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Pantheon International PLC
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PANTHEON INTERNATIONAL PLC (the "Company" or "PIP")
HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 30 NOVEMBER 2017

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 invests in private equity funds globally, today publishes its Half-Yearly Financial Report for the six months ended 30 November 2017.

During the half year, PIP's underlying portfolio generated good investment returns and the Company continued to deploy capital in the most compelling private equity opportunities globally.

HIGHLIGHTS - SIX MONTHS ENDED 30 NOVEMBER 2017

Performance update

- NAV per share **increased by 2.5%**, from 2,189.9p to 2,245.2p.
- Net assets decreased to **£1,217m** (May 2017: £1,388m), reflecting the effect of issuing an Asset Linked Note ("ALN").
- The ordinary share price increased from 1,793.0p to 1,869.0p, **an increase of 4.2%** and the discount decreased from 18.1% to 16.8%.

Portfolio update

- Assets in the portfolio generated underlying (pre-FX) returns of **7.6%.**
- Distributions received in the six months to 30 November 2017 were **£184m**. Excluding the distributions attributable to the ALN (£5.3m), this was equivalent to an annualised rate of 29% of opening private equity assets. After funding **£47m** of calls, net cash flow from the portfolio totalled **£137m**.
- **£196m** of new investment commitments made during the half year, with £105m drawn at the time of purchase.

Company update

- Ordinary and redeemable shares consolidated into **one enlarged class of ordinary shares**.
- **Older assets in portfolio de-emphasised** through issue of a £200m ALN.
- **£1.7m invested** in acquiring 90,000 ordinary shares. Since the period end, **a further £1.9m invested** in acquiring 100,000 ordinary shares.

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

"PIP was busy during the first six months of this financial year and looks set to continue a similar level of activity during the second half and beyond. The share consolidation and issue of the Asset Linked Note were milestones in PIP's history and should bring significant benefits to both the Company and its shareholders. Despite the high valuation environment that prevails in the private equity market, we continue to see compelling investment opportunities. Our access to Pantheon's extensive connections and market knowledge has enabled us to identify and back managers with a strong track record of building value in their portfolio companies and generating attractive returns over the long term."

For more information please contact:

Andrew Lebus or Vicki Bradley

Pantheon

+44 (0)20 3356 1800

PIP will host a webcast at 11.30am GMT today. Access details can be found below.

The presentation can be viewed on the day via view-w.tv/819-1359-19299/en. Please refer to the numbers below for your local dial-in details. When you dial in for the webcast, you will be asked to provide your name, company name and the password **Pantheon.**

Dial-in details:

Standard International Access:	+44 (0) 20 3003 2666
UK Toll Free:	0808 109 0700
Password:	Pantheon

A copy of the presentation and a recording of the webcast will be available on our website www.piplc.com following the event.

HALF YEAR AT A GLANCE
TO 30 NOVEMBER 2017

PIP simplified its capital structure during this half year period. The Company's share capital, comprising redeemable and ordinary shares, was consolidated into a single class of ordinary shares, resulting in a substantial increase in the number of ordinary shares and consequently also the market capitalisation of the ordinary share capital. As part of the consolidation, PIP issued an Asset Linked Note ("ALN") amounting to £200 million whose performance and repayment is linked to a reference portfolio consisting of interests in over 300 of its older vintage funds. The resulting reduction in the Company's net assets reflects the issue of the ALN, a flexible debt obligation, which at 30 November 2017 stood at £143 million.

Key Performance Indicators

+2.5%	NAV per share increase in the half year (FTSE All-Share TR: +0%; MSCI World TR: +5%)
+4.2%	Ordinary share price increase in the half year (FTSE All-Share TR: +0%; MSCI World TR: +5%)
16.8%	Ordinary share price discount to NAV (May 2017: 18.1%)
1.37%	Total ongoing charges excluding tax (annualised)[2] (May 2017: 1.36%)

Other Indicators

£1,217m	Net Asset Value[1] (May 2017: £1,388m)
2,245.2p	NAV per share[1] (May 2017: 2,189.9p)
£137m	Distributions received in the period less calls on outstanding commitments
5.8 years	Weighted average fund age of portfolio[3] (May 2017: 6.7 years)
£1,013m	Market capitalisation based on a share price of **1,869.0p**
54.2m	No. of shares in issue as at 30 November 2017
£196m	New investment commitments, **£105m** of which was drawn
3.3x	Ratio of assets and available financing to undrawn commitments[4] (May 2017: 3.5x)

[1] Net asset value after deducting the Asset Linked Note valued at £143m as at 30 November 2017. [2] If calculated using the AIC methodology, which excludes financing costs, PIP's total ongoing charges would be 1.22%. [3] Calculation excludes the portion of the reference portfolio attributable to the Asset Linked Note. [4] Available financing calculated as cash and undrawn loan facility less cash payable under the Asset Linked Note.

PERFORMANCE SUMMARY

NAV and Share Price Performance

- NAV per share **increased by 2.5%** during the six months to 30 November 2017, from 2,189.9p to 2,245.2p.

- The ordinary share price **increased 4.2%** during the six month period, from 1,793.0p to 1,869.0p. The discount to NAV **decreased from 18.1% to 16.8%**.

Net Investment Cash Flow

- Distributions received in the half year were **£183.9m**, equivalent to an annualised rate of 30% of opening private equity assets. Excluding distributions attributable to the Asset Linked Note[1] ("ALN") of £5.3m, distributions were equivalent to 29% of the opening portfolio.

- PIP invested **£166.7m** during the six months across calls (£46.6m), new investments, including the payment of deferred acquisition costs (£118.4m), and share buybacks (£1.7m).

- PIP made the first payment under the ALN of **£58.3m** on 30 November 2017. This represented the ALN holder's share of the net cash flow generated by the reference portfolio over the period from 1 January 2017 to 30 September 2017.

Performance as at 30 November 2017	1 YEAR %	3 YEARS % P.A.	5 YEARS % P.A.	10 YEARS % P.A.	SINCE INCEPTION % P.A.
NAV per share*	8.4	14.1	13.0	8.6	11.7
Ordinary share price*	10.4	14.3	16.8	7.6	11.6
FTSE All-Share Total Return	13.4	7.8	9.5	5.8	8.0
MSCI World Total Return (sterling)	14.8	14.2	16.2	9.9	8.0

** PIP was launched on 18 September 1987. The figures since inception assume reinvestment of dividends, capital repayments and cash flows from the exercise of warrants.*

Capital Structure[1]	**30 November 2017**	**31 May 2017**
Ordinary shares	54,214,447	33,062,013
Redeemable shares	nil	30,297,534
Total	**54,214,447[2]**	**63,359,547**

[1] *A full consolidation of PIP's ordinary and redeemable share classes was implemented on 31 October 2017, wherein a proportion of redeemable shares were exchanged for an Asset Linked Note having an initial principal amount of £200m, and the remaining redeemable shares were converted into ordinary shares. The new ordinary shares were admitted to trading on the Main Market of the London Stock Exchange on 1 November 2017. There are no redeemable shares in issue following the consolidation.*
[2]*The Company acquired 100,000 shares after 30 November 2017.*

CHAIRMAN'S STATEMENT

The Board was delighted when, in October, shareholders approved the consolidation of PIP's Ordinary and Redeemable Shares into one enlarged class of Ordinary Shares. At the same time, PIP issued a £200m Asset Linked Note ("ALN") which had the effect of de-emphasising the tail of older assets within the portfolio. The share consolidation is a milestone in PIP's history and should bring significant benefits to both the Company and its shareholders.

As well as benefiting from an expected increase in the NAV per share performance, through the issue of the ALN, shareholders should also benefit from the simplified capital structure, improved secondary market liquidity of PIP's shares and the Company's greater flexibility to buy back its own shares. PIP's market capitalisation stands at around £1bn and it should be eligible for inclusion in the FTSE 250 Index during 2018.

Performance for six months to 30 November 2017
During the six months to 30 November 2017, PIP's NAV per share increased by 2.5% to 2,245.2p and net assets decreased from £1,388m to £1,217m, reflecting the effect of issuing the ALN. The positive investment returns in the underlying portfolio (7.6%) and share buybacks (0.6p, 0.0%) were offset by foreign exchange movements (-3.7%), expenses and taxes (-1.2%) and financing of the ALN (-0.1%). Since the majority of PIP's portfolio is invested in assets denominated in other currencies apart from sterling, predominantly US dollars and euros, the NAV per share can be adversely impacted by any strengthening of sterling against those currencies. The Manager monitors the Company's underlying foreign exchange exposure, although foreign currency risk tends to be a less significant factor over longer investment horizons. The expenses in this period were somewhat higher than usual as a consequence of the one-off costs of approximately £2m associated with the share consolidation.

