIP had a busy half year during which it capitalised on its active deal pipeline and its portfolio delivered a strong performance.

ANNUALISED PERFORMANCE AS AT 30 NOVEMBER 2018

	1 yr	**3 yrs**	**5 yrs**	**10y yrs**	**Since inception**
Nav per share	19.1%	18.2%	15.3%	8.8%	11.9%
Ordinary share price	9.7%	16.5%	14.8%	20.1%	11.5%
FTSE All Share, TR	-1.5%	7.0%	5.3%	9.9%	7.7%
MSCI World TR (Sterling)	6.9%	15.3%	12.8%	13.6%	8.0%

Share price outperformance

Versus FTSE All Share, TR	**+11.2%**	**+9.5%**	**+9.5%**	**+10.2%**	**+3.8%**
Versus MSCI World TR (Sterling)	**+2.8%**	**+1.2%**	**+2.0%**	**+6.5%**	**+3.5%**

HIGHLIGHTS - SIX MONTHS ENDED 30 NOVEMBER 2018

Performance update

- NAV per share **grew by 10.7%** to 2,674.3p.
- Net assets at 30 November 2018 **increased to £1,447m** (May 2018: £1,307m).
- The ordinary share price increased from 2,010.0p to 2,050.0p, **an increase of 2%** however the discount widened from 17% to 23%, reflecting a sector-wide trend.

Portfolio update

- Assets in the portfolio generated underlying (pre-FX) returns of **8.9%.**
- Distributions received in the six months to 30 November 2018 were **£134m**, equivalent on an annualised basis to **23%** of the opening attributable portfolio. After funding **£55m** of calls, net cash flow from the portfolio totalled **£79m**.
- **£203m** was committed to **37 new investments** during the half year of which £118m was funded at the time of purchase.

Financial position update

- **New four-year £175m multi-currency credit facility** agreed in June to replace facility that was due to expire in November 2018; **the facility remains undrawn.**
- Undrawn commitment cover **comfortable at 3.6x.**

Commenting on PIP's performance for the half year, **Sir Laurie Magnus, Chairman,** said:

"PIP has made good progress during the first half of its financial year. Our performance was helped by the strong flow of distributions from exits. These have been used by our Manager to replenish the portfolio with a range of compelling, carefully selected new investments. The Board is confident, in view of PIP's strong balance sheet and liquidity, that it is well placed both to take advantage of opportunities and to withstand possible headwinds that may emerge from the uncertain political and economic environment that lies ahead."

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A video of Andrew Lebus and Helen Steers, Partners at Pantheon, discussing PIP's financial half year is available on our website at www.piplc.com.

CHAIRMAN'S STATEMENT

During the half year, with economic conditions remaining broadly positive while market conditions were more mixed, PIP continued to execute its strategy of building a global, diversified portfolio with a rigorous focus on risk management underpinned by a strong and prudently-managed balance sheet.

IN SUMMARY

- Strong performance from the underlying portfolio
- We made 37 new investments amounting to £203m in commitments
- £134m of distributions received, equivalent on an annualised basis to 23% of the opening attributable portfolio.
- PIP continues to benefit from managers who are nimble and have a proven track record of investing through multiple economic cycles.

KEY STATISTICS

11%	NAV per share increase
2%	Ordinary share price increase
£1,447m	Net asset value
£79m	Portfolio net cash flow

Performance for six months to 30 November 2018

During the six months to 30 November 2018, PIP's NAV per share increased by 10.7% to 2,674.3p and net assets increased from £1,307m to £1,447m. NAV growth (net of Asset Linked Note movements) reflected strongly positive net investment gains from the underlying portfolio (+8.0%) and foreign exchange movements (+3.6%) offset by expenses and taxes (-0.9%).

PIP's investment strategy emphasises the mid-market through both buyout and growth stages. The extent of the gains in all areas of the portfolio was encouraging, relative to broader equity markets, although the returns within the buyout portfolio were more muted, held back by a number of company-specific events, especially among the larger buyouts. Nonetheless, Pantheon's managers continue to find value in the mid-market where, typically, there is more favourable pricing compared with other stages of investment, more levers to pull in order to maximise the growth potential in those assets and several routes to exit.

The growth assets, representing 19% of the Company's portfolio, performed very strongly, driven by value-accretive refinancings as well as IPOs. Special situations (consisting of energy, distressed and mezzanine funds) and venture performed well during the period.

In the six months to 30 November 2018, PIP's ordinary share price increased by 2% but the discount to NAV at which the shares trade widened to 23%. This trend aligns with a more negative market sentiment that has widened the discounts at which shares trade as whole in the listed private equity sector. The discount has since narrowed to 17% at the time of writing. It is the Board's view that PIP's share price discount is excessive when considered in the context of the Company's long-term track record. PIP's dedicated communications team has strengthened its marketing and investor relations efforts, emphasising PIP's differentiated approach and successful track record, in order to stimulate demand for PIP's shares.

Investment and realisation activity

During the period, PIP continued to benefit from the current benign exit environment, generating £134m of distributions attributable to shareholders, equivalent on an annualised basis to 23% of the opening attributable portfolio. Sales to corporate buyers remained the most significant sources of exit realisations. In the half year, calls from existing commitments to private equity funds amounted to £55m, equivalent on an annualised basis to 25% of opening undrawn commitments. This resulted in a net cash inflow from the portfolio of £79.2m during the period, before taking account of new investments. The weighted average fund age was 5.4 years during the six months to 30 November 2018 (31 May 2018: 5.7 years). By maintaining the average vintage maturity profile of the portfolio between 4 and 6 years, PIP benefits from a strong flow of distributions from the realisation of more mature assets while still being exposed to investments in the active value creation phase. This ensures that PIP can generate sufficient cash from distributions to remain an active investor over the course of the cycle.

Institutional support for private equity fundraising has continued to be strong during the first half of the financial year, with valuations and the levels of dry powder in the market remaining high. Despite this worrying risk of exuberance and the increased competition for deals, the Board believes that Pantheon's extensive network of relationships and its privileged access to information have allowed it to continue selectively to source compelling opportunities. PIP is able to participate in all the private equity deals that are sourced by Pantheon's large team of approximately 80 investment professionals worldwide. By investing directly in primary and secondary deals and in companies through co-investments, rather than by feeding through Pantheon's collective investment funds, PIP retains more flexible control over portfolio construction and is better able to meet its investment and liquidity objectives.

Investors are becoming increasingly aware of the importance of investing responsibly and the Board is satisfied that Pantheon's detailed due diligence process includes an evaluation of how its managers incorporate sound Environmental, Social and Governance ("ESG") practices both within selected General Partners, as well as within their underlying portfolio businesses. In addition, the Board recognises the strong culture and values embedded within Pantheon's entire workforce and its long history of being a responsible steward of its clients' capital.

PIP made 37 new investments in the half year, amounting to £203.4m in commitments, of which £117.6m was drawn at the time of purchase. These investments comprised £74.6m committed to seven secondaries, £69.6m committed to 10 primaries and £59.2m committed to 20 co-investments. Since the period end, PIP has committed a further £11m to four investments.

PIP has a policy to buy back its own shares opportunistically. Since the period end, the Company has bought back 25,000 shares for cancellation.

Financial position and strength

PIP has a strong balance sheet and sources of liquidity which provide protection in downturns and permits counter-cyclical investing in most foreseeable scenarios.

The unlisted Asset Linked Note ("ALN"), issued with an opening value of £200m at the end of October 2017, is due to mature in August 2027. Repayment of the ALN is made only out of cash distributions that have been received from a reference portfolio of older assets. PIP has made total ALN repayments of £104m since it was issued and, as at 30 November 2018, the ALN was valued at £115m.

In June, the Company announced that it had agreed a new £175m multi-currency revolving credit facility to replace the £150m loan facility agreement that was due to expire in November 2018. The facility, denominated as to US$163m and €60m, will expire in June 2022 with an option to extend, by agreement, the maturity date by another year. As at 30 November 2018, PIP held net available cash of £104m and the undrawn facility was equivalent to £181m, giving the Company total liquid resources of £285m. With undrawn commitments of £487m as at 30 November 2018, PIP's undrawn commitment cover, which measures the sum of PIP's undrawn commitments against its available financing and the value of its private equity portfolio, was comfortable at 3.6 times.

Outlook

The global economy performed well during 2018 but geopolitical challenges and trade tensions show no sign of abating. This, together with the volatility seen in the public markets towards the end of 2018, mean that the outlook for 2019 is less positive.

In the event of a downturn, there may be a fall in the valuation of private equity assets and a slowdown in deal activity as business vendors and purchasers adjust to the changing environment. However, this could also be an opportunity for PIP to acquire some assets more cheaply, particularly if some investors come under pressure to trim their private equity exposure. As a leader in the secondaries market, Pantheon is well-positioned to access that deal flow, which would support PIP's investment strategy of emphasising younger vintages in its portfolio to boost returns.

The Board believes that PIP is continuing to benefit from Pantheon's close relationships with managers who have a proven track record of investing in businesses through multiple cycles, have a cautious approach to the use of leverage, are able to take advantage of market dislocations and are able to add value by identifying exciting investment opportunities capable of outperformance over the long term. In addition, the Board is confident that PIP's strong balance sheet, the careful control of its undrawn commitments ratio and its disciplined, flexible and selective investment approach, means it is well-positioned to withstand the uncertainty that we face both at home and abroad during the year ahead.

