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Pantheon Intl Participations PLC
26 February 2015

PANTHEON INTERNATIONAL PARTICIPATIONS PLC
HALF-YEARLY FINANCIAL REPORT
SIX MONTHS TO 31ST DECEMBER 2014

The Half-Yearly Financial Report can be accessed via the Company's website at www.pipplc.com or by contacting the Company Secretary by telephone on 01392 412122.

PIP will host a webcast on Thursday, 26 February 2015 at 2:30pm GMT. Dial in details can be found below.

The presentation can be viewed on the day via www.meetingzone.com/presenter?partCEC=1302390 with participant PIN **1302390**. Please refer to the numbers below or international dial-in numbers 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 **PIP**.

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HALF-YEAR AT A GLANCE

Key Performance Indictors

+11%	NAV per share increase (FTSE All-Share TR: 0%; MSCI World TR: +9%)
16%	Ordinary share price discount to NAV (Jun 2014: 16%)
22%	Redeemable share price discount to NAV (Jun 2014: 22%)
1.36%	Total ongoing charges excluding tax (annualised) (Jun 2014: 1.32[1]%)

Other Indicators

+10%	Ordinary share price increase (FTSE All-Share TR: 0%; MSCI World TR: +9%)
+10%	Redeemable share price increase (FTSE All-Share TR: 0%; MSCI World TR: +9%)
£995m	NAV (Jun 2014: £902m; Dec 2013: £872m)
1,513.3p	NAV per share (Jun 2014: 1,364.2p; Dec 2013: 1,303.9p)
£113m	Net cash flow generated from PIP's portfolio
£132m	Total new investment commitments made in the half-year
£4m	Investments in share buybacks in the half-year, generating a **0.1%** uplift to NAV per share
4.5x	Ratio of assets and available financing to undrawn commitments

[1] Excludes legal costs associated with the purchase and sale of investments.

PERFORMANCE SUMMARY

NAV and Share Price Performance

- NAV per share **increased by 10.9%**, from 1,364.2p to 1,513.3p.
- The ordinary share price increased from 1,150.0p to 1,266.5p, **an increase of 10.1%**. The discount increased slightly from 15.7% to 16.3%.
- The redeemable share price increased from 1,070.0p to 1,180.0p, **an increase of 10.3%**. The discount increased slightly from 21.6% to 22.0%.

Net Investment Cash Flow

- Distributions received in the six months to 31st December 2014 were **£128.5m**, equivalent to an annualised rate of 32% of opening private equity assets.
- PIP invested **£85.5m** in the six months to 31st December 2014 across calls (£15.7m), new investments (£66.2m), and share buybacks (£3.6m).
- Net investment cash flow in the half-year was **£43.0m** (£27.5m in the six months to 30th June 2014).

PERFORMANCE AT 31ST DECEMBER 2014	**1 YEAR %**	**3 YEARS % P.A.**	**5 YEARS % P.A.**	**10 YEARS % P.A.**	**SINCE INCEPTION % P.A.**

NAV per share*	16.1	10.1	12.4	10.1	11.4
Ordinary share price*	23.2	26.5	24.4	9.2	11.2
FTSE All-Share Total Return	1.2	11.1	8.7	7.6	7.9
MSCI World Total Return (sterling)	12.1	15.9	11.6	8.8	7.3

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

VALUE OF £1,000 INVESTED ON 31ST DECEMBER 2004*

PIP	£2,408
FTSE All-Share	£2,076
MSCI World	£2,330

** As at 31st December 2014*

CAPITAL STRUCTURE AT 31ST DECEMBER 2014

Ordinary shares	33,397,013
Redeemable shares	32,372,534
Total	65,769,547

CHAIRMAN'S STATEMENT

We are pleased to report NAV per share rose 10.9% to 1,513.3 pence during the half-year. This good result reflects positive progress in the value of the underlying portfolio of 5.1% (including income), boosted by positive foreign exchange movements stemming from the US dollar's gains against sterling. The share prices of the ordinary and redeemable shares mirrored these gains, each rising by 10% in the period.

The portfolio continued to generate significant realisations as market conditions remained supportive of exit activity, resulting in increased distributions to the Company.