The buyout and growth segments, which represent 83% of our portfolio, continue to deliver consistently good returns. The performance of our venture portfolio has lagged although this now represents just 7% of PIP's total portfolio having been somewhat reduced by the effect of issuing the ALN as well as diminishing through realisations. The performance of the Special Situations portfolio, which consists of energy, distressed and some mezzanine funds that have exposure to the UK retail sector, was negative. This resulted mainly from company specific issues, particularly within the consumer sector in the UK. While there can be no doubt that sentiment in the UK has been impacted adversely by the uncertainty following the Brexit vote, it should be noted that the UK represents less than 10% of PIP's portfolio.

During the six month period, the ordinary share price increased by 4% and the discount narrowed slightly to 17%. At the time of writing, the discount stood at 14%. The Company intends to renew its marketing efforts over the course of the coming year and beyond to boost demand for its shares.

Investment and realisation activity during the period

Our managers have continued to experience a favourable exit environment and, during the six months to 30 November 2017, PIP's portfolio generated £184m of distributions. Excluding the distributions attributable to the ALN (£5m), PIP's annualised distribution rate was equivalent to 29% of the opening portfolio assets. Secondary share sales and secondary buyouts were the most significant sources of exit activity during the half year. During the period, calls from existing commitments to private equity funds amounted to £47m, equivalent to an annualised call rate of 21% of opening undrawn commitments. This resulted in a net cash inflow of £137m during the period before taking account of new investments.

By issuing the ALN, the portfolio emphasis has been shifted towards the younger better performing funds in PIP's portfolio and, as a result, the effective weighted average fund age reduced to 5.8 years during the half year (FY 2017: 6.7 years).

Private equity is becoming an increasingly attractive asset class for many long-term investors and for companies wishing to raise capital. The secondary and co-investment markets in particular have become increasingly competitive and valuations continue to be high. Against that backdrop, Pantheon's three pillars of investment - primary, secondary and co-investment - complement and offer valuable insights into each other in terms of gaining privileged access to information and deal flow. It is more important than ever to have global reach and presence. Pantheon has the scale, as well as the extensive long-term relationships internationally that are required, to access those deals which are often restricted to a selected group of investors.

PIP made 34 new investments during the period, amounting to £196m in new commitments, of which £105m was drawn at the time of purchase. While buoyant equity markets mean that prices are high, Pantheon has been able to identify and source attractive opportunities through its proprietary network. PIP committed £88m to ten secondary transactions in situations where Pantheon's relationships with the funds' managers was particularly important. Additionally £52m was committed to 15 co-investments and £56m to nine primary commitments. While PIP emphasises secondary investments in its portfolio, its allocation to co-investments has been allowed to increase gradually as the opportunity has grown to invest directly alongside selected managers. I am pleased to report that we are now starting to see co-investments become a significant driver of performance in the underlying portfolio. Since the period end, PIP has committed a further £27m across all investment types.

During the six months, PIP invested £1.7m in acquiring 90,000 ordinary shares. Since the period end, the Company has invested a further £1.9m and acquired 100,000 ordinary shares. PIP will continue to buy back its shares opportunistically when they represent a more attractive investment relative to other investment commitments.

Financial position and strength
At the end of October, PIP issued a £200m unlisted Asset Linked Note which is due to mature in August 2027. Repayment of the ALN is flexible whereby payments are linked to the net cash flow from a tail of older assets within PIP's portfolio. On 30 November 2017, PIP made the first payment of £58m to the ALN holder and the next payment of £5m is due on 28 February 2018. As at 30 November 2017, the ALN was valued at £143m.

As at 30 November 2017, PIP held cash of £113m and its £150m multi-currency revolving credit facility remains in place until November 2018. The facility, denominated as to US$139m and as to €67m, was equivalent to £161m as at 30 November 2017. Therefore after deducting the £5m payment attributable to the ALN, the Company had total liquid resources of £269m available to meet total undrawn commitments of £456m as at 30 November 2017, and its undrawn commitment cover (comprising the sum of PIP's available financing and private equity portfolio) remained comfortable at 3.3x.

Outlook
Most of the regions in which PIP holds its assets experienced good economic growth in 2017 and this was accompanied by an increase in consumer confidence. Valuations remain high by historic standards and there is uncertainty as to whether this trend will continue. The low market volatility experienced throughout the reporting period is becoming less stable, partly in reaction to expectations that interest rates are likely to increase. One of the inherent features of private equity is the ability of our managers to react to market conditions and implement any necessary changes within their portfolio companies quickly and effectively. They are also able to hold investments, if necessary, for a long period of time until a more favourable exit environment returns.

We are focusing on opportunities at more attractive pricing levels, such as those in the mid-market, where our managers are able to use their experience and sector knowledge to create further value as well as "out of favour" sectors where our managers can take advantage of dislocations and mispricing to invest in assets that are expected to return to growth in the long term.

PIP had a busy start to its financial year and this looks set to continue in both the second half and the rest of 2018. As a result of the share consolidation, it is even easier to invest in PIP and we are excited by the next phase of the Company's evolution. PIP focuses on generating attractive returns for shareholders over the long term and we believe that, through its access to Pantheon's extensive manager network and track record, the Company is well-positioned to continue to achieve this objective.

SIR LAURIE MAGNUS
Chairman
26 February 2018

OBJECTIVE AND INVESTMENT POLICY

Investment Objective
The Company's primary investment objective is to maximise capital growth by investing in a diversified portfolio of private equity funds and directly in private companies.

Investment Policy

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;

- 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 alters.

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.

INVESTMENT RATIONALE

PIP's strategy is to invest with leading private equity managers internationally.

Private equity is the term used for investments made in non-public companies through privately negotiated transactions. The global private equity market has grown significantly over recent years and is worth $2.8tn[1]. The asset class covers a broad range of strategies, which all share a common theme - capital structure optimisation that aligns investors' interests with management, combined with long-term investment horizons and hands-on management support. For investors looking for attractive risk-adjusted returns relative to other asset classes, private equity has strong credentials. A broad range of institutions including pension funds, sovereign wealth funds and endowments, as well as high net worth individuals, invest in private equity as it can offer a meaningful boost to the performance of their investment portfolios.

The Private Equity Investment Approach

Private equity managers typically specialise in market sectors in which they already have extensive investment experience and in which they are well placed to identify attractive investment opportunities based on proprietary research. Private equity investors acquire influential or controlling shareholdings in businesses where there is an opportunity to work closely with a company's management to implement both strategic and operational change, which can transform a company's value. Better alignment between management and shareholders can be achieved by ensuring that a company's management are investing at the same time while also using leverage to create an efficient capital structure.

The spread of performance in private equity is much wider than in other asset classes and the selection of managers has a significant influence on investment performance. The high level of outperformance of public market benchmarks achieved by top quartile managers in private equity, evident through multiple cycles, provides the opportunity for Pantheon to identify and select highly-skilled and strategic managers within a diversified portfolio. This approach mitigates the risk of being overexposed to any single fund, region or investment style. The Board of PIP believes that investing the Company's capital in private equity funds flexibly between the primary and secondary markets, or directly co-investing in companies alongside leading, individually-selected private equity managers, provides a good opportunity to generate attractive long-term investment performance.

By primarily investing directly into private equity funds, rather than investing indirectly in such funds through Pantheon's funds of funds, the Company has full control over portfolio construction. PIP has the flexibility to vary the size and emphasis of its investments depending on its investment priorities at the time and available financing. In addition, this approach allows PIP to have greater control over the management of its balance sheet, cash and the maturity profile of the portfolio.

The current portfolio reflects PIP's prolonged access to Pantheon's carefully selected primary and secondary investments over the past 30 years. Only funds that have passed through rigorous research and analysis can be selected for investment.

[1] *Source: 2018 Preqin Global Private Equity & Venture Capital Report.*

MANAGER'S MARKET REVIEW

During 2017, the private equity industry hit a high point in terms of fundraising, investment opportunities, distributions and investor interest. Against a backdrop of global economic recovery, despite continued geopolitical risk and policy uncertainty, valuations remained high across a wide range of asset classes, including private equity. In response to this, Pantheon continues to back the best managers, through relationships built up over its 35 year history, who are able to source investment opportunities where they can implement strategic and operational change in order to drive growth in the underlying businesses.

The global economy performed well in 2017, driven by robust consumer spending across major industrialised countries. Most emerging economies and some resource-intensive developed countries (Australia and Canada, for example) also enjoyed better economic performance due to increased commodity prices. However, wage growth remains subdued and growth in average household incomes was minimal. In 2017, politics continued to dominate the news with important elections in the UK, France and Germany, and rising tensions related to North Korea.