SIR LAURIE MAGNUS
Chairman
26 February 2019

Key Performance Indicators

The Board has selected five key performance indicators ("KPIs") to ensure that PIP is using the most appropriate measures to monitor progress in delivering against its objective of maximising capital growth over the long term. A detailed explanation of the chosen KPIs, along with the historical performance for each, can be found below.

	What it is	How we have performed		Link to our strategic objective	Examples of related factors that we monitor
Performance					
5-Year cumulative total shareholder return	Total shareholder return demonstrates the return to	1 year 9.7% 3 years (cum)	• PIP's ordinary shares had a closing price of 2,050.0p as at 30 November	• Maximise shareholder returns through long-term capital growth.	• Rate of NAV growth relative to listed markets.

99.0%	investors, after taking into account share price movements (capital growth) and, if applicable, any dividends paid during the period.	58.2% 5 years (cum) 99.0%	2018. • The ordinary share price discount to NAV increased from 17% to 23% during the six-month period, reflecting a sector-wide trend.	• Promote better market liquidity by building demand for the Company's shares.	• Trading volumes for the Company's shares. • Share price discount to NAV.
NAV per share growth during the year 10.7%*	NAV per share reflects the attributable value of a shareholder's holding in PIP. The provision of consistent long-term NAV per share growth is central to our strategy. NAV per share growth in any period is shown net of all costs associated with running the Company.	11M to 31 May 2017 16.9% 12M to 31 May 2018 10.3% 6M to 30 Nov 2018 10.7%	• NAV per share increased by 259.5p to 2,674.3p during the year. • Strong performance further enhanced by foreign exchange movements.	• Investing flexibly with top-tier private equity managers to maximise long-term capital growth. • Containing costs and risks by constructing a well-diversified portfolio in a cost-efficient manner.	• Valuations provided by private equity managers. • Fluctuations in currency exchange rates. • Ongoing charges relative to NAV growth and private equity peer group. • Potential tax leakage from investments. • Effect of financing (cash drag) on performance.
Portfolio investment return 8.9%*	Portfolio investment return measures the total movement in the valuation of the underlying funds and companies comprising PIP's portfolio expressed as a percentage of the opening portfolio value, before taking foreign exchange effects and other expenses into account.	11M to 31 May 2017 16.2% 12M to 31 May 2018 15.4% 6M to 30 Nov 2018 8.9%	• Strong performance in the underlying portfolio. • PIP continues to benefit from good earnings growth in its underlying portfolio and from the favourable exit environment.	• Maximise shareholder returns through long-term capital growth.	• Performance relative to listed market and private equity peer group. • Valuations provided by private equity managers.
Liquidity					
Net portfolio cash flow £79m*	Net portfolio cash flow is equal to fund distributions less capital calls to finance investments, and reflects the Company's capacity to finance calls from existing investment commitments and to make new investments.	11M to 31 May 2017 £211m 12M to 31 May 2018 £194m 6M to 30 Nov 2018 £79m	• PIP's portfolio generated £134m of distributions versus £55m of calls. • The Company made new commitments of £203m during the year, £118m of which was drawn at the time of the transaction.	• Maximise long-term capital growth through ongoing portfolio renewal while controlling financing risk.	• Relationship between outstanding commitments and NAV. • Portfolio maturity and distribution rates by vintage. • Commitment rate to new investment opportunities.

	PIP manages its maturity profile through a mix of primaries, secondaries and co-investments to ensure that its portfolio remains cash-generative at the same time as maximising the potential for growth. With a weighted average fund age of 5.4 years,[1] PIP is achieving this objective.				
Liquidity ratio 1.1x*	The liquidity ratio is the ratio of outstanding commitments to available financing, with the latter being the sum of net available cash, the unutilised portion of any loan facilities and 10% of private equity assets. The liquidity ratio is an indicator of the Company's ability to meet outstanding commitments, even in the event of a market downturn. Under the terms of its current loan facilities, PIP is required to maintain a liquidity ratio of below 3.0 times.	11M to 31 May 2017 1.0x 12M to 31 May 2018 1.0x 6M to 30 Nov 2018 1.1x	• The current level of commitments is consistent with PIP's conservative approach to balance sheet management.	• Flexibility in portfolio construction, allowing the Company to flex between primary, secondary and co-investments, and vary investment pace, to achieve long-term capital growth.	• Relative weighting of primary, secondary and co-investments in the portfolio. • Level of undrawn commitments relative to gross assets. • Trend in distribution rates. • Ability to access debt markets on favourable terms.

** Excludes valuation gains and / or cash flows associated with the Asset Linked Note.*

[1] *Excludes the portfolio of the reference portfolio attributable to the Asset Linked Note.*

INVESTMENT POLICY

Our investment policy is constructed around maximising capital growth

The Company's policy is to make unquoted investments, in general by subscribing for investments in new private equity funds ("Primary Investment") and by buying secondary interests in existing private equity funds ("Secondary Investment"), and from time to time to capitalise further on its fund investment activities by acquiring direct holdings in unquoted companies ("Co-investments"), usually either where a vendor is seeking to sell a combined portfolio of fund interests and direct holdings or where there is a private equity manager, well known to the Company's Manager, investing on substantially the same terms.

The Company may invest in private equity funds which are quoted. In addition, the Company may from time to time hold quoted investments in consequence of such investments being distributed to the Company from its fund investments or in consequence of an investment in an unquoted company becoming quoted. The Company will not otherwise normally invest in quoted securities, although it reserves the right to do so should this be deemed to be in the interests of the Company.

The Company may invest in any type of financial instrument, including equity and non-equity shares, debt securities, subscription and conversion rights, and options in relation to such shares and securities, and interests in partnerships and limited partnerships and other forms of collective investment scheme. Investments in funds and companies may be made either directly or indirectly, through one or more holdings, special purpose or investment vehicles in which one or more co-investors may also have an interest.

The Company employs a policy of over-commitment. This means that the Company may commit more than its available uninvested assets to investments in private equity funds on the basis that such commitments can be met from anticipated future cash flows to the Company and through the use of borrowings and capital raisings where necessary.

The Company's policy is to adopt a global investment approach. The Company's strategy is to mitigate investment risk through diversification of its underlying portfolio by geography, sector and investment stage. Since the Company's assets are invested globally on the basis, primarily, of the merits of individual investment opportunities, the Company does not adopt maximum or minimum exposures to specific geographic regions, industry sectors or the investment stage of underlying investments.

In addition, the Company adopts the following limitations for the purpose of diversifying investment risk:

- that no holding in a company will represent more than 15% by value of the Company's investments at the time of investment (in accordance with the requirement for approval as an investment trust which applied to the Company in relation to its accounting periods ended on and before 30 June 2012);

- the aggregate of all the amounts invested by the Company in (including commitments to or in respect of) funds managed by a single management group may not, in consequence of any such investment being made, form more than 20% of the aggregate of the most recently determined gross asset value of the Company and the Company's aggregate outstanding commitments in respect of investments at the time such investment is made; and

- the Company will invest no more than 15% of its total assets in other UK-listed closed-ended investment funds (including UK-listed investment trusts).

The Company may invest in funds and other vehicles established and managed or advised by Pantheon or any Pantheon affiliate. In determining the diversification of its portfolio and applying the manager diversification requirement referred to above, the Company looks through vehicles established and managed or advised by Pantheon or any Pantheon affiliate.

The Company may enter into derivatives transactions for the purposes of efficient portfolio management and hedging (for example, hedging interest rate, currency or market exposures).

Surplus cash of the Company may be invested in fixed interest securities, bank deposits or other similar securities.

The Company may borrow to make investments and typically uses its borrowing facilities to manage its cash flows flexibly, enabling the Company to make investments as and when suitable opportunities arise and to meet calls in relation to existing investments without having to retain significant cash balances for such purposes. Under the Company's articles of association, the Company's borrowings may not at any time exceed 100% of the Company's net asset value. Typically, the Company does not expect its gearing to exceed 30% of gross assets. However, gearing may exceed this in the event that, for example, the Company's pipeline of future cash flows alter.

The Company may invest in private equity funds, unquoted companies or special purpose or investment holding vehicles which are geared by loan facilities that rank ahead of the Company's investment. The Company does not adopt restrictions on the extent to which it is exposed to gearing in funds or companies in which it invests.

MANAGER'S MARKET REVIEW

Market Review

The private equity market has continued to grow against a more sombre and complex economic backdrop as investors increasingly recognise that top quartile private equity funds have historically generated returns that consistently outperform public markets.

However, as we approached the end of the year, financial markets started to show signs of weakness and the economic outlook for 2019 appears to be on shakier ground. Pantheon continues to be selective, ensuring that it is sourcing deal flow from managers who invest defensively, taking advantage of opportunities created by market dislocations, and who have the expertise and track record of managing assets through political and economic uncertainty.

In 2018, the global economy outperformed market expectations. Growth was strong and more globally synchronised, while inflation remained largely quiescent on the back of subdued wage growth. However, the challenge in sustaining this is greater than it was last year. More than a decade since the Global Financial Crisis ("GFC"), the true costs arising from that period have yet to be calculated. The long-run effects of global financial imbalances that have arisen from Central Bank efforts to stem financial uncertainty, as well as the emergence of populist political sentiment, are still major uncertainties.

Regional outlook

The USA, which represents the majority of PIP's portfolio, continues to enjoy a strong domestic economy and US companies are generally experiencing a period of robust earnings growth. Furthermore, the tax changes signed into law have encouraged the repatriation of profits previously held overseas by US corporates and have helped finance a share buyback boom in the US public markets. The stimulatory effects of the easier US fiscal policy will decline going into 2019 and, while robust US corporate earnings growth and share buybacks will likely continue for some time, we believe that on balance these trends have been largely reflected in current stock price levels. While alert to political and macroeconomic developments in the USA, Pantheon continues to believe that the more developed and sophisticated US private equity market will be the most significant source of compelling deal flow for PIP's portfolio in 2019.