Performance

During the half-year to 31st December 2014, the Company's NAV per share grew by 10.9%. This growth was driven by portfolio gains of 4.2%, investment income of 0.9% and share buybacks which added 0.1% to NAV per share. The reversal of sterling's gains versus the US dollar in the second half of 2014 led to positive foreign exchange effects in the period of 6.5% per share, reflecting the effect of a strengthening US dollar on PIP's portfolio, of which 56% is invested in funds operating mainly in the USA. Expenses and taxes in the period reduced NAV per share by 0.8%.

Sample EBTIDA and revenue growth amongst underlying portfolio companies, representing approximately 48% by value of the buyout portfolio, was 9.8% and 8.5% respectively in the 12 months to 30th June 2014. Our portfolio weighting emphasises the consumer, IT, healthcare and industrial sectors. These sectors provide ample opportunity for private equity managers, investing often in the mid-market, to acquire companies with higher growth characteristics relative to the broader equity markets due to their market positioning and scale. Our relentless focus on investing with high-quality managers globally, often with specialist knowledge of the sectors in which they are investing, helps to ensure that our portfolio is exposed to these growth opportunities through disciplined ownership practices that drive operational and capital efficiencies.

Share Buybacks

In the half-year to 31st December 2014, the Company invested £3.6m to buy back and cancel 125,000 ordinary shares and 200,000 redeemable shares, resulting in an uplift to NAV per share of 1.5p, or 0.1% of PIP's NAV per share. PIP began buying back shares in August 2011 and so far has invested £80m in buying back 13% of the Company's shares. 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.

Investment Activity

The portfolio benefited in the period from significant distributions, including from a number of IPOs that had listed during the first half of 2014. The Company received distributions of £129m during the half-year, equivalent to an annualised rate of 32% of opening portfolio assets. Calls from underlying private equity funds were £16m, or approximately 18% of opening undrawn commitments on an annualised basis. This resulted in a net portfolio cash flow prior to new investment commitments of £113m during the period. PIP's portfolio is mature, with a weighted average fund age of 7.9 years. If conditions remain supportive, this maturity should lead to continued positive net cash flows.

A sample of PIP's largest 50 distributions during the half-year had an average uplift of 27% to their previous holding value. This tendency for exits to occur at an uplift can add to performance.

New Investments

Demand for assets remains high, with markets consequently appearing to be fully priced. The Company's flexible investment strategy has enabled it to seek out assets which demonstrate relative value. During the half-year, PIP made 19 new commitments amounting to £132m, comprising £72m in seven secondaries, £16m in six co-investments and £44m in six primaries.

Our secondary purchases were mainly in US and European buyout funds, typically in more concentrated portfolios involving single fund interests where portfolio prospects could be more fully evaluated. Our Manager's investment emphasis continues to target high quality funds with identifiable near term liquidity prospects, exploiting information often gained from prior investments. Moreover, in line with current strategy, the Company has made six carefully selected primary commitments, mostly in mid-market funds that are oversubscribed and where such fund interests are thought less likely to be readily available in the secondary market.

Since 31st December 2014, the Company has committed a further £30m: £14m to two secondaries, £7m to two co-investments and £9m to two primary funds.

Balance Sheet

In November, the Company renewed its credit facility with improved terms and a revised maturity date of November 2018. The size of the new loan facility remains unchanged at $100m and €46m, which was equivalent to £100m as at 31st December 2014. The facility was undrawn as at this date. Given the average maturity of PIP's funds, we expect the private equity portfolio to generate net cash for investments. Our positive net cash flows and ungeared balance sheet allow us to renew the portfolio on an ongoing basis with a view to achieving some consistency in deployment, ideally over a 4-5 year period.

At 31st December 2014, the Company held cash of £123m, which together with the credit facility gave it total liquid resources of £223m.

Outlook

The Company's strategy continues to emphasise opportunities in the secondary market. While pricing of assets in the secondary market has moved in sympathy with rising prices in all asset markets, our relationships with more than 100 selected private equity managers globally positions us to be able to buy assets on the secondary market when portfolios look to be at a favourable point in their value development. This approach provides the Company with access to assets selected for their high quality that are nearer to being realised. Should these market conditions continue, purchasing assets in the secondary market with an emphasis on their ripeness for sale enables the Company to continue to benefit from these unusually buoyant equity markets. Selective co-investment in opportunities where the price can be clearly justified by the opportunity for value growth, together with targeted primary commitments to funds managed in all regions by some of the world's best private equity managers, allows the Company to continue to renew its portfolio while maintaining a conservative approach to balance sheet management.