Moreover, the question of how major Central Banks will gradually change course towards a more normal path for monetary policy and interest rates creates an uncertain outlook for financial markets over the next few years. The process of normalising monetary policy following the Global Financial Crisis has only just begun, and is likely to commence at different times and occur at different speeds in major developed countries.

Regional outlook

The US economy experienced stronger than expected growth in 2017 accompanied by a fall in unemployment and a boost in consumer confidence. In addition, as the year closed, the Senate approved the US administration's sweeping tax reforms. The reduction in corporation tax is designed to stimulate activity, therefore boosting the US economy, and should be helpful for private equity. It is too early to judge how the restrictions on the tax deductibility for interest expenses will impact private equity in the US, however Pantheon backs managers who adopt a disciplined approach to debt levels when investing in companies that offer opportunities for growth.

In Europe, economic growth has generally surpassed expectations during the year and analysts have marked up their forecasts for many of the Eurozone economies. However, caution over Brexit has seen below trend levels of activity in the UK. While we remain alert to attractive opportunities, the UK represents only a minority (less than 10%) of PIP's portfolio. It should be noted that 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. A mix of founder- and family-owned primary management buyouts, corporate carve-outs and transformational secondary buyouts feed the pipeline of opportunities for managers who have the expertise to identify assets where many levers can be pulled to drive growth and value creation.

Economic growth was widespread across Asia during the year. China continued its campaign to achieve sustainable growth and to steer the economy away from relying on cheap debt, which analysts predict will result in a gradual slowdown in 2018. However, the Chinese consumer sector, a key area of focus for Pantheon, along with healthcare and education, remains attractive as it benefits from the uptick in global growth and the resulting trade boom. Structural reform was high on the agenda in India with the introduction of an important goods and services tax and a bankruptcy law. The path to reform and recovery was less straightforward in Latin America.

While Asia and Emerging Markets represent a smaller part of PIP's portfolio, when compared to the US and Europe, we will continue to acquire assets in these regions as part of PIP's long-term investment strategy.

High levels of primary capital fundraising and steady deal activity in 2017
In 2017 fundraising continued apace across the US and Europe. However, it was challenging in Asia with the exception of a few managers at the large end of the market where record-sized funds were raised.

Deal activity has remained steady over the past year and has been reasonably consistent with the prior few years. Managers are deploying capital more cautiously as a result of the highly priced environment, particularly across the US and Europe. Overall, exit activity has held up well although strategic buyers in the US have been slightly more cautious as they waited for clarity on the outcome of some of the major legislative reforms relating to healthcare and taxation.

Concern has risen over the levels of "dry powder" in the market but it should be noted that a significant proportion of new capital raised last year was committed to the large multibillion dollar and euro funds. Nevertheless, the deployment pace in the mid-market, where Pantheon is the most active, is commensurate with investment periods in the underlying funds of four to five years. Dry powder has grown the fastest in North America and Asia.

Within this positive but late cycle macroeconomic environment, Pantheon seeks out pockets of growth which can be achieved in excess of, and are ideally less correlated with GDP. This naturally leads to opportunities in technology - driven by innovation and secular changes - and healthcare - driven by changing demographics and the need to increase efficacy and decrease costs across the system - as well as other sectors which are experiencing dislocations or mispricing but are expected to return to growth.

Pantheon seeks out managers with a specialised skill set, who are able to manage financial or operational distress effectively. Many of our managers are actively executing "buy and build" strategies where the price for an initial platform is brought down over time by pursuing accretive acquisitions at lower prices. Pantheon continues to avoid "plain vanilla" buyout strategies where companies are purchased at high prices with high leverage and only moderate growth prospects.

A record volume of deals in the secondary market
With our exclusive emphasis on managers that bring experience and specialised insight, Pantheon makes good use of its long-held manager relationships to source deal flow in an expanding secondary market.

The global secondary market was extremely active in 2017. A record volume of deals were transacted during the year, with a number of market participants estimating $50bn[1] of transacted deal volume. During the year, the market has seen a full range of deal flow and transaction types: large diversified portfolios; large, concentrated fund positions; structured transactions involving combinations of funds and individual company assets; and GP-led end-of-fund liquidity solutions including tender offers, fund preferred capital investments and fund restructurings. Pantheon's recent secondary activity has focused on concentrated fund positions and GP-led transactions where we have strong conviction in both the manager and the underlying portfolio's prospects.

Secondaries are attractive given the opportunity to deploy capital and the potential to mitigate the J-curve. Market estimates indicate that after a healthy fundraising year, available dry powder is equivalent to around two years supply of deal flow[2], suggesting that the market remains broadly in equilibrium despite a higher priced environment.

Pantheon was one of the pioneers of the secondary market and we have been able to utilise our deep knowledge and relationships built up over many years to continue to source and carefully select compelling deals. Our strategy is focused on the potential for value growth within portfolios and particularly where a manager's conservative valuation policy provides the potential for attractive uplifts to NAV on exit. We are also interested in secondaries involving companies that have demonstrated financial resilience through previous economic downturns, where the manager has multiple opportunities to accelerate value growth. Sectors in which we have transacted during the year include energy, financial services and for-profit education services.

[1] Greenhill Cogent Secondary Market Trends & Outlook, January 2018. Figure excludes real estate and infrastructure secondaries.

[2] Greenhill Cogent Secondary Pricing Trends & Analysis, July 2017.

Strong demand for opportunities in the competitive co-investment market
The co-investment market is flourishing. A variety of institutional participants such as sovereign wealth funds, pension funds, family offices and professional fund investors such as Pantheon have expressed a continuing appetite for co-investment participation from their private equity managers, many of whom now utilise this form of flexible capital quite systematically.

Against this backdrop, Pantheon's dedicated co-investment team relies on its extensive private equity relationships and global execution capability to both generate attractive deal flow and be a partner of choice for our managers when selecting co-investment partners. We favour companies with defensive characteristics and with a proven, differentiated growth capability. We have underweighted opportunities in cyclical industries and remain focused on the suitability of leverage in the capital structure. We continue to back managers with established expertise and a track record of demonstrating a proven ability in building value in similar portfolio companies.

Maintaining a disciplined approach in the high valuation environment
Despite the political uncertainty during 2017, public markets continued their upward march and private equity valuations increased in tandem, particularly in the US and Europe. Low interest rates with the risk of high volatility have become the norm and the search for higher returns has made private markets increasingly attractive for investors with a longer timeframe.

History suggests that investors acquiring public equity securities at such high prices as currently prevail face a greater probability of low or even negative real returns over the long run. Private equity investors are similarly affected since valuations for private businesses are determined to a large degree by comparing them with similar companies listed in public markets. However, lower interest rates are providing strong support for private equity with debt markets being very favourable, with loose covenants on new borrowing.

At the same time, the pressure on private equity fund managers to deploy capital is high given buoyant fundraising and correspondingly large amounts of dry powder. Competition for deals is therefore high and both the volume and pricing of deals in private markets have increased.

Pantheon selects managers that have a proven track record of discipline. For buyouts, we are focusing mainly on the mid-market where pricing levels are more attractive and there are more levers that our GPs can pull to accelerate growth. The exit possibilities for mid-market buyouts remain plentiful where strategic buyers and larger buyout funds are the most important routes to liquidity.

Summary and outlook

As investors, we do not get to choose the economic, political or financial landscape that we face. Instead we must develop strategies that have the potential to deliver returns in the face of current challenges and that are resilient to unexpected shocks. Reflecting this in our focus, we have been particularly attracted to the healthcare, IT and energy sectors. A common theme that emerges from these is some degree of independence relative to the broader economic and financial cycles. This approach is particularly appropriate when valuations are high and current economic policy settings appear to be unsustainable in the long run.

We can say with a growing degree of conviction that as market valuations have become more disconnected from their appropriate risk premiums, the chances of a significant correction occurring have increased markedly. In early 2018, the indications are that such a market correction may have started to occur. The private equity ownership model focuses on acquiring active, control positions that are aligned with long-term value creation. Managers are able to hold companies for a long time and are not under pressure to sell them. Therefore they can react to market conditions, continue to build value in their portfolio companies and wait for a more favourable exit environment if necessary.

When this fact is considered alongside the decline in the number of listed stocks and IPOs globally, as highlighted in research carried out by Pantheon, we believe that private equity has become increasingly important as a complement to a public equities portfolio enabling investors to reach a broader investment universe. All things considered, we can be assured that the rationale for the asset class is strong and it is likely to become an increasingly important driver of GDP growth in many markets worldwide.