The initial strong economic growth in the Eurozone lost momentum towards the end of the year, with political turbulence, faced by several countries during 2018, weighing on sentiment. On 29 March 2019, the UK is expected to leave the European Union and, at the time of writing, it is still not clear which Brexit scenario will occur. From a private equity perspective, the UK continues to be a relatively attractive jurisdiction for investment on a long-term basis. Nonetheless, Pantheon and its managers are taking a careful approach to deployment of capital in the UK and it should be noted that the UK only represents a minority (less than 10%) of PIP's portfolio. Furthermore, many of the European managers that Pantheon backs are regional or pan-European managers who are able to deploy capital in different countries as economic events unfold during an investment period.

China's economy experienced a slowdown in 2018, and the outlook for 2019 is for lower GDP growth. However, the growing trade disharmony between the USA and China is even more concerning and the implications could be global. This is especially true of the technology sector, which has been one of the main beneficiaries of the bull run in global equity valuations over the latter part of the current financial cycle. Technology also forms a large part of the investment focus for private equity investors, particularly those actively investing in venture and growth capital. There are cross-border technology businesses with exposure to both the US and Chinese markets and they could be adversely impacted as a result. Pantheon will add new exposure to these areas where there are clear indications of growth potential in those assets regardless of the possible challenges being faced by the sector.

There are indications that, although the wider Asian region benefited from solid domestic demand, it is likely to be negatively impacted by US-China tensions, and economic growth may decelerate from the level projected for 2018.

It appears that Latin America's economic recovery slumped towards the end of the year and, following a busy year of elections across the region, the focus is now on how policymakers will respond to try and reverse this trend.

Asia and Emerging Markets represent a smaller part of PIP's portfolio, when compared with the USA and Europe, and Pantheon remains focused on only acquiring assets that it believes will be additive to PIP's long-term returns.

Recent trends in the private equity market

Global fundraising for private equity continued to surge in 2018 and seems likely to surpass the previous record of US$453bn set in 2017.[1] As with past peaks in the fundraising cycle, the boom was led by large and mega buyout funds. Although coming from a much lower base, venture capital and growth equity also recorded strong growth. The increase in fundraising for mid-sized and small buyouts, traditionally the focus of Pantheon's private equity activities, was more modest. The scale and composition of recent private equity fundraising growth are consistent with prior episodes of peak market valuations (notably around the immediate pre-GFC period of 2007-8).

Dry powder within the private equity industry (approximately US$1.3tn[1]) is equivalent to nearly three years of current record fundraising and approximately two years of investment deployment. If the downturn in public equity market valuations continues in 2019 and this translates into lower private equity valuations, the fact that the industry has so much spare firepower is encouraging as it would allow this large pool of capital to be deployed in a better valuation environment. However, it could also result in the investment periods for recent funds being extended for longer if a slowdown in deal volumes occurred in line with a decline in deal valuations.

The wave of fundraising has been supported by further significant growth in debt issuance, with record volumes of private equity-backed loans and high yield issuance in both the USA and Europe. The experience of the global private equity industry both before, during and after the GFC should remind us that private equity capital flows are pro-cyclical. If the downturn in stock prices observed in public equity markets at the end of 2018 proves to be a longer term trend, we would expect there to be a similar impact on the currently high private equity valuations.

Record investment activity in the secondary market

Activity in the private equity secondary market passed a new milestone during 2018, with $70bn deal volume transacted during the year[2], a significant increase over 2017. Historically, sales of private equity fund positions were often motivated by distressed sellers. However, the industry has matured, and nowadays secondary activity is underpinned by the desire to actively manage private equity portfolios, due to shifts in portfolio strategy. In 2018, active portfolio management continued to motivate sales of limited partnership interests, fuelling almost two thirds of secondary deal volume[3].

Other parts of the secondary market experienced considerable growth during the year, with manager-led transactions in particular seeing a noteworthy increase, growing from $18bn[2] of volume in 2017 to $26bn[2] of volume in 2018. Manager-led transactions have now become a more established part of the market, encompassing all types of deals from preferred capital investments in individual companies (or portfolios of companies) to end-of-fund liquidity solutions including both fund restructurings and tender offers.

Amidst a fully priced valuation environment, Pantheon remains disciplined in underwriting prospective secondary opportunities. We have eschewed broad market exposure by targeting more concentrated portfolios managed by investment institutions that are well known to us, where we can identify durable value drivers and where the underlying business models are less susceptible to a broader macroeconomic or market decline. We have been avoiding highly diversified, large portfolios of mature fund investments where value creation in the underlying portfolio has already been largely achieved, and where eventual exit values are more susceptible to broader market volatility. Sectors in which we have transacted during the half year include energy, for-profit education services and healthcare services.

Although Pantheon's investment pipeline remains strong, in the short term the recent period of market volatility may moderate the record pace of secondary transactions, with an expectation that some sellers will wait until the publication of 2018 year-end valuation marks prior to launching sale processes. Nevertheless, the medium-term prospects for the secondary market remain strong: the larger funds that have recently been raised in the broader private equity market are expected to propel the future growth of trades in fund interests, with manager-led transactions adding materially to potential transaction volume. As a pioneer in the secondary market and given the breadth and depth of our existing manager relationships, Pantheon is well placed to capitalise on the projected long-term growth in secondary deal volume.

[1] *Preqin Global Private Equity Report 2018.*

[2] *Setter Capital Volume Report FY 2018, January 2019.*

[3] *Evercore YE 2018 Secondary Market Review, January 2019.*

Co-investment market has further growth potential
Since its establishment 37 years ago, Pantheon has focused on building strong relationships with its managers and has developed a core of high-quality relationships that have been instrumental in providing the vast majority of Pantheon's recent co-investment deal activity. Through our flexible and dedicated platform, we can support a manager's acquisition of a company with rapid execution as well as by offering a broad range of capital to each investment opportunity, which can range from $10m to over $100m. Importantly, Pantheon can also co-underwrite transactions alongside managers.

Through active management, Pantheon is able to secure attractive co-investment opportunities. We are leveraging our relationships to secure the types of opportunities that will help mitigate the risks posed by a relatively full pricing environment. As a current investment theme, we are interested in co-investing in buy and build opportunities where there is the potential to make significant add-on acquisitions at lower purchase price multiples, growing these businesses and extracting synergies. We also have an appetite for companies with defensive characteristics that are less correlated to the broader economic cycle. Sectors in which we have transacted during the half-year period include healthcare services, financial services and software-as-a service providers.

Notwithstanding the public market volatility at the end of 2018, the prospects for co-investment market activity remain strong, buttressed by the significant level of uninvested capital raised in the broader private equity market; this capital is expected to support deal activity, even in the event of a significant dislocation in the credit markets or a global economic downturn.

Summary and outlook
Global economic growth was good in 2018; however, financial markets showed signs of weakness as we approached the end of the year. Our analysis leads us to conclude that, while not certain, the US-China trade dispute could be the catalyst for a sustained financial market correction.

Pantheon has adopted a cautious approach to investing in this environment and is investing in opportunities where we have conviction in a manager's sector expertise and track record of helping to create value at the underlying company level, of assisting companies to navigate potential challenges as a result of the broader macroeconomic environment, and of delivering robust returns over several market cycles. At the same time, we are also backing managers who are nimble, who actively avoid businesses with excessive leverage and who are prepared and are able to take advantage of any market dislocations that may arise as we move through 2019.

PORTFOLIO
Our portfolio is well diversified by investment type, geography, sector and maturity, resulting in an asset risk profile that we believe is consistent with a typical balanced portfolio of publicly listed equities.

Investment type[1]
Flexible approach to portfolio construction increases potential for outperformance.

INVESTMENT TYPE	
Secondary	**42%**
Co-investments	**32%**
Primary	**26%**
Total	**100%**

Fund region[1]
Weighted towards the more developed private equity markets in the USA and Europe while Asia and EM provide access to faster-growing economies.

FUND REGION	
USA	**56%**
Europe	**25%**
Asia and EM[2]	**11%**
Global[3]	**8%**
Total	**100%**

Fund stage[1]
Well diversified with an emphasis on the mid-market through buyout and growth stages.

FUND STAGE

Small/mid buyout	**35%**
Large/mega buyout	**27%**
Growth	**19%**
Special Situations	**13%**
Venture	**6%**
Total	**100%**

Fund maturity[1]
Maturity profile is managed to enhance performance while maintaining a cash-generative portfolio.

FUND MATURITY		of which % co-investments
2018	10%	5%
2017	10%	6%
2016	14%	8%
2015	19%	10%
2014	6%	2%
2013	5%	1%
2012	5%	0%
2011	4%	0%
2010	3%	0%
2009	2%	0%
2008	9%	0%
2007	9%	0%
pre 2007	4%	0%

[1] *Fund investment type, region, stage and maturity charts are based upon underlying fund valuations and account for 100% of PIP's overall portfolio value. The charts exclude the portion of the reference portfolio attributable to the Asset Linked Note.*

[2] *EM: Emerging Markets.*

[3] *Global category contains funds with no target allocation to any particular region equal to or exceeding 60%.*

Performance
Overall, PIP's underlying portfolio continues to deliver healthy returns

Private equity portfolio movements[1]

- PIP's total portfolio generated investment returns, prior to foreign exchange effects, of 8.7%.
- Excluding returns attributable to the Asset Linked Note ("ALN") share of the portfolio, PIP's portfolio generated returns of 8.9% during the half-year.