Board Changes

Following Peter Readman's retirement from the Board at the Annual General Meeting, I am pleased to announce the appointment of David Melvin as a Director with effect from 23rd February 2015. David's private equity experience has been acquired over many years as a capital markets practitioner, providing a set of perspectives that will complement those of the other Board members. David was a Partner and Head of Investor Relations for TDR Capital LLP and was formerly Global Co-Head of Financial Sponsors at Merrill Lynch.

TOM BARTLAM
Chairman
25th February 2015

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 its interests.

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 holding, 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 30th 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.

MANAGER'S REVIEW

MARKET REVIEW

Economic stimulus is nothing without structural reform. Nor, for that matter, is swingeing austerity. Just when most of the world appeared to be recovering from the economic ills of the past six years, symptoms have returned to many markets that indicate that the medicine administered has proven as unsuccessful as the widespread cure.

Europe, having turned a corner, is slipping into recession once more. Deflation across the Eurozone is a threat, and indeed already a reality in some markets[1]. The UK, which emerged strongly from the downturn, may not be able to escape the pull backwards. Meanwhile, Japan has slipped into recession once more, with its fifth technical recession since 2002 deeper than at first thought[2]. At the end of 2014, the Bank of Japan signalled its intention to lift its bond buying program to unprecedented levels, while the European Central Bank in January announced plans to buy €60bn a month of sovereign debt and other assets until September 2016 in the hope of rekindling growth. So, just as one large central bank - the US Federal Reserve - seems to be turning off the printing presses, two other central banks appear ready to flood markets with masses of liquidity.

The problem of slow growth is most acute in those two markets, but not confined to them. A large part of the world is now faced with the symptoms of what economists call "secular stagnation" - a long-term reduction in the potential growth rates of developed economies. Meanwhile, large emerging markets, including China and India, have stronger growth but seem unlikely to recapture the heady double-digit or high single-digit rates registered just a couple of years ago. The prospect of anaemic growth leaves policymakers around the world grappling with ways to stimulate their economies, create jobs and increase prosperity for their citizens.

As investors, we have to find ways to generate returns against a backdrop of persistent uncertainty and volatility. In the face of slower growth and stagnation, investors' fundamental quest for yield has fuelled the credit markets. Treasury yields flirt with record lows and high-yield credit can prove to be anything but. While, of course, a lower cost of credit is helpful to private equity managers in reducing the cost of capital for portfolio companies, it also has the effect of pushing up asset prices. As such, private equity is not immune to downward pressure on returns, but private equity managers can be more active in order to create value, including making judicious use of the credit markets as well as financing growth in businesses with clear opportunities to increase operating efficiency and/or market penetration.

Amidst the uncertainty, bright spots remain on the horizon. In the US, growth is on an upward trajectory, joblessness has fallen, consumer spending and business investment are growing and inflation - pushed down in part by low oil prices - is picking up and wages are responding[3]. Normal economic progress, though not boundless growth, is returning. The US experience of quantitative easing shows that such measures can work, but only when allied with financial and structural reform. Certain emerging markets are also showing strong signs of continued growth and undervaluation from a private equity perspective. And globally, oil prices - which at time of writing have slipped to below $60 a barrel[4] - can provide a fillip for growth, particularly in those countries reliant on oil imports for their manufacturing output.

Contrast the situation in the US with that in Western Europe and Japan - economies where last year we observed encouraging signs of growth[5]. As we enter 2015, both are tipping backwards as deflation and recession take hold once more. The result is that as one massive monetary program comes to a close, two new packages are ready to take its place.

Europe and Japan Quantitative Easing Looms

In Europe, a brief honeymoon of improving economic growth has been replaced with a deteriorating outlook. The European Union registered GDP growth of just 0.3% in the third quarter, with its largest actor Germany having effectively ground to a halt since the end of March[6].ECB President Mario Draghi's planned €1 trillion quantitative easing stands ready to administer emergency liquidity[7]. Yet, without long-term reform, the benefit is likely to be short-lived. The politics of inequality is trumping much of Europe's political commitment for reforming labour markets, cleaning out its banking problems, and dealing with an inconsistent Stability and Growth Pact, which is driving the continent into deflation.