Against this backdrop, Pantheon is well-placed to capitalise on this trend and to build on its track record of backing the best managers and investing in private equity funds globally that can outperform and generate attractive returns.

PORTFOLIO OVERVIEW
HALF YEAR TO 30 NOVEMBER 2017

7.6%	Underlying (pre FX) return relative to opening portfolio assets for the half year
£137m	Distributions received in the period less calls on outstanding commitments
26%	Average uplift on exit realisations[2]
£1,253m	Portfolio value
£184m	Distributions in the half year
30%	Distributions as a percentage of opening portfolio (annualised)
5.8 years	Weighted average fund age of portfolio[1]
£47m	Calls made from existing undrawn commitments
£196m	New investment commitments, **£105m** of which was drawn

[1]Excludes the portion of the reference portfolio attributable to the Asset Linked Note.
[2]Realisation events are classified as exit realisations when proceeds equate to at least 80% of total investment value and once confirmation of exit realisation is received from the manager. 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 analysis only includes exit realisations that occurred during the financial period and disregards the impact of any proceeds received outside of the six month period covered in the uplift analysis. The data in the sample represents 100% of proceeds from exit realisations and 55% of distributions received during the period.

The Company offers a diversified selection of high quality private equity assets, which have been carefully selected by Pantheon globally. The diversification of PIP's portfolio, with assets spread across different investment styles and stages, helps to reduce the volatility of both returns and cash flows. The maturity profile of the portfolio ensures that PIP is not overly exposed to any one vintage. PIP's geographical diversification extends its exposure beyond the USA and Europe, to regions with higher rates of economic growth.

Portfolio Analysis by Value as at 30 November 2017[1]

Fund Geography

The majority of PIP's geographical exposure is focused on the USA and Europe, reflecting the fact that these regions have the most developed private equity markets.

Portfolio assets based in Asia and other regions provide access to faster-growing economies.

USA	54%
Europe	28%

Asia and EM[2]	12%
Global[3]	6%
Total	100%

[1] *Fund geography, stage, maturity and primary/secondary/co-investment charts are based upon underlying fund valuations and account for 100% of PIP's overall portfolio value. Company sector and company geography tables are based upon underlying company valuations as at 30 June 2017 and account for over 95% of PIP's overall portfolio value. Fund geography, stage and maturity exclude the portion of the reference portfolio attributable to the Asset Linked Note; company sectors and geography include 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%.*

Fund Stage

PIP's portfolio is well diversified across different private equity investment styles and stages.

Buyout funds continue to constitute the majority of PIP's portfolio.

Special situation investments are comprised of funds investing primarily in the energy sector and distressed securities.

Small/Mid Buyout	36%
Large/Mega Buyout	30%
Growth	17%
Special Situations	10%
Venture	7%
Total	100%

Pantheon Vehicles

At 30 November 2017, 2% of PIP's portfolio value and 1% of PIP's outstanding commitments comprised of funds-of-funds managed directly by Pantheon. The value of investments in, and outstanding commitments to, investment funds managed or advised by Pantheon Group ("Pantheon Funds") are excluded in calculating the monthly management fee and the fee on uncalled commitments payable by PIP to Pantheon. In addition, Pantheon has agreed that total fees (including performance fees) payable by Pantheon Funds to members of Pantheon Group and attributable to PIP's investments in Pantheon Funds shall be less than the total fees (excluding the performance fee) that PIP would have been charged under its management agreement with Pantheon had it invested directly in all of the underlying investments of the relevant Pantheon Funds instead of through the relevant Pantheon Funds. With the consent of the Board, the Company can agree that an investment fund managed or advised by Pantheon Group shall not be treated as a Pantheon Fund for this purpose (so that the fee rebate described above would not apply in respect of an investment in such fund). No such consent was required during this period.

Fund Maturity

The portfolio is well diversified by fund vintage.

The 2010 and later segment of the portfolio increased to 62% (from 51% as at 31 May 2017). Increased primary commitments and co-investment activity, and the recent issue of the ALN, has had the effect of reducing PIP's exposure to tail-end funds.

2017 and later	9%
2016	12%
2015	16%
2014	9%
2013	5%
2012	5%
2011	4%
2010	2%
2009	3%
2008	13%
2007	15%
2006 and earlier	7%
Total	100%

Investment Type

Secondary investments continue to constitute the largest component of PIP's portfolio.

Co-investments are becoming a more established part of the portfolio at 31% of value. PIP issued an Asset Linked Note in exchange for a reference portfolio of older vintage funds previously acquired on a secondary or primary basis. The effect of excluding those funds was to increase the weighting of co-investments in the overall portfolio.

Secondary	45%
Primary	31%
Co-investments	24%
Total	100%

Company Sectors
PIP's sectoral exposure diversifies the effects of cyclical trends within particular industry segments.

Relative to the FTSE All-Share and MSCI World indices, PIP has greater exposure to information technology, and lower exposure to the banking sector.

Information Technology	24%
Consumer	24%
Healthcare	14%
Financials	11%
Industrials	11%
Energy	10%
Telecommunication Services	3%
Materials	3%
Total	100%

Company Geography
Almost 60% of the portfolio is invested in companies based in North America, which benefit from greater capital market scope and depth.

PIP's European exposure, which represents approximately a third of the portfolio, is predominantly in companies based in the stronger Northern European economies, including the UK, Scandinavia and Germany.

12% of PIP's portfolio is based in Asia, providing access to faster-growing economies such as China and India.

North America	56%
Asia	12%
UK	8%
Benelux	4%
Germany	4%
Scandinavia	3%
France	3%
Central and Eastern Europe	3%
Other Europe	2%
Iberia	2%
Italy	1%
Rest of World	2%
Total	100%

PORTFOLIO ANALYSIS

Portfolio Performance by Stage for the Half Year to 30 November 2017[1]

- PIP's portfolio generated investment returns, prior to foreign exchange effects, of 7.6% during the six months to 30 November 2017.

- Good performance across buyout and growth funds underpinned PIP's returns.

- Special situations performance was impacted by company-specific valuation declines in the consumer and energy sectors.

Debt Multiples[2]

Venture, growth and buyout investments have differing leverage characteristics.

- The venture and growth portfolio has little or no reliance on leverage.

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

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

[2] *The data is based on a sample of PIP's buyout funds. Buyout Sample Methodology: The sample buyout figures for the 12 months to 30 June 2017 were calculated from the companies, where information was available. The figures are based on unaudited data. The revenue and EBITDA figures were based upon the last 12 months to 30 June 2017 or where not available, the closest annual period disclosed, and provide coverage of 45% and 43% (for revenue and EBITDA growth respectively) of PIP's buyout portfolio. Individual company revenue and EBITDA growth figures were capped between +100% and -100% to avoid large distortions from excessive outliers. Sample data for 2012-2016 is based on the same methodology and provides coverage of 45% - 75% of the portfolio in each year. Enterprise value is defined as equity value + net debt. The net debt and enterprise value figures were based on underlying valuations as at 30 June 2017, or the closest period end disclosed. The*

valuation multiple sample covers approximately 37% of PIP's buyout portfolio. The debt multiple sample covers approximately 63% of PIP's buyout portfolio. Data sourced from Bloomberg.

PORTFOLIO ANALYSIS - BUYOUT

Valuation Multiple[1]

- Accounting standards require private equity managers to value their portfolio at fair value. Public market movements can be reflected in valuations.
- Sample-weighted average enterprise value/EBITDA was 10.5 times, compared to 10.2 times and 11.6 times for the FTSE All-Share and MSCI World indices respectively.

Revenue and EBITDA Growth[1]

- Weighted average revenue growth for the sample buyout companies was 20.1% in the 12 months to 30 June 2017, compared to a historical 5-year revenue growth average of 11.1%
- Weighted average EBITDA growth for the sample buyout companies was 17.5% in the 12 months to 30 June 2017, compared to a historical 5-year EBITDA growth average of 12.2%.
- 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.

[1] The data is based on a sample of PIP's buyout funds. Buyout Sample Methodology: The sample buyout figures for the 12 months to 30 June 2017 were calculated from the companies, where information was available. The figures are based on unaudited data. The revenue and EBITDA figures were based upon the last 12 months to 30 June 2017 or, where not available, the closest annual period disclosed, and provide coverage of 45% and 43% (for both revenue and EBITDA growth) of PIP's buyout portfolio. Individual company revenue and EBITDA growth figures were capped between +100% and -100% to avoid large distortions from excessive outliers. Sample data for 2012-2016 is based on the same methodology and provides coverage of 45% - 75% of the portfolio in each year. Enterprise value is defined as carrying value + net debt. The net debt and enterprise value figures were based on underlying valuations as at 30 June 2017, or the closest period end disclosed. The valuation multiple sample covers approximately 37% of PIP's buyout portfolio. The debt multiple sample covers 63% of PIP's buyout portfolio. Data sourced from Bloomberg.