Valuation gains by stage[1]

- PIP experienced strong performance from the growth segment of the portfolio.
- Venture performed better than in recent years, primarily due to successful exits by a handful of funds.
- Buyout performance was impacted by company-specific valuation events and weak performance in a small number of US investments.

Valuation gains by region[1]

- Strong performance in European investments during the half year.
- USA impacted by valuation declines in a small number of buyout investments
- Asia and EM underperformance affected by share price movements in a small number of companies in the region.

[1] *Portfolio returns include income, exclude gains and losses from foreign exchange movements, and look through feeders and funds-of-funds to the underlying funds. Portfolio returns exclude returns generated by the portion of the reference portfolio attributable to the Asset Linked Note.*

DISTRIBUTIONS

PIP received approximately 1,000[1] distributions in the half year, with many reflecting realisations at significant uplifts to carrying value. PIP's mature portfolio should continue to generate significant distributions.

Distributions by Region and Stage[2]
PIP received £134m in proceeds from the portfolio in the six months to 30 November 2018 with distributions strongest in the developed markets, in particular from growth and buyout assets.

DISTRIBUTIONS BY REGION = £134M	
USA	**59%**
Europe	**30%**
Asia and EM	**6%**
Global	**5%**

Total	**100%**

DISTRIBUTIONS BY STAGE = £134M

Small/mid Buyout	**44%**
Large/mega Buyout	**23%**
Growth	**23%**
Venture	**7%**
Special situations	**3%**
Total	**100%**

Quarterly Distribution Rates[2]

The annualised distribution rate for the six months to 30 November 2018 was equivalent to 23%[3] of PIP's opening portfolio value.

Distribution Rates in the half year to 30 November 2018 by Vintage[2]

With a weighted fund maturity of 5.4 years,[4] PIP's portfolio should continue to generate sufficient cash to remain an active investor over the course of the cycle.

1 This figure looks through feeders and funds-of-funds.

2 Excludes distributions attributable to the Asset Linked Note.

3 Including distributions attributable to the Asset Linked Note, the annualised distribution rate for the half year was 25%.

4 Calculation for weighted average age excludes the portion of the reference portfolio attributable to the Asset Linked Note.

Cost multiples on exit realisations for the half year to 30 November 2018[1]

On a sample of exit realisations, where information was available, the range of multiples on initial cost achieved by the underlying fund manager on exit realisations during the period. The average cost multiple of the sample was 3.4 times, highlighting value creation over the course of an investment.

Uplifts on exit realisations for the half year to 30 November 2018[1]

On a sample of exit realisations, a range of uplifts were achieved by the underlying fund manager on exit realisations in the period. Uplift on full exit compares the value received upon realisation against the investment's carrying value up to six months prior to the transaction taking place.

The value-weighted average uplift in the half year to 30 November 2018 was 28%. This average uplift is consistent with our view that realisations can be significantly incremental to returns.

1 see the Glossary of the full Interim Report for sample calculations and disclosures.

Exit Realisations by Sector and Type

The portfolio benefited from a lot of realisation activity, particularly in the consumer, information technology and industrials sectors.

Trade sales represented the most significant source of exit activity during the half year.

The data represents 100% (for exit realisations by sector) and 62% (for exit realisations by type) of proceeds from exit realisations received during the period.

EXIT REALISATIONS BY SECTOR

Consumer	44%
Information Technology	31%
Industrials	11%
Healthcare	6%
Financials	4%
Materials	2%
Others	2%
Total	100%

EXIT REALISATIONS BY TYPE

Trade Sale	72%
Public Market Sale	18%
Secondary Buyout	9%
Refinancing and Recapitalisation	1%
Total	100%

CALLS

Calls during the period were used to finance investments in businesses such as insurance services, healthcare service providers and application software technology companies.

Calls by Region and Stage[1]

PIP paid £55m to finance calls on undrawn commitments during the half year.

The calls were predominantly made by managers in the buyout and growth segments, reflecting the focus of PIP's recent primary commitments.

CALLS BY REGION = £55m

USA	52%
Europe	26%
Asia & EM	12%
Global	10%
Total	100%

CALLS BY STAGE = £55m

Small/mid Buyout	43%
Growth	25%
Large/mega Buyout	21%
Special situations	10%
Venture	1%
Total	100%

Calls by Sector[1]
A large proportion of calls were for new investments made in the healthcare, financials and information technology sectors.

CALLS BY SECTOR = £55m

Healthcare	25%
Financials	21%
Information Technology	17%
Consumer	13%
Energy	8%
Industrials	7%
Materials	5%
Telecommunication Services	3%
Total	100%

Quarterly Call Rate[1,2]
The annualised call rate for the six months to 30 November 2018 was equivalent to 25% of opening undrawn commitments.

1 *Excludes distributions attributable to the Asset Linked Note.*

2 *Call rate equals calls in the period (annualised) divided by opening undrawn commitments. All call figures exclude the acquisition cost of new secondary and co-investment transactions.*

NEW COMMITMENTS

The six months to 30 November 2018 was characterised by a very active pipeline of deal flow. PIP committed £203m across 37 new investments during the period. Of the total commitments made, £118m was drawn at the time of purchase.

New Commitments by Region
The majority of commitments made in the half year were to the USA, reflecting PIP's overall focus.

USA	60%
Europe	23%
Global	9%
Asia and EM	8%
Total	100%

New Commitments by Stage
The majority of new commitments made in the half year were to buyout funds, with particular emphasis on small and mid buyouts.

Small/mid Buyout	35%
Large/mega Buyout	27%
Growth	25%
Special Situations	12%
Venture	1%
Total	100%

New Commitments by Investment Type
New commitment activity was split across the three investment types, in line with PIP's flexible investment approach.

Secondary	37%
Primary	34%
Co-Investment	29%
Total	100%

New Commitments by Vintage

Primaries and co-investments, which accounted for more than 60% of total commitments during the year, offer exposure to current vintages.

2018	81%
2017	5%
2015	4%
2013	4%
2012	1%
2011	3%
2009 and earlier	2%
Total	100%

Secondary Commitments [1]
Secondary investments allow the Company to access funds at a stage when the assets are closer to generating cash distributions.

£75m was committed to seven secondary transactions during the half year.

The private equity secondary market has grown significantly over the last ten years, both in scale and complexity. PIP continues to see compelling opportunities derived from Pantheon's global platform and uses its expertise in executing complex secondary transactions over which it may have proprietary access. Over the last six months, in addition to traditional secondary transactions, PIP has participated in manager-led secondary opportunities with significant upside potential.

EXAMPLES OF SECONDARY COMMITMENTS MADE DURING THE HALF YEAR:

REGION	STAGE	DESCRIPTION	COMMITMENTS £M	% FUNDED[2]
USA	Growth	Portfolio of four US growth funds	**19.2**	**95%**
Europe	Small/mid	UK mid-market buyout fund	**13.2**	**61%**
USA	Small/mid	Secondary acquisition of a minority interest in an ophthalmology company	**13.0**	**100%**
USA	Special sits	Secondary investment in a US oil and gas producer	**12.1**	**100%**
USA	Small/mid	Secondary acquisition of a minority interest in a US financial services company	**11.6**	**100%**

Primary Commitments
Investing in primary funds allows PIP to gain exposure to complementary niche investments as well as to smaller funds that might not typically be traded on the secondary market. Our focus remains on investing with high-quality managers who have the proven ability to drive value at the underlying company level, and generate strong returns across market cycles. In addition, we target funds with market-leading specialisms in high-growth sectors such as healthcare and information technology.

£70m was committed to ten primaries during the half year.

EXAMPLES OF PRIMARY COMMITMENTS MADE DURING THE HALF YEAR:

INVESTMENT	STAGE	DESCRIPTION	COMMITMENTS £M
ECI 11	Small/Mid	Mid-market fund focused on the UK	**15.0**
Growth Fund[3]	Growth	North American fund targeting growth-stage technology companies	**11.0**
Baring Asia Private Equity Fund VII	Large/Mega	Asian large buyout fund	**10.7**
EW Healthcare Fund II	Growth	North American healthcare specialist growth fund	**10.4**
HIG Advantage Fund I	Small/Mid	North American mid-market buyout fund	**10.4**

Co-investments
PIP's co-investment programme continues to benefit from Pantheon's considerable primary investment platform which has enabled PIP to gain access to proprietary deals. PIP invests alongside managers who have the sector expertise to source and acquire attractively priced assets and build value through operational enhancements, organic growth and buy-and-build strategies.

£59m was committed to 20 co-investments during the half year.

The information technology, financials and healthcare sectors in the USA offered compelling investment opportunities.

CO-INVESTMENTS BY GEOGRPAHY

USA	79%
Europe	7%
Asia & EM	8%
Global	6%
Total	100%

CO-INVESTMENTS BY SECTOR

Information Technology	29%
Healthcare	25%
Financials	21%
Consumer	9%
Industrials	8%
Energy	8%
Total	100%

[1] *Funds acquired in new secondary transactions are not named due to non-disclosure agreements.*

[2] *Funding level does not include deferred payments.*

[3] *Confidential.*

Buyout Analysis[1]

Valuation Multiple[1]
Accounting standards require private equity managers to value their portfolios at fair value.