DISTRIBUTIONS IN THE HALF YEAR TO 30 NOVEMBER 2017

PIP received more than 800 distributions[1] in the six month period, with many reflecting realisations at significant uplifts to carrying value. PIP's mature portfolio should continue to generate significant distributions.

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

DISTRIBUTIONS

Distributions by Region and Stage

PIP received £184m in proceeds from the portfolio in the half year to 30 November 2017, equivalent to 30% of opening private equity assets on an annualised basis.

USA accounted for the majority of PIP's distributions, where market conditions supported a good level of exits, particularly from larger buyouts.

DISTRIBUTIONS BY REGION = £184M	
USA	**52%**
Europe	**24%**
Asia and other	**15%**
Global	**9%**
Total	**100%**

DISTRIBUTIONS BY STAGE = £184M	
Large/Mega Buyout	**34%**
Small/Mid Buyout	**29%**
Growth	**22%**
Special Situations	**11%**
Venture	**4%**
Total	**100%**

DISTRIBUTION RATES

Quarterly Distribution Rate[2]

Quarterly distribution rates reflect the maturity of PIP's portfolio.

Distribution Rates[2] in the half year to 30 November 2017 by Vintage

Mature vintages continue to distribute at higher rates, with 2009 and earlier funds distributing at a rate of 36% of opening value. With a weighted fund maturity of 5.8 years[3], PIP's portfolio should continue to generate significant levels of cash.

[2] *Distribution rate equals distributions in period (annualised) divided by opening portfolio value.*

[3] *Calculation excludes the portion of the reference portfolio attributable to the Asset Linked Note.*

EXIT REALISATIONS IN THE HALF YEAR TO 30 NOVEMBER 2017

Cost multiples on exit realisations for the half year to 30 November 2017[1]

On a sample of exit realisations, where information was available, the average cost multiple of the sample was 2.1 times, highlighting value creation over the course of an investment.

[1] *This data in the sample represented approximately 31% by value of PIP's gross distributions for the six months to 30 November 2017. The data covers primary investments and co-investments, and is based upon gross cost multiples available at the time of the distribution.*

Uplifts on Exit Realisations for the half year to 30 November 2017[2]

On a sample of exit realisations, the value weighted average uplift in the half year to 30 November 2017 was 26%. This average uplift is consistent with our view that realisations can be significantly incremental to returns. PIP's mature portfolio is well placed to continue to generate a good level of distributions from exit realisations in the coming year.

[2] *Realisation events are classified as exit realisations when proceeds equate to at least 80% of total investment value and once confirmation of exit realisation is received from the manager. 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 analysis only includes exit realisations that occurred during the half year and discards the impact of any proceeds received outside of the six month period covered in the uplift analysis. The data in the sample represents 100% of proceeds from exit realisations and 55% of distributions received during the period.*

Exit Realisations by Sector and Type[3]

The portfolio benefited from strong realisation activity, particularly in the information technology, consumer, industrials and healthcare sectors.

Public market sales and secondary buyouts represented the most significant source of exit activity during the half year.

EXIT REALISATIONS BY SECTOR	
Consumer	25%
Information Technology	22%
Healthcare	16%
Industrials	15%
Energy	14%
Financials	4%
Other[4]	4%
Total	100%

EXIT REALISATIONS BY TYPE	
Public Market Sale	38%
Secondary Buyout	35%
Trade Sale	26%
Refinancing and Recapitalisation	1%
Total	100%

[3] *The data in the sample provide coverage for 100% (for exit realisations by sector) and 65% (for exit realisations by type) of proceeds from exit realisations received during the period.*

[4] *The Others category includes exit realisations from Materials (3%) and Real Estate (1%) received during the period.*

CALLS IN THE HALF YEAR TO 30 NOVEMBER 2017

Calls made during the six month period ranged across regions and sectors, and were used to finance investments in businesses such as medical device manufacturers, care centres, cloud software developers and supply chain logistics companies.

Calls

Calls by Region and Stage

PIP paid £47m to finance calls on undrawn commitments during the half year to 30 November 2017.

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 = £47m	
USA	54%
Europe	25%
Asia & EM	9%
Global	12%

Total	100%

CALLS BY STAGE = £47m

Large/Mega Buyout	35%
Growth	28%
Small/Mid Buyout	22%
Special Situations	14%
Venture	1%
Total	100%

Quarterly Call Rate[1]
The average annualised call rate for the half year to 30 November 2017 was 21%.

Calls by Sector
Largest proportion of calls were for new investments made in the healthcare, industrials and information technology sectors.

CALLS BY SECTOR = £47m

Healthcare	21%
Industrials	20%
Information Technology	17%
Energy	14%
Consumer	13%
Financials	8%
Materials	4%
Real Estate	2%
Telecommunication Services	1%
Total	100%

1 *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

PIP committed £196m to new investments during the six month period, mostly to buyout and growth equity funds. £105m was drawn at the time of purchase.

New Commitments by Region
The majority of commitments made in the six month period were to, or alongside, US and European private equity funds.

USA	55%
Europe	41%
Asia and EM	3%
Global	1%
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 medium buyouts.

Small/Mid Buyout	45%
Large/Mega Buyout	32%
Special Situations	14%
Growth	9%
Total	100%

New Commitments by Investment Type
New commitment activity reflects attractive opportunities in primaries and co-investments.

Secondary	45%
Primary	29%
Co-Investment	26%
Total	100%

New Commitments by Vintage
Primaries and co-investments, which accounted for over half of total commitments in the six months to 30 November 2017, offer exposure to more recent vintages.

Secondary investments made during the period were mostly in 2008 and later funds, consistent with PIP's strategy of reducing its exposure to older tail-end funds.

2018	14%
2017	52%
2016	5%
2015	7%
2013	3%

2011	8%
2010	6%
2008 and earlier	5%
Total	100%

PIP committed £88m to ten secondary transactions during the six months to 30 November 2017. In addition, PIP committed £56m to nine primaries and £52m to 15 co-investments, which added current vintage exposure with high quality managers.

Secondary Commitments in the Half Year to 30 November 2017[1]

REGION	STAGE	DESCRIPTION	COMMITMENTS £M	% FUNDED[2]
Europe	Small/Mid	Mid-market buyout fund principally focused on France and Germany	**14.8**	**97%**
Europe	Special Sits	Diversified portfolio of five European toll road and renewable energy assets	**13.7**	**73%**[4]
USA	Special Sits	Portfolio of US oil and gas assets	**12.7**	**100%**
Europe	Large/Mega	Global higher education services provider	**11.4**	**100%**
USA	Small/Mid	North American mid-market fund focused on the business services sector	**10.4**	**74%**
USA	Multiple	Portfolio of five North American large buyout and growth funds	**9.0**	**67%**
USA	Large/Mega	North American large buyout fund	**6.8**	**71%**
Europe	Small/Mid	Mid-market buyout fund focused on the UK financial services sector	**3.2**	**41%**
USA	Growth	North American growth equity fund	**3.2**	**56%**
Europe	Small/Mid	European buyout fund focused on mid-market investments in Portugal and Spain	**2.8**	**21%**
TOTAL			**88.0**	**80%**

Primary Commitments in the Half Year to 30 November 2017

INVESTMENT	STAGE	DESCRIPTION	COMMITMENTS £M
Chequers Capital XVII	Small/Mid	European mid-market fund focused on France, Germany and Italy	**9.8**
Onex Partners V	Large/Mega	North American large buyout fund focused on the manufacturing, healthcare and services sectors	**9.7**
Growth Fund[3]	Growth	North American fund targeting growth-stage technology companies	**9.5**
Charlesbank Equity Partners IX	Small/Mid	North American mid-market buyout fund	**8.7**
Water Street Healthcare Partners IV	Small/Mid	North American healthcare specialist fund	**8.6**
BC European X	Large/Mega	European large buyout fund	**4.6**
Carlyle Partners VII	Large/Mega	North American large buyout fund	**2.6**
Nordic Capital Fund IX	Large/Mega	European mid-market buyout fund focused on opportunities in the Nordic and DACH regions	**1.6**
Bain Capital Fund XII	Large/Mega	Global large buyout fund	**1.2**
TOTAL			**56.3**

Co-investments in the six months to 30 November 2017

Co-investments were made across various geographies and sectors. The healthcare, consumer and financial sectors, in particular, offered compelling investment opportunities during the half year.