PIP's sample-weighted average enterprise value/EBITDA was 11.5 times. The FTSE All Share and MSCI World indices were, on average, valued at 9.3 times and 11.5 times respectively.

Revenue and EBITDA growth[1]
Weighted average revenue and EBITDA growth for the sample buyout companies in PIP's portfolio continued to exceed growth rates seen amongst companies that constitute the MSCI World Index.

The weighted average revenue and EBITDA growth for the sample buyout companies was +25.0% and 16.6% respectively during the 12 months to 30 June 2018.

Strong top-line performance, disciplined cost control, good earnings growth, together with an efficient use of capital, underpin the investment thesis of many private equity managers.

Debt Multiples[1]
Venture, growth and buyout investments have differing leverage characteristics.

Average debt multiples for small/medium buyout investments, which represent the majority of PIP's buyout portfolio, are typically lower than debt levels in the large/mega buyout segment.

[1] *See the Glossary in the full Interim Report for sample calculations and disclosures.*

Undrawn Commitments
PIP's undrawn commitments[1] will enable the Company to participate in future private equity investments as they arise

Movement in Undrawn Commitments for the Half Year to 30 November 2018[2]
PIP's undrawn commitments to investments increased to £487m as at 30 November 2018 from £440m as at 31 May 2018. The Company paid calls of £55m and added £86m of undrawn commitments associated with new investments made in the period. Foreign exchange effects and fund terminations accounted for the remainder of the movement.

Undrawn Commitments by Region
The USA and Europe have the largest undrawn commitments, reflecting the Company's investment emphasis. Commitments to Asia and other regions provide access to faster-growing economies.

USA	55%
Europe	32%
Asia and EM	9%
Global	4%
Total	100%

Undrawn Commitments by Stage
PIP's undrawn commitments are diversified by stage, with an emphasis on small and mid-market buyout managers.

Small/Mid Buyout	40%
Large/Mega Buyout	33%
Special Situations	10%
Growth	16%

Venture	1%
Total	100%

Undrawn Commitments by Vintage
Approximately 25% of PIP's undrawn commitments are in vintage 2012 or older funds, where drawdowns may naturally occur at a slower pace. The rise in more recent vintages reflects PIP's recent primary commitment activity.

2018	27%
2017	17%
2016	16%
2015	11%
2014	3%
2013	2%
2012	2%
2009 - 2011	2%
2008	5%
2007	7%
2006 and earlier	8%
Total	100%

[1] *Capital committed to funds that to date remains undrawn.*
[2] *Includes undrawn commitments attributable to the reference portfolio underlying the Asset Linked Note.*

FINANCE AND SHARE BUYBACKS

Efficient balance sheet management supports PIP's investment strategy

Cash and Available Bank Facility
At 30 November 2018, PIP had net available cash1 balances of £104m. In addition to these cash balances, PIP can also finance investments out of its multi-currency revolving credit facility agreement ("Loan Facility") which was renewed in June 2018. The Loan Facility is due to expire in June 2022 and comprises facilities of $163m and €60m which, using exchange rates at 30 November 2018, amounted to a sterling equivalent of £181m.

At 30 November 2018, the Loan Facility remained undrawn.

Asset Linked Note
As part of the share consolidation effected on 31 October 2017, PIP issued an Asset Linked Note ("ALN") with an initial principal amount of £200m to the noteholder. Repayments under the ALN are made quarterly in arrears and are linked to the ALN share (approximately 75%) of the net cash flow from a reference portfolio which is comprised of interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages. PIP retains the net cash flow relating to the remaining c.25% of the reference portfolio.

The ALN is unlisted and subordinated to PIP's existing Loan Facility (and any refinancing), and is not transferable, other than to an affiliate of the noteholder. The ALN is expected to mature on 31 August 2027, at which point the Company will make the final repayment under the ALN. PIP has made total repayments of £104m since it was issued and as at 30 November 2018, the ALN was valued at £115m. Please see below for more information on the ALN.

Undrawn Commitment Cover
At 30 November 2018, the Company had £285m of available financing, comprising its net available cash balance and Loan Facility less the current portion payable under the ALN. The sum of PIP's available financing and private equity portfolio provides 3.6 times cover relative to undrawn commitments. Generally, when a fund is past its investment period, which is typically between five and six years, it cannot make any new investments and only draws capital to fund follow-on investments into existing portfolio companies, or to pay expenses. As a result, the rate of capital calls by these funds tends to slow dramatically. Approximately a quarter of the Company's undrawn commitments are in fund vintages that are six years and older.

Share Buybacks
No share buybacks were completed in the six month period to 30 November 2018. Following the half year end, PIP bought back 25,000 ordinary shares at a 26% discount to the NAV per share as at 30 November 2018.

LARGEST 50 MANAGERS BY VALUE AS AT 30 NOVEMBER 2018

RANK	MANAGER	REGION[2]	STAGE	% OF PIP'S TOTAL PRIVATE EQUITY ASSET VALUE[1]
1	Providence Equity Partners	USA	Buyout	5.9%

2	Growth Fund[4]	USA	Growth	3.7%
3	Essex Woodlands	USA	Growth	3.1%
4	Energy Minerals Group	USA	Special Situations	2.9%
5	Texas Pacific Group	USA	Buyout	2.7%
6	Ares Management	USA	Buyout	2.7%
7	Baring Private Equity Asia	Asia & EM	Growth	2.6%
8	Warburg Pincus Capital	Global	Growth	2.3%
9	NMS Management	USA	Buyout	2.1%
10	Apax Partners SA	Europe	Buyout	2.1%
11	Venture Fund[4]	Europe	Venture	2.0%
12	Veritas Capital	USA	Buyout	1.9%
13	Quantum Energy Partners	USA	Special Situations	1.9%
14	IK Investment Partners	Europe	Buyout	1.7%
15	J.C. Flowers & Co	USA	Buyout	1.6%
16	Sheridan Production Partners	USA	Special Situations	1.4%
17	Yorktown Partners	USA	Special Situations	1.4%
18	Calera Capital	USA	Buyout	1.2%
19	Mid-Europa Partners	Europe	Buyout	1.2%
20	ABRY Partners	USA	Buyout	1.2%
21	EQT[2]	Asia & EM	Buyout	1.1%
22	Gemini Capital	Europe	Venture	1.1%
23	Lee Equity Partners	USA	Buyout	1.1%
24	Growth Fund[4]	USA	Growth	1.1%
25	Hellman & Friedman	USA	Buyout	1.0%
26	Francisco Partners Management	USA	Buyout	1.0%
27	IVF Advisors	Asia & EM	Buyout	1.0%
28	Abris Capital	Europe	Buyout	0.9%
29	First Reserve Corporation	USA	Special Situations	0.9%
30	Buyout Fund[4]	USA	Buyout	0.9%
31	Altor Capital	Europe	Buyout	0.9%
32	Marguerite	Europe	Special Situations	0.9%
33	Stone Point Capital	USA	Buyout	0.9%
34	Searchlight Capital Partners	Global	Special Situations	0.9%
35	Altas Partners	USA	Buyout	0.8%
36	Chequers Partenaires	Europe	Buyout	0.7%
37	Equistone Partners Europe	Europe	Buyout	0.7%
38	AION Capital Partners	Asia & EM	Buyout	0.7%
39	CHAMP Private Equity	Asia & EM	Buyout	0.7%
40	KKR	Europe	Buyout	0.7%
41	Parthenon Capital	USA	Buyout	0.7%
42	Advent International	Global	Buyout	0.7%
43	The Banc Funds Company	USA	Growth	0.7%
44	ABS Capital	USA	Growth	0.6%
45	Horizon Capital	Europe	Buyout	0.6%
46	Summit Partners	USA	Growth	0.6%
47	Bridgepoint Partners	Europe	Buyout	0.6%
48	Shamrock Capital Advisors	USA	Buyout	0.6%
49	TPG Capital Asia	Asia & EM	Buyout	0.6%
50	The Vistria Group	USA	Buyout	0.6%
COVERAGE OF PIP's TOTAL PRIVATE EQUITY ASSET VALUE[1]				**69.9%**

[1] Percentages look through feeders and funds-of-funds and excludes the portion of the reference portfolio attributable to the Asset Linked Note.

[2] Refers to the regional exposure of funds.

[3] The majority of PIP's investments in EQT is held in EQT Greater China II and a co-investment in Sivantos, a company headquartered in Singapore.

[4] Confidential.

LARGEST 50 COMPANIES BY VALUE[1]

NUMBER	COMPANY	COUNTRY	SECTOR	% OF PIP'S NET ASSET VALUE
1	EUSA Pharma[2]	UK	Healthcare	2.2%
2	Abacus Data Systems[2]	USA	Information Technology	1.2%
3	Confidential[2]	USA	Energy	1.2%
4	Confidential[2]	USA	Healthcare	1.0%
5	StandardAero[2]	USA	Industrials	1.0%
6	Adyen[3]	Netherlands	Information Technology	1.0%

7	Confidential[2]	USA	Healthcare	0.9%
8	LBX Pharmacy[3]	China	Consumer	0.8%
9	Confidential[2]	USA	Information Technology	0.8%
10	Confidential[2]	USA	Financials	0.8%
11	Permian Resources[2]	USA	Energy	0.8%
12	Orangefield Group[2,3]	Netherlands	Industrials	0.7%
13	Sivantos[2]	Singapore	Healthcare	0.7%
14	Confidential[2]	France	Telecommunication Services	0.7%
15	Kyobo Life Insurance[2]	South Korea	Financials	0.6%
16	Nexi[2]	Italy	Information Technology	0.6%
17	Atria Convergence Technologies[2]	India	Telecommunication Services	0.6%
18	Confidential[2]	USA	Information Technology	0.6%
19	Salad Signature[2]	Belgium	Consumer	0.6%
20	GE Capital Services India[2]	India	Financials	0.6%
21	ALM Media[2]	USA	Industrials	0.6%
22	ZeniMax	USA	Information Technology	0.5%
23	National Veterinary Associates	USA	Consumer	0.5%
24	Apollo Education[2]	USA	Consumer	0.5%
25	Alliant Insurance[2]	USA	Financials	0.5%
26	Farfetch[3]	UK	Consumer	0.5%
27	Vertical Bridge[2]	USA	Telecommunication Services	0.5%
28	Confidential[2]	Luxembourg	Consumer	0.5%
29	Arnott[2]	USA	Consumer	0.5%
30	Capital Vision	USA	Healthcare	0.4%
31	Coronado Group	USA	Energy	0.4%
32	NIBC Bank[2,3]	Netherlands	Financials	0.4%
33	Colisée[2]	France	Healthcare	0.4%
34	OWP Butendiek	Germany	Utilities	0.4%
35	Extraction Oil & Gas[2,3]	USA	Energy	0.4%
36	Ministry Brands[2]	USA	Information Technology	0.4%
37	Centric[2]	USA	Consumer	0.4%
38	Engencap[2]	Mexico	Financials	0.4%
39	Gourmet Food Holdings	Australia	Consumer	0.4%
40	Confidential[2]	Hong Kong	Consumer	0.4%
41	RightPoint Consulting[2]	USA	Industrials	0.4%
42	Mobilitie[2]	USA	Industrials	0.3%
43	Shawbrook[2]	UK	Financials	0.3%
44	Affinity Education[2]	Australia	Consumer	0.3%
45	Profi Rom[2]	Romania	Consumer	0.3%
46	Cell Care Australia	Australia	Healthcare	0.3%
47	Tug Hill	USA	Energy	0.3%
48	Melita[2]	Malta	Consumer	0.3%
49	Confidential[2]	USA	Industrials	0.3%
50	Jagged Peak Energy	USA	Energy	0.3%
COVERAGE OF PIP's PRIVATE EQUITY NET ASSET VALUE				**29.5%**

[1] The largest 50 companies table is based upon underlying company valuations at 30 September 2018 adjusted for known call and distributions to 30 November 2018, and includes the portion of the reference portfolio attributable to the Asset Linked Note.

[2] Co-investments/secondary directs.

[3] Listed companies.

Portfolio Concentration as at 30 November 2018

Approximately 70[2] managers and 580 companies[3] account for 80% of PIP's total exposure.[1]

[1] Exposure is equivalent to the sum of the NAV and undrawn commitments.

[2] Excludes the portion of the portfolio attributable to the Asset Linked Note.

[3] Includes the portion of the portfolio attributable to the Asset Linked Note.

Interim Management Report

In Respect of the Half-Yearly Financial Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chairman's Statement and the Manager's Review.

The principal risks facing the Company are substantially unchanged since the date of the Annual Report for the financial period ended 31 May 2018 and continue to be as set out in that report.

Risks faced by the Company include, but are not limited to, funding of investment commitments and default risk, risks relating to investment opportunities, financial risk of private equity, long-term nature of private equity investments, valuation uncertainty, gearing, foreign currency risk, the unregulated nature of underlying investments, counterparty risk, taxation, the risks associated with the engagement of the Manager or other third-party advisers, Brexit and cybersecurity risks.

Responsibility Statement

Each Director confirms that to the best of their knowledge:

- The condensed set of financial statements has been prepared in accordance with FRS 102 and FRS 104 'Interim Financial Reporting'; and gives a true and fair view of the assets, liabilities, financial position and return of the Company;

- This Half-Yearly Financial Report includes a fair review of the information required by:

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

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

This Half-Yearly Financial Report was approved by the Board on 26 February 2019 and was signed on its behalf by Sir Laurie Magnus, Chairman.

CONDENSED INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2018

	SIX MONTHS TO 30 NOVEMBER 2018			SIX MONTHS TO 30 NOVEMBER 2017			YEAR TO 31 MAY 2018		
	REVENUE £'000	**CAPITAL £'000**	**TOTAL* £'000**	REVENUE £'000	CAPITAL £'000	TOTAL* £'000	REVENUE £'000	CAPITAL £'000	TOTAL* £'000
Gains on investments at fair value through profit or loss**	**-**	**149,056**	**149,056**	-	46,220	46,220	-	149,778	149,778
Losses on financial instruments at fair value through profit or loss - ALN	**(834)**	**(10,562)**	**(11,396)**	(236)	(1,444)	(1,680)	(1,083)	(10,083)	(11,166)
Currency (losses)/gains on cash and borrowings	**-**	**4,652**	**4,652**	-	(4,416)	(4,416)	-	(1,929)	(1,929)
Investment income	**9,282**	**-**	**9,282**	7,804	-	7,804	15,504	-	15,504
Investment	**(8,216)**	**-**	**(8,216)**	(7,568)	-	(7,568)	(15,020)	-	(15,020)

management fees									
Other expenses	**(18)**	**(320)**	**(338)**	(337)	(2,519)	(2,856)	(296)	(2,974)	(3,270)
RETURN BEFORE FINANCING COSTS AND TAXATION	**214**	**142,826**	**143,040**	(337)	37,841	37,504	(895)	134,792	133,897
Interest payable and similar expenses	**(1,321)**	**-**	**(1,321)**	(984)	-	(984)	(1,950)	-	(1,950)
RETURN BEFORE TAXATION	**(1,107)**	**142,826**	**141,719**	(1,321)	37,841	36,520	(2,845)	134,792	131,947
Taxation (Note 4)	**(1,312)**	**-**	**(1,312)**	(5,156)	-	(5,156)	(9,170)	-	(9,170)
RETURN FOR THE PERIOD BEING TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (Note 9)	**(2,419)**	**142,826**	**140,407**	(6,477)	37,841	31,364	(12,015)	134,792	122,777
RETURN PER SHARE BASIC AND DILUTED (Note 9)	**(4.47)p**	**263.93p**	**259.46p**	(10.48)p	61.21p	50.73p	(20.72)p	232.48p	211.76p

* The Company does not have any income or expense that is not included in the return for the period therefore the period is also the total comprehensive income for the period. The supplementary revenue and capital columns are prepared under guidance published in the Statement of Recommended Practice ("SORP") issued by the Association of Investment Companies ("AIC").

** Includes currency movements on investments.

All revenue and capital items in the above statement relate to continuing operations.

The total column of the statement represents the Company's Statement of Total Comprehensive Income prepared in accordance with Financial Reporting Standards ("FRS").

No operations were acquired or discontinued during the period.

There were no recognised gains or losses other than those passing through the Income Statement.

The Notes form part of these financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2018

	SHARE CAPITAL £'000	**SHARE PREMIUM £'000**	**CAPITAL REDEMPTION RESERVE £'000**	**OTHER CAPITAL RESERVE £'000**	**CAPITAL RESERVE ON INVESTMENTS HELD £'000**	**REVENUE RESERVE* £'000**	**TOTAL £'000**
Movement for the six months to 30 November 2018							
OPENING EQUITY SHAREHOLDERS' FUNDS	**36,257**	**269,535**	**3,308**	**572,278**	**500,079**	**(74,693)**	**1,306,764**
Return for the period	**-**	**-**	**-**	**82,153**	**60,673**	**(2,419)**	**140,407**
CLOSING EQUITY SHAREHOLDERS' FUNDS	**36,257**	**269,535**	**3,308**	**654,431**	**560,752**	**(77,112)**	**1,447,171**
Movement for the six months to 30 November 2017							
OPENING EQUITY	22,456	283,555	3,089	645,011	496,100	(62,678)	1,387,533

SHAREHOLDERS' FUNDS							
Return for the period	-	-	-	45,067	(7,226)	(6,477)	31,364
Ordinary shares bought back for cancellation	(61)	-	61	(1,671)	-	-	(1,671)
Redemption of redeemable shares to ALN	(91)	-	91	(200,000)	-	-	(200,000)
Bonus issue of deferred shares to redeemable shareholders	14,020	(14,020)	-	-	-	-	-
Conversion of deferred and redeemable shares to ordinary shares	(14,232)	-	-	-	-	-	(14,232)
Ordinary shares issued following conversion of deferred and redeemable shares as part of the share class consolidation	14,232	-	-	-	-	-	14,232
CLOSING EQUITY SHAREHOLDERS' FUNDS	36,324	269,535	3,241	488,407	488,874	(69,155)	1,217,226
Movement for the year ended 31 May 2018							
OPENING EQUITY SHAREHOLDERS' FUNDS	22,456	283,555	3,089	645,011	496,100	(62,678)	1,387,533
Return for the year	-	-	-	130,813	3,979	(12,015)	122,777
Ordinary shares bought back for cancellation	(128)	-	128	(3,546)	-	-	(3,546)
Redemption of redeemable shares to ALN	(91)	-	91	(200,000)	-	-	(200,000)
Bonus issue of deferred shares to redeemable shareholders	14,020	(14,020)	-	-	-	-	-
Conversion of deferred and redeemable shares to ordinary shares	(14,232)	-	-	-	-	-	(14,232)
Ordinary shares issued following conversion of deferred and redeemable shares as part of the share class consolidation	14,232	-	-	-	-	-	14,232
CLOSING EQUITY SHAREHOLDERS' FUNDS	36,257	269,535	3,308	572,278	500,079	(74,693)	1,306,764

* Reserves that are distributable by way of dividends. In addition, the Other capital reserve can be used for share buybacks.