CO-INVESTMENTS BY SECTOR

Healthcare	30%
Consumer	28%
Financials	19%
Information Technology	12%
Industrials	6%
Materials	5%
Total	100%

CO-INVESTMENTS BY REGION

USA	56%
Europe	31%

Asia & EM	13%
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.*

[4] *Funded after 30 November 2017.*

OUTSTANDING COMMITMENTS

PIP's outstanding commitments[1] to fund investments are well-diversified by stage and geography and will enable the Company to participate in future investments with many of the highest quality fund managers in private equity worldwide. The Board and Manager keep the level of outstanding commitments under review so as not to exceed an amount that can be financed (comfortably) out of cash flows generated internally and for which the Company's liquid resources and unutilised bank facilities can provide sufficient cover in the event that distributions received from the portfolio slow down in adverse market conditions.

[1] *Capital committed to funds that to date remains undrawn.*

Analysis of Outstanding Commitments for the Half Year to 30 November 2017[2]

PIP's outstanding commitments to investments increased to £456m as at 30 November 2017 compared with £445m as at 31 May 2017. The Company paid calls of £47m and added £91m of outstanding commitments associated with new investments made in the half year. Foreign exchange effects accounted for the remainder of the movement.

[2] *Includes outstanding commitments attributable to the reference portfolio underlying the Asset Linked Note.*

Geography

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

USA	56%
Europe	31%
Asia and EM	8%
Global	5%
Total	100%

Stage

PIP's undrawn commitments are diversified across the major stages, with an emphasis on small and mid-market buyout managers.

Small/Mid Buyout	39%
Large/Mega Buyout	30%
Special Situations	15%
Growth	14%
Venture	2%
Total	100%

Vintage

Approximately a quarter of PIP's undrawn commitments are in vintage 2011 or older funds, where drawdowns may naturally occur at a slower pace. It is likely that a portion of these commitments will not be drawn.

The rise in more recent vintages reflects PIP's recent primary commitment activity.

2018	6%
2017	22%
2016	24%
2015	15%
2014	4%
2013	3%
2012	2%
2009 - 2011	3%
2008	5%
2007	7%
2006 and earlier	9%
Total	100%

FINANCE AND SHARE BUYBACKS

Cash and Available Bank Facility

At 30 November 2017, PIP had cash balances of £112.9m. In addition to these cash balances, PIP can also finance investments out of its multi-currency revolving credit facility agreement ("Loan Facility"). The Loan Facility is due to expire in November 2018 and comprises facilities of $138.8m and €66.6m which, using exchange rates at 30 November 2017, amount to a sterling equivalent of £161.2m. At 30 November 2017, the Loan Facility remained fully 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 a single holder ("Investor"). Payments 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 Investor. The ALN is expected to mature on 31 August 2027, at which point the Company will make a final distribution under the ALN. As at 30 November 2017, the ALN was valued at £143.0m.

Undrawn Commitment Cover
At 30 November 2017, the Company had £268.8m of available financing, comprised of its cash balances and Loan Facility less the current portion of the ALN. The sum of PIP's available financing and private equity portfolio provide 3.3 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 existing follow-on investments or to pay expenses. As a result, the rate of capital calls by these funds tends to slow dramatically. Approximately 25% of the Company's undrawn commitments are in fund vintages that are older than six years.

Share Buybacks
In the six months to 30 November 2017, PIP bought back 90,000 ordinary shares at a discount of 16% to the NAV per share as at 31 May 2017 NAV, resulting in a total uplift to NAV per share of 0.6p. The discounts at which the Company's shares trade from time to time may make buybacks an attractive investment opportunity relative to other potential new investment commitments.

LARGEST 50 MANAGERS BY VALUE AS AT 30 NOVEMBER 2017

NUMBER	MANAGER	REGION[2]	STAGE BIAS	% OF PIP'S TOTAL PRIVATE EQUITY ASSET VALUE[1]
1	Providence Equity Partners	USA	Buyout	4.0%
2	Texas Pacific Group	USA	Buyout	3.7%
3	Providence Strategic Growth	USA	Growth	3.2%
4	Ares Management	USA	Buyout	3.2%
5	Essex Woodlands	North America	Buyout	2.7%
6	Energy Minerals Group	USA	Special Situations	2.7%
7	J.C. Flowers	USA	Buyout	2.6%
8	Warburg Pincus Capital	Global	Growth	2.4%
9	Baring Private Equity Asia	Asia & EM	Growth	2.2%
10	Quantum Energy Partners	USA	Special Situations	1.9%
11	IK Investment Partners	Europe	Buyout	1.8%
12	Apax Partners SA	Europe	Buyout	1.6%
13	Growth Fund[4]	USA	Growth	1.6%
14	Shamrock Capital Advisors	USA	Buyout	1.5%
15	Mid-Europa Partners	Europe	Buyout	1.4%
16	Yorktown Partners	USA	Special Situations	1.3%
17	IVF Advisors	Asia & EM	Buyout	1.2%
18	Venture Fund[4]	Europe	Venture	1.2%
19	Chequers Partenaires	Europe	Buyout	1.2%
20	Abris Capital	Europe	Buyout	1.2%
21	Lee Equity Partners	USA	Growth	1.2%
22	Calera Capital	USA	Buyout	1.2%
23	Buyback Fund[4]	USA	Buyback	1.2%
24	Sheridan Production Partners	USA	Special Situations	1.1%
25	Bridgepoint Partners	Europe	Buyout	1.1%
26	EQT[3]	Asia & EM	Buyout	1.1%
27	The Banc Funds Company	USA	Growth	1.0%
28	Gemini Capital	Europe	Venture	1.0%
29	KKR	Europe	Buyout	0.9%
30	ABS Capital	USA	Growth	0.9%
31	Veritas Capital	USA	Buyout	0.9%
32	Equistone Partners Europe	Europe	Buyout	0.8%

33	Altor Capital	Europe	Buyout	0.8%
34	TPG Asia	Asia & EM	Buyout	0.8%
35	ABRY Partners	USA	Buyout	0.8%
36	Apax Partners & Co	Europe	Buyout	0.7%
37	Clessidra Capital Partners	Europe	Buyout	0.7%
38	Corsair	Asia & EM	Buyout	0.7%
39	Growth Fund[4]	USA	Growth	0.7%
40	The Vistria Group	USA	Buyout	0.7%
41	Summit Partners	USA	Growth	0.7%
42	KRG	USA	Buyout	0.7%
43	Apollo Advisors	USA	Buyout	0.6%
44	Wellington Partners	Europe	Venture	0.6%
45	Golden Gate Capital	USA	Buyout	0.6%
46	Sun Capital Partners	USA	Buyout	0.6%
47	Advent International	Global	Buyout	0.6%
48	HIG Capital	USA	Buyout	0.6%
49	Lovell Minnick Equity Advisors	USA	Buyout	0.6%
50	Francisco Partners Management	USA	Buyout	0.6%
COVERAGE OF PIP's TOTAL PRIVATE EQUITY ASSET VALUE[1]				**67.1%**

[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 remaining investment in EQT is held in EQT Greater China II. [4] Confidential.

LARGEST 50 COMPANIES BY VALUE[1]

NUMBER	COMPANY	COUNTRY	SECTOR	% OF PIP'S NET ASSET VALUE
1	EUSA Pharma[2]	United Kingdom	Healthcare	0.8%
2	NIBC Bank[2]	Netherlands	Financials	0.8%
3	Biotoscana[2,3]	Colombia	Healthcare	0.8%
4	Abacus Data Systems[2]	USA	Information Technology	0.8%
5	LBX Pharmacy[3]	China	Consumer	0.8%
6	Atria Convergence Technologies[2]	India	Telecommunication Services	0.8%
7	National Veterinary Associates[4]	USA	Consumer	0.7%
8	Kyobo Life Insurance[2]	South Korea	Financials	0.7%
9	Permian Resources[2]	USA	Energy	0.7%
10	Western Gas Partners[2,3,4]	USA	Energy	0.7%
11	ista International[2,4]	Germany	Information Technology	0.7%
12	ALM Media[2]	USA	Consumer	0.6%
13	American Tire Distributors[2]	USA	Consumer	0.6%
14	Centric Group[2]	USA	Consumer	0.6%
15	Nord Anglia Education[2]	Hong Kong	Consumer	0.6%
16	Sivantos[2]	Singapore	Healthcare	0.6%
17	StandardAero[2]	USA	Industrials	0.6%
18	Apollo Education Group[2]	USA	Consumer	0.6%
19	Orangefield[2,4]	Netherlands	Industrials	0.6%
20	Salad Signature[2]	Belgium	Consumer	0.6%
21	ZeniMax Media	USA	Information Technology	0.6%
22	Instituto Centrale delle Banche Popolari[2]	Italy	Financials	0.5%
23	Vertical Bridge[2]	USA	Telecommunication Services	0.5%
24	Recorded Books[2]	USA	Consumer	0.5%
25	Confidential[2]	USA	Industrials	0.5%
26	Confidential[2]	USA	Healthcare	0.5%
27	Blackboard	USA	Information Technology	0.5%
28	Extraction Oil & Gas[2,3]	USA	Energy	0.4%
29	Spotify	Sweden	Information Technology	0.4%
30	Alarm.Com[3,4]	USA	Information Technology	0.4%
31	Confidential[2]	USA	Information Technology	0.4%
32	Engencap[2]	Mexico	Financials	0.4%
33	Coronado	USA	Energy	0.4%
34	GE Capital Services India[2]	India	Financials	0.4%
35	LogicMonitor	USA	Information Technology	0.4%
36	Verimatrix	USA	Information Technology	0.3%
37	Confidential	Netherlands	Information Technology	0.3%