The Notes form part of these financial statements.

CONDENSED BALANCE SHEET
(UNAUDITED)
AS AT 30 NOVEMBER 2018

	30 NOVEMBER 2018 £'000	30 NOVEMBER 2017 £'000	31 MAY 2018 £'000
Fixed assets			
Investments at fair value	**1,447,542**	1,252,502	1,274,737
Current assets			
Debtors	**3,324**	1,299	3,891
Cash at bank	**113,882**	112,867	162,292
	117,206	114,166	166,183
Creditors: amounts falling due within one year			
Other creditors	**12,179**	11,747	19,046
	12,179	11,747	19,046
NET CURRENT ASSETS	**105,027**	102,419	147,137
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,552,569**	1,354,921	1,421,874
Creditors: Amounts falling due after one year			
Asset Linked Note (Note 7)	**105,398**	137,695	115,110
	105,398	137,695	115,110
NET ASSETS	**1,447,171**	1,217,226	1,306,764
Capital and reserves			
Called-up share capital (Note 8)	**36,257**	36,324	36,257
Share premium	**269,535**	269,535	269,535
Capital redemption reserve	**3,308**	3,241	3,308
Other capital reserve	**654,431**	488,407	572,278
Capital reserve on investments held	560,752	488,874	500,079
Revenue reserve	**(77,112)**	(69,155)	(74,693)
TOTAL EQUITY SHAREHOLDERS' FUNDS	**1,447,171**	1,217,226	1,306,764
NET ASSET VALUE PER SHARE - ORDINARY (NOTE 10)	**2,674.28p**	2,245.21p	2,414.82p
TOTAL ORDINARY SHARES IN ISSUE (NOTE 8)	**54,114,447**	54,214,447	54,114,447

The Notes form part of these financial statements.

CONDENSED CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2018

	SIX MONTHS TO 30 NOVEMBER 2018 £'000	SIX MONTHS TO 30 NOVEMBER 2017 £'000	YEAR TO 31 MAY 2018 £'000
Cash flow from operating activities			
Investment income received	**7,899**	7,409	13,619
Deposit and other interest received	**634**	396	830
Investment management fees paid	**(8,052)**	(6,250)	(14,969)
Secretarial fees paid	**(114)**	(110)	(223)
Depositary fees paid	**(103)**	(125)	(229)
Other cash payments	**753**	(2,207)	(5,857)
Withholding tax deducted	**(1,339)**	(5,235)	(10,483)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**(322)**	(6,122)	(17,312)
Cash flows from investing activities			
Purchases of investments	**(180,619)**	(171,504)	(254,426)
Disposals of investments	**157,135**	188,549	351,335
NET CASH (OUTFLOW)/ INFLOW FROM INVESTING ACTIVITIES	**(23,484)**	17,045	96,909
Cash flows from financing activities			
ALN payment	**(26,829)**	(58,327)	(77,152)
Ordinary shares purchased for cancellation	**-**	(1,666)	(3,546)
Loan commitment and arrangement fees paid	**(2,439)**	(817)	(1,577)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(29,268)**	(60,810)	(82,275)
DECREASE IN CASH IN THE PERIOD	**(53,074)**	(49,887)	(2,678)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**162,292**	167,252	167,252
FOREIGN EXCHANGE (LOSSES)/GAINS	**4,664**	(4,498)	(2,282)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**113,882**	112,867	162,292

The Notes form part of these financial statements.

NOTES TO THE HALF-YEARLY FINANCIAL STATEMENTS (UNAUDITED)

1. Financial Information
The Company applies FRS 102 and the AIC's Statement of Recommended Practice (issued in November 2014 and updated in February 2018) for its financial year ending 31 May 2018 in its financial statements. The financial statements for the six months to 30 November 2018 have therefore been prepared in accordance with FRS 104 'Interim Financial Reporting'. The financial statements have been prepared on the same basis as the accounting policies set out in the statutory accounts for the year to 31 May 2018. They have also been prepared on the assumption that approval as an investment trust will continue to be granted.

The financial information contained in this Interim Financial Report and the comparative figures for the financial year to 31 May 2018 are not the Company's statutory accounts for the financial year, but are based on those accounts. The financial information for the six months to 30 November 2018 and 30 November 2017 are not for a financial year and have not been audited but have been reviewed by the Company's auditors and their report can be found below. The statutory accounts for the financial year to 31 May 2018 have been delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters which the auditors drew attention by way of emphasis without qualifying the report, and (iii) did not contain statements under section 498 (2) and (3) of the Companies Act 2006.

2. Going Concern
The Company's business activities, together with the factors likely to affect its future development, performance and position, including its financial position, are set out in the Chairman's Statement and Manager's Market Review above.

At each Board meeting, the Directors review the Company's latest management accounts and other financial information. Its commitments to private equity investments are reviewed, together with its financial resources, including cash held and the Company's borrowing capability. One-year cash flow scenarios are also presented to each meeting and discussed.

After due consideration of the balance sheet and activities of the Company and the Company's assets, liabilities, commitments and financial resources, the Directors have concluded that the Company has adequate resources to continue in operation for the foreseeable future and for a period of at least 12 months from the date of this report. For this reason, they consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

3. Segmental Reporting
The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business.

4. Tax on Ordinary Activities
The tax charge for the six months to 30 November 2018 is £1,312,000 (six months to 30 November 2017: £5,156,000; year to 31 May 2018: £9,170,000). The tax charge wholly comprises irrecoverable withholding tax suffered. Investment gains are exempt from capital gains tax owing to the Company's status as an investment trust.

5. Transactions with the Manager and Related Parties
During the period, services with a total value of £8,490,000, being £8,216,000 directly from Pantheon Ventures (UK) LLP and £274,000 via Pantheon managed fund investments (30 November 2017: £7,828,000; £7,568,000; and £260,000; year to 31 May 2018: £15,510,000, £15,020,000 and £490,000 respectively). At 30 November 2018, the amount due to Pantheon Ventures (UK) LLP in management fees and performance fees disclosed under creditors was £1,448,000 and £nil respectively.

The existence of an Independent Board of Directors demonstrates that the Company is free to pursue its own financial and operating policies and therefore, under the AIC SORP, the Manager is not considered to be a related party.

The Company's related parties are its Directors. Fees paid to the Company's Board for the six months to 30 November 2018 totalled £132,000 (six months to 30 November 2017: £132,000; year to 31 May 2018: £264,000).

There are no other identifiable related parties at the period end.

6. Performance Fee
The Manager is entitled to a performance fee from the Company in respect of each 12 calendar month period ending on 31 May in each year and, prior to 31 May 2017, the period of 12 calendar months ending 30 June in each year. The performance fee payable in respect of each such calculation period is 5% of the amount by which the net asset value at the end of such period exceeds 110% of the applicable "high-water mark", i.e. the net asset value at the end of the previous calculation period in respect of which a performance fee was payable, compounded annually at 10% for each subsequent completed calculation period up to the start of the calculation period for which the fee is being calculated. For the six-month calculation period ended 30 November 2018, the notional performance fee hurdle is a net asset value per share of 3,297.65p. The performance fee is calculated using the adjusted net asset value.

The performance fee is calculated so as to ignore the effect on performance of any performance fee payable in respect of the period for which the fee is being calculated or of any increase or decrease in the net assets of the Company resulting from any issue, redemption or purchase of any shares or other securities, the sale of any treasury shares or the issue or cancellation of any subscription or conversion rights for any shares or other securities, and any other reduction in the Company's share capital or any distribution to shareholders.

7. Asset Linked Note ("ALN")
On 31 October 2017, the Company issued an ALN with an initial principal amount of £200m. Payments to the noteholder are made quarterly in arrears and are linked to the ALN share (c.75%) of the net cash flow from a reference portfolio which consists of interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages. PIP retains the net cash flow relating to the remaining c.25% of the reference portfolio.

The ALN is held at fair value through profit or loss and therefore movements in fair value are reflected in the Condensed Income Statement. The Directors do not believe there to be a material own credit risk, due to the fact that repayments are only due out of net cash already received from the reference portfolio. Fair value is calculated as the sum of the ALN share of fair value of the reference portfolio plus the ALN share of undistributed net cash flow which is equivalent to the amount which would be required to be repaid had the ALN matured on 30 November 2018. Therefore no fair value movement has occurred during the period as a result of changes to credit risk.

A pro rata share of the Company's Total ongoing charges is allocated to the ALN, reducing each quarterly payment ("the Expense Charge") and deducted from Other expenses in the Condensed Income Statement.

The ALN's share of net cash flow is calculated after withholding taxation suffered. These amounts are deducted from Taxation in the Condensed Income Statement.

During the six months to 30 November 2018, the Company made repayments totalling £26.8m, representing the ALN share of the net cash flow for the three-month period to 31 May 2018 and three-month period to 31 August 2018. The fair value of the ALN at 30 November 2018 was £115.3m, of which £9.9m represents the net cash flow for the three months to 30 November 2018, due for repayment on 28 February 2019.

8. Called Up Share Capital

ALLOTED, CALLED-UP AND FULLY PAID:	30 NOVEMBER 2018		30 NOVEMBER 2017		31 MAY 2018	
	SHARES	£'000	SHARES	£'000	SHARES	£'000
Ordinary Shares of 67p each						
Opening position	**54,114,447**	**36,257**	33,062,013	22,153	33,062,013	22,153
Issue of shares following conversion	-	-	21,242,434	14,232	21,242,434	14,232
Cancellation of shares	-	-	(90,000)	(61)	(190,000)	(128)
CLOSING POSITION	**54,114,447**	**36,257**	54,214,447	36,324	54,114,447	36,257
Redeemable Shares of 1p each						
Opening position	-	-	30,297,534	303	30,297,534	303
Redemption of shares to ALN	-	-	(9,055,100)	(91)	(9,055,100)	(91)
Conversion to ordinary shares	-	-	(21,242,434)	(212)	(21,242,434)	(212)
CLOSING POSITION	-	-	-	-	-	-
Deferred shares of 66p each						
Opening position	-	-	-	-	-	-
Bonus issue of shares to redeemable shareholders	-	-	21,242,434	14,020	21,242,434	14,020
Conversion to ordinary shares	-	-	(21,242,434)	(14,020)	(21,242,434)	(14,020)
CLOSING POSITION	-	-	-	-	-	-
TOTAL SHARES IN ISSUE	**54,114,447**	**36,257**	54,214,447	36,324	54,114,447	36,257

During the year to 31 May 2018, the Company consolidated its ordinary and redeemable share capital into a single class of ordinary shares. The Company also issued an unlisted ALN - see Note 7 for further information.

The reorganisation of the share capital was implemented on 31 October 2017 and consisted of:

a) a redemption by the Company of 9,055,100 redeemable shares owned by the Investor for an aggregate consideration of £200m and the subsequent application of these redemption proceeds for the subscription for the ALN by the Investor;

b) a bonus issue of new deferred shares of 66p each in the capital of the Company; and

c) the subsequent consolidation, sub-division and re-designation of the remaining redeemable shares and the new deferred shares into new ordinary shares of 67p each in the capital of the Company, ranking pari passu in all respects with the existing ordinary shares.

During the six months to 30 November 2018, no ordinary shares were bought back in the market for cancellation (six months to 30 November 2017: 90,000; year to 31 May 2018: 190,000). The total consideration paid, including commission and stamp duty, was £nil (six months to 30 November 2017: £1,671,000; year to 31 May 2018: £3,546,000).

As at 30 November 2018, there were 54,114,447 ordinary shares in issue (30 November 2017: 54,214,447 ordinary shares; 31 May 2018: 54,114,447 ordinary shares). Each holder of ordinary shares is entitled, on a show of hands, to vote and, on a poll, to one vote for each ordinary share held.

Subsequent to 30 November 2018, the Company bought back 25,000 ordinary shares for cancellation for a total consideration, including commission and stamp duty, of £498,736.

9. Return per Share

	30 NOVEMBER 2018			30 NOVEMBER 2017			31 MAY 2018		
	REVENUE	**CAPITAL**	**TOTAL**	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
Return for the financial period £'000	**(2,419)**	**142,826**	**140,407**	(6,477)	37,841	31,364	(12,015)	134,792	122,777
Weighted average no. of shares			**54,114,447**			61,822,126			57,980,242
Return per share	**(4.47p)**	**263.93p**	**259.46p**	(10.48p)	61.21p	50.73p	(20.72)p	232.48p	211.76p

10. Net Asset Value per Share

	30 NOVEMBER 2018	30 NOVEMBER 2017	31 MAY 2018
Net assets attributable in £'000	**1,447,171**	1,217,226	1,306,764
Ordinary shares	**54,114,447**	54,214,447	54,114,447
Net asset value per share - ordinary	**2,674.28p**	2,245.21p	2,414.82p

11. Reconciliation of Return Before Financing Costs and Tax to Net Cash Flow from Operating Activities

	SIX MONTHS TO 30 NOVEMBER 2018	SIX MONTHS TO 30 NOVEMBER 2017	YEAR TO 31 MAY 2018
	£'000	£'000	£'000
Return before finance costs and taxation	**143,040**	37,504	133,897
Withholding tax deducted	**(1,312)**	(5,156)	(9,170)
Gains on investments	**(149,056)**	(46,220)	(149,778)
Interest reinvested	**(1,788)**	-	-
Currency losses/(gains) on cash and borrowings	**(4,652)**	4,416	1,929
Increase/(decrease) in creditors	**53**	2,235	(31)
Decrease/(increase) in other debtors	**2,812**	(270)	(2,896)
Losses on financial instruments at fair value	**11,396**	1,680	11,166

through profit or loss - ALN			
Expenses and taxation associated with ALN	**(815)**	(311)	(2,429)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**(322)**	(6,122)	(17,312)

12. Fair Value Hierarchy
(i) Unquoted fixed asset investments are stated at the estimated fair value

In the case of investments in private equity funds, this is based on the net asset value of those funds ascertained from periodic valuations provided by the managers of the funds and recorded up to the measurement date. Such valuations are necessarily dependent upon the reasonableness of the valuations by the fund managers of the underlying investments. In the absence of contrary information the values are assumed to be reliable. These valuations are reviewed periodically for reasonableness and recorded up to the measurement date. If a class of assets were sold post year end, management would consider the effect, if any, on the investment portfolio.

The Company may acquire secondary interests at either a premium or a discount to the fund manager's valuation. Within the Company's portfolio, those fund holdings purchased at a premium are normally revalued to their stated net asset values at the next reporting date. Those fund holdings purchased at a discount are normally held at cost until the receipt of a valuation from the fund manager in respect of a date after acquisition, when they are revalued to their stated net asset values, unless an adjustment against a specific investment is considered appropriate.

In the case of direct investments in unquoted companies, the initial valuation is based on the transaction price. Where better indications of fair value become available, such as through subsequent issues of capital or dealings between third parties, the valuation is adjusted to reflect the new evidence. This information may include the valuations provided by private equity managers who are also invested in the company. Valuations are reduced where the company's performance is not considered satisfactory.

(ii) Quoted investments are valued at the bid price on the relevant stock exchange
Private equity funds may contain a proportion of quoted shares from time to time, for example, where the underlying company investments have been taken public but the holdings have not yet been sold. The quoted market holdings at the date of the latest fund accounts are reviewed and compared with the value of those holdings at the year end. If there has been a material movement in the value of these holdings, the valuation is adjusted to reflect this.

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

The fair value hierarchy consists of the following three levels:

- Level 1 - The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

In accordance with FRS 104, the Company must disclose the fair value hierarchy of financial instruments.

Financial Assets at Fair Value through Profit or Loss at 30 November 2018

	LEVEL 1	**LEVEL 2**	**LEVEL 3**	**TOTAL**
	£'000	**£'000**	**£'000**	**£'000**
Unlisted holdings	-	-	1,446,702	**1,446,702**
Listed holdings	840	-	-	**840**
TOTAL	840	-	1,446,702	**1,447,542**

Financial Liabilities at Fair Value through Profit or Loss at 30 November 2018

	LEVEL 1	**LEVEL 2**	**LEVEL 3**	**TOTAL**
	£'000	**£'000**	**£'000**	**£'000**
ALN	**-**	-	115,337	**115,337**
TOTAL	**-**	-	115,337	**115,337**

Financial Assets at Fair Value through Profit or Loss at 31 December 2017

	LEVEL 1	**LEVEL 2**	**LEVEL 3**	**TOTAL**

	£'000	£'000	£'000	£'000
Unlisted holdings	-	-	1,252,258	**1,252,258**
Listed holdings	244	-	-	**244**
TOTAL	244	-	1,252,258	**1,252,502**

Financial Liabilities at Fair Value through Profit or Loss at 30 November 2017

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
	£'000	£'000	£'000	£'000
ALN	-	-	143,042	**143,042**
TOTAL	-	-	143,042	**143,042**

Financial Assets at Fair Value through Profit or Loss at 31 May 2018

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
	£'000	£'000	£'000	£'000
Unlisted holdings	-	-	1,274,167	**1,274,167**
Listed holdings	570	-	-	**570**
TOTAL	570	-	1,274,167	**1,274,737**

Financial Liabilities at Fair Value through Profit or Loss at 31 May 2018

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
	£'000	£'000	£'000	£'000
ALN	-	-	131,585	**131,585**
TOTAL	-	-	131,585	**131,585**

13. Subsequent Events

As detailed in Note 8, the Company bought back 25,000 Ordinary Shares for cancellation for a total consideration of £498,736.

Independent Review Report

Introduction

We have reviewed the condensed set of financial statements in the half-yearly financial report of Pantheon International plc (the 'Company') for the six months ended 30 November 2018 which comprises the Condensed Income Statement, Condensed Statement of Changes in Equity, Condensed Balance Sheet, Condensed Cash Flow Statement, and Notes to the Half Yearly Financial Statements. We have read the other information contained in the half yearly financial report, which comprises only the Key Performance Indicators, Chairman's Statement, Investment Policy, Manager's Review, and Interim Management Report and Responsibility Statement, and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting'.

Our responsibility

Our responsibility is to express a conclusion to the Company on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2018 is not prepared, in all material respects, in accordance with Financial Reporting Standard 104 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Use of our report

This report is made solely to the Company, as a body, in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review 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 as a body, for our review work, for this report, or for the conclusion we have formed.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

26 February 2019

NATIONAL STORAGE MECHANISM

A copy of the Half-Yearly Financial Report will be submitted shortly to the National Storage Mechanism ("NSM") and will be available for inspection at the NSM, which is situated at: http://www.morningstar.co.uk/uk/nsm

LEI: 2138001B3CE5S5PEE928

Ends

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of this announcement.