38	Big River Industries[2,3]	USA	Materials	0.3%
39	Affinity Education[2]	Australia	Consumer	0.3%
40	Alliant Insurance Services[2]	USA	Financials	0.3%
41	Rightpoint Consulting[2]	USA	Industrials	0.3%
42	ILX[2]	USA	Energy	0.3%
43	Maplin Electronics[2]	United Kingdom	Consumer	0.3%
44	Confidential[2]	USA	Information Technology	0.3%
45	GTS	Brazil	Information Technology	0.3%
46	FlagStar[3]	USA	Financials	0.3%
47	Consilio[2]	USA	Information Technology	0.3%
48	Home Shopping Europe	Germany	Consumer	0.3%
49	Colisée[2]	France	Healthcare	0.3%
50	Profi Rom Food[2]	Romania	Consumer	0.3%
COVERAGE OF PIP's NET ASSET VALUE				**25.0%**

The information presented herein has not been prepared or reviewed by the respective general partners, partnerships, managers, or sponsors (as the case may be) of the respective transactions.

[1] The largest 50 companies table is based upon underlying company valuations at 30 June 2017 and includes the portion of the reference portfolio attributable to the Asset Linked Note. [2] Co-investments/directs. [3] Listed companies.[4] Liquidation event post 30 June 2017.

INTERIM MANGEMENT REPORT AND RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY FINANCIAL REPORT

Interim Management 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 year ended 31 May 2017 and continue to be as set out in that report on pages 12 - 15.

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, the long-term nature of private equity investments, valuation uncertainty, gearing, foreign currency risk, the unregulated nature of underlying investments, taxation and the risks associated with the engagement of the Manager or other third party advisers.

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 2018 and was signed on its behalf by Sir Laurie Magnus, Chairman.

CONDENSED INCOME STATEMENT (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2017

	SIX MONTHS TO 30 NOVEMBER 2017			SIX MONTHS TO 31 DECEMBER 2016			11 MONTHS ENDED MAY 2017		
	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**	**-**	**46,220**	**46,220**	-	130,785	130,785	-	201,198	201,198
Losses on financial instruments at fair value through profit or loss - ALN**	**(236)**	**(1,444)**	**(1,680)**	-	-	-	-	-	-
Currency (losses)/gains on cash and borrowings	**-**	**(4,416)**	**(4,416)**	-	8,276	8,276	-	2,389	2,389
Investment income	**7,804**	**-**	**7,804**	8,394	-	8,394	17,436	-	17,436
Investment management fees	**(7,568)**	**-**	**(7,568)**	(6,708)	-	(6,708)	(12,659)	-	(12,659)
Other expenses	**(337)**	**(2,519)**	**(2,856)**	(774)	(150)	(924)	(1,433)	(350)	(1,783)
RETURN BEFORE FINANCING COSTS AND TAXATION	**(337)**	**37,841**	**37,504**	912	138,911	139,823	3,344	203,237	206,581
Interest payable and similar expenses	**(984)**	**-**	**(984)**	(913)	-	(913)	(1,791)	-	(1,791)
RETURN BEFORE TAXATION	**(1,321)**	**37,841**	**36,520**	(1)	138,911	138,910	1,553	203,237	204,790
Taxation (Note 4)	**(5,156)**	**-**	**(5,156)**	(2,087)	-	(2,087)	(4,345)	-	(4,345)
RETURN FOR THE PERIOD, BEING TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (NOTE 9)	**(6,477)**	**37,841**	**31,364**	(2,088)	138,911	136,823	(2,792)	203,237	200,445
RETURN PER SHARE BASIC AND DILUTED (NOTE 9)	**(10.48)p**	**61.21p**	**50.73p**	(3.29)p	219.24p	215.95p	(4.41)p	320.77p	316.36p

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

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 2017

	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 ended 30 November 2017							
OPENING EQUITY SHAREHOLDERS' FUNDS	**22,456**	**283,555**	**3,089**	**645,011**	**496,100**	**(62,678)**	**1,387,533**
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 six months ended 31 December 2016							
OPENING EQUITY SHAREHOLDERS' FUNDS	22,456	283,555	3,089	515,720	422,180	(59,886)	1,187,114
Return for the period	-	-	-	81,593	57,318	(2,088)	136,823
Redeemable shares bought back for cancellation	-	-	-	(26)	-	-	(26)
CLOSING EQUITY SHAREHOLDERS' FUNDS	22,456	283,555	3,089	597,287	479,498	(61,974)	1,323,911
Movement for the period ended 31 May 2017							
OPENING EQUITY SHAREHOLDERS' FUNDS	22,476	283,555	3,089	515,720	422,180	(59,886)	1,187,114
Return for the year	-	-	-	129,317	73,920	(2,792)	200,445
Redeemable shares bought back for cancellation	-	-	-	(26)	-	-	(26)

CLOSING EQUITY SHAREHOLDERS' FUNDS	22,456	283,555	3,089	645,011	496,100	(62,678)	1,387,533

* 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 2017

	AS AT 30 NOVEMBER 2017 £'000	AS AT 31 DECEMBER 2016 £'000	AS AT 31 MAY 2017 £'000
Fixed assets			
Investments at fair value (Note 12)	**1,252,502**	1,153,815	1,224,142
Current assets			
Debtors	**1,299**	1,267	1,661
Cash at bank	**112,867**	173,318	167,252
	114,166	174,585	168,913
Creditors: amounts falling due within one year			
Other creditors	**11,747**	4,489	5,522
	11,747	4,489	5,522
NET CURRENT ASSETS	**102,419**	170,096	163,391
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,354,921**	1,323,911	1,387,533
Creditors: Amounts falling due after one year			
Asset Linked Note (Note 7)	**137,695**	-	-
	137,695	-	-
NET ASSETS	**1,217,226**	1,323,911	1,387,533
Capital and reserves			
Called-up share capital (Note 8)	**36,324**	22,456	22,456
Share premium	**269,535**	283,555	283,555
Capital redemption reserve	**3,241**	3,089	3,089
Other capital reserve	**488,407**	597,287	645,011
Capital reserve on investments held	**488,874**	479,498	496,100
Revenue reserve	**(69,155)**	(61,974)	(62,678)
TOTAL EQUITY SHAREHOLDERS' FUNDS	**1,217,226**	1,323,911	1,387,533
NET ASSET VALUE PER SHARE -	**2,245.21p**	2,089.52p	2,189.94p

ORDINARY AND REDEEMABLE (NOTE 10)			
NUMBER OF ORDINARY SHARES IN ISSUE	**54,214,447**	33,062,013	33,062,013
NUMBER OF REDEEMABLE SHARES IN ISSUE	**-**	30,297,534	30,297,534
TOTAL SHARES IN ISSUE (NOTE 8)	**54,214,447**	63,359,547	63,359,547

The Notes form part of these financial statements.

CONDENSED CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2017

	SIX MONTHS TO 30 NOVEMBER 2017 £'000	SIX MONTHS TO 31 DECEMBER 2016 £'000	11 MONTHS ENDED 31 MAY 2017 £'000
Cash flow from operating activities			
Investment income received	**7,409**	8,283	17,105
Deposit and other interest received	**396**	117	343
Investment management fees paid	**(6,250)**	(6,620)	(12,506)
Secretarial fees paid	**(110)**	(108)	(200)
Depositary fees paid	**(125)**	(109)	(210)
Other cash payments	**(2,207)**	(871)	(1,457)
Withholding tax deducted	**(5,235)**	(2,087)	(4,257)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**(6,122)**	(1,395)	(1,182)
Cash flows from investing activities			
Purchases of investments	**(171,504)**	(102,925)	(251,181)
Disposals of investments	**188,549**	154,624	303,131
NET CASH INFLOW FROM INVESTING ACTIVITIES	**17,045**	51,699	51,950
Cash flows from financing activities			
ALN payment	**(58,327)**	-	-
Ordinary shares purchased for cancellation	**(1,666)**	-	-
Redeemable shares purchased for cancellation	**-**	(26)	(26)
Loan commitment and arrangement fees paid	**(817)**	(618)	(1,378)
Finance cost paid for deferred payment transaction	**-**	-	(182)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(60,810)**	(644)	(1,586)
(DECREASE)/INCREASE IN CASH	**(49,887)**	49,660	49,182
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**167,252**	115,522	115,522
FOREIGN EXCHANGE (LOSSES)/GAINS	**(4,498)**	8,136	2,548
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**112,867**	173,318	167,252

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 January 2017 with consequential amendments) for its financial year ending 31 May 2017 in its Financial Statements. The financial statements for the six months to 30 November 2017 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 ended 31 May 2017. They have also been prepared on the assumption that approval as an investment trust will continue to be granted.

On 18 April 2017, the Board of Directors of the Company approved, with immediate effect, a change in the Company's accounting reference date from 30 June to 31 May of each year. As a result, the financial statements for the period ended 31 May 2017 reflect an 11 month accounting period compared to a 12 month accounting period for the previous year ended 30 June 2016. The comparative six month information is therefore to 31 December 2016. The change in accounting reference date and quicker publication of results enables the Company to provide more up-to-date information on its underlying portfolio.

The financial information contained in this Half-Yearly Financial Report and the comparative figures for the financial period ended 31 May 2017 are not the Company's statutory accounts for the financial period, but are based on those accounts. The financial information for the six months ended 30 November 2017 and 31 December 2016 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 period ended 31 May 2017 have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498 (2) or (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 2017 is £5,156,000 (six months to 31 December 2016: £2,087,000; year to 31 May 2017: £4,345,000). The tax charge is wholly comprised of 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 £7,828,000, being £7,568,000 directly from Pantheon Ventures (UK) LLP and £260,000 via Pantheon managed fund investments (31 December 2016: £6,995,000; £6,708,000; and £287,000; period to 31 May 2017: £13,172,000; £12,659,000 and £513,000 respectively). At 30 November 2017, the amount due to Pantheon Ventures (UK) LLP in management fees and performance fees disclosed under creditors was £2,551,000 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 2017 totalled £132,000 (six months to 31 December 2016: £116,000; period to 31 May 2017: £229,000).

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 2017, the notional performance fee hurdle is a net asset value per share of 2,978.10p. 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

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 a single holder ("Investor"). Payments under the ALN are made quarterly in arrears and are linked to the ALN share (c75%) 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 c25% of the reference portfolio.

The ALN is held at fair value through profit and loss and therefore movements in fair value are reflected in the Income Statement. 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.

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

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

During the six months to 30 November 2017, the Company made repayments totalling £58.3m, representing the ALN share of net cash flow for the nine month period to 30 September 2017. The fair value of the ALN at 30 November 2017 was £143.0m, of which £5.3m represents the net cash flow for the two months to 30 November 2017, due for repayment on 28 February 2018.

8. Called Up Share Capital

ALLOTED, CALLED-UP AND FULLY PAID:	**30 NOVEMBER 2017**		31 DECEMBER 2016		31 MAY 2017	
	SHARES	**£'000**	SHARES	£'000	SHARES	£'000
Ordinary Shares						
Opening position	**33,062,013**	**22,153**	33,062,013	22,153	33,062,013	22,153
Issue of shares following conversion	**21,242,434**	**14,232**	-	-	-	-
Cancellation of shares	**(90,000)**	**(61)**	-	-	-	-
CLOSING POSITION	**54,214,447**	**36,324**	33,062,013	22,153	33,062,013	22,153
Redeemable Shares						
Opening position	**30,297,534**	**303**	30,297,534	303	30,297,534	303
Redemption of shares to ALN	**(9,055,100)**	**(91)**	-	-	-	-
Conversion to ordinary shares	**(21,242,434)**	**(212)**	-	-	-	-
CLOSING POSITION	**-**	**-**	30,297,534	303	30,297,534	303
Deferred shares						
Opening position	**-**	**-**	-	-	-	-
Bonus issue of shares to redeemable shareholders	**21,242,434**	**14,020**	-	-	-	-
Conversion to ordinary shares	**(21,242,434)**	**(14,020)**	-	-	-	-
CLOSING POSITION	**-**	**-**	-	-	-	-
TOTAL SHARES IN ISSUE AND CALLED UP SHARE CAPITAL	**54,214,447**	**36,324**	63,359,547	22,456	63,359,547	22,456

During the six months to 30 November 2017 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 largest holder of the redeemable shares (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 ended 31 December 2016 and period ended 31 May 2017 the Company repurchased no ordinary or redeemable shares in the market for cancellation.

As at 30 November 2017 there were 54,214,447 ordinary shares in issue, (30 December 2016: 33,062,013 ordinary shares and 32,297,534 redeemable shares, period to 31 May 2017: 33,062,013 ordinary shares and 32,297,534 redeemable shares).

9. Return per Share

	SIX MONTHS TO 30 NOVEMBER 2017			SIX MONTHS TO 31 DECEMBER 2016			PERIOD TO 31 MAY 2017		
	REVENUE	**CAPITAL**	**TOTAL**	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
Return for the financial period £'000	**(6,477)**	**37,841**	**31,364**	(2,088)	138,911	136,823	(2,792)	203,237	200,445
Weighted average no. of shares			**61,822,126**			63,359,547			63,359,547
Return per share	**(10.48)p**	**61.21p**	**50.73p**	(3.29)p	219.95p	215.95p	(4.41)p	320.77p	316.36p

10. Net Asset Value per Share

	30 NOVEMBER 2017	31 DECEMBER 2016	31 MAY 2017
Net assets attributable in £'000	**1,217,226**	1,323,911	1,387,533
Ordinary and redeemable shares*	**54,214,447**	63,359,547	63,359,547
Net asset value per share - ordinary and redeemable*	**2,245.21p**	2,089.52p	2,189.94p

* The redeemable shares converted to ordinary shares on 31 October 2017 and were admitted to trading on the Main Market of the London Stock Exchange on 1 November 2017. As at 30 November 2017 there are only ordinary shares in issue.

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

	SIX MONTHS TO 30 NOVEMBER 2017	SIX MONTHS TO 31 DECEMBER 2016	PERIOD TO 31 MAY 2017
	£'000	£'000	£'000

Return before finance costs and tax	**37,504**	139,823	206,581
Withholding tax deducted	**(5,156)**	(2,087)	(4,345)
Gains on investments	**(46,220)**	(130,785)	(201,198)
Currency losses/(gains) on cash and borrowings	**4,416**	(8,276)	(2,389)
Losses on financial instruments at fair value through profit or loss - ALN	**1,680**	-	-
Expenses and taxation associated with ALN	**(311)**	-	-
Increase/(decrease) in creditors	**2,235**	(108)	117
(Increase)/decrease in other debtors	**(270)**	38	52
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**(6,122)**	(1,395)	(1,182)

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.

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.

(ii) Quoted investments are valued at the bid price on the relevant stock exchange.

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

Financing Instruments qualifying as complex instruments under FRS 102 are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement. During the current period the only complex instrument was the ALN.

All other financial instruments were held at cost and the fair value of these instruments at the period end and previous period ends was not considered materially different to cost.

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 2017

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

There are no balances for Financial Liabilities at Fair Value through Profit or Loss for the prior periods.

Financial Assets at Fair Value through Profit or Loss at 31 December 2016

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Unlisted holdings	**-**	**-**	**1,152,368**	**1,152,368**
Listed holdings	**1,447**	**-**	**-**	**1,447**
TOTAL	**1,447**	**-**	**1,152,368**	**1,153,815**

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

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Unlisted holdings	**-**	**-**	**1,222,711**	**1,222,711**
Listed holdings	**1,431**	**-**	**-**	**1,431**
TOTAL	**1,431**	**-**	**1,222,711**	**1,224,142**

Independent Review Report to Pantheon International Plc

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 2017 which comprises the Condensed Income Statement, Condensed Statement of Changes in Equity, Condensed Balance Sheet, Condensed Cash Flow Statement and the related explanatory notes to the Half-Yearly financial statements. We have read the other information contained in the half yearly financial report which comprises only the Half Year at a Glance, Performance Summary, Historical Data, Chairman's Statement, Objective and Investment Policy, Manager's Review and Interim Management Report and Responsibility Statement of the Directors and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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.

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 2017 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.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
26 February 2018

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

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.

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