In Japan, structural market reforms, one of Shinzo Abe's "three arrows" of expansionist policies, have been disappointingly slow in coming. It remains to be seen whether the renewed mandate of his government can deliver on this elusive goal.

While the quantitative easing that is expected in both these markets is likely to be helpful for equity markets in the short term, private equity investors, as long-term investors, will need to be particularly careful to invest in areas of the market that are better defended against these largely deflationary effects.

Emerging Markets Attractive Despite Headwinds

Long-term slowing growth extends to large emerging markets, presenting challenges for their respective administrations. Additional political volatility creates a backdrop of uncertainty for investors, despite the potential long-term attractive characteristics as these economies grow.

China's growth has come off its peak, and while much has been made of attempts to increase the pace of growth, the OECD is predicting that GDP expansion will dip below 7% in 2016, while OECD member growth increases to 3%[8]. Addressing wasteful investment will help, but China's transition to a domestically-driven consumption economy will inevitably mean slower-paced growth in the long run.

Despite the prevailing macroeconomic and political headwinds, there will be opportunities to invest in companies whose prospects for growth can be transformed by the economic development within many emerging markets. Experienced private equity managers, used to the greater volatility of equity prices typical in these markets, use their understanding of the longer term prospects for certain businesses to create buying opportunities.

Widespread Asset Price Inflation

One of the hazardous consequences of quantitative easing is the widespread asset price inflation witnessed globally. Stock markets are above where they stood before the crisis, while bond yields are at some of their lowest levels. Private equity has not been immune. Public market comparables set a high benchmark for valuations, while cheap loans and high-yield bonds enable sponsors to stretch prices further. Furthermore, fundraising has been enjoying its best run since 2008[9] with record levels of dry powder increasing competition for assets. We expect that run to continue in 2015 as the European Central Bank and the Bank of Japan take on the mantle of providers of liquidity of last resort to the global economy. High valuations and high levels of market liquidity, which increases the risk of overpaying when deploying capital in new investments, provides a welcome boost to sellers of assets and consequently the market as a whole, as well as PIP's own portfolio, has seen increasing levels of distributions from funds as assets are realised in this favourable environment.

Active Investment Provides Opportunity for Success

The macroeconomic environment and socio-political backdrop are important factors which influence Pantheon's strategic view on certain investment markets. For instance, we remain positively inclined to the US given improving fundamentals. Meanwhile, our view on Europe is marginally more bearish because of the strengthening economic headwinds. However, slavish adherence to such broad views would overlook beneficial undercurrents and opportunities in any individual market. In the face of low growth and high asset prices globally, a more fundamental view on investment and value creation is needed. The discipline of investors and the value-adding operational skill of private equity managers have always been important, but now they are critical. Expanding valuation multiples and cheap leverage cannot be relied upon to lift returns in these markets.

Secondary Market Review

Secondary transaction volume reached another record level in 2014 with $38.5bn[10] transacted, significantly surpassing the 2013 level of $24.5bn[10]. The growth reflected a favourable pricing environment for sellers of secondary interests in funds enjoying helpful exit market conditions. Consequently, in addition to the expected sellers, we saw many institutions making opportunistic use of the secondary market to reduce exposure to non-core managers.

Pricing in the market has been robust, with an average high bid of 95%[11] of NAV throughout the year. Discounts to NAV stabilised in the second half of 2014 following contraction in the first half, as buyers' expectations of further valuation write-ups have reduced[11].

Underpinning the high transaction volume levels were a record number of deals above $1bn[11], as sellers increased the concentration in their portfolios, and continued to shift their strategy focus (e.g. from large buyout to mid-market).

As a reflection of this, pension funds were the most active sellers during the year, accounting for 28%[12] of all sellers. Despite having been active sellers for some time now, banks continue to remain one of the most active at 25%[12].

Pantheon has screened over $50bn of deals, committing to nine transactions during the year, targeting more concentrated transactions involving fund interests with identifiable value drivers; these typically comprise a number of investments with strong growth prospects or where potential liquidity events give rise to significant upside relative to current holding valuations.

The most active sellers in the market are expected to provide significant secondary deal flow in 2015. Despite the Federal Reserve Board's announcement in December 2014 of a deadline extension for banks' compliance with the Volcker Rule to at least July 2016, banks are expected to engage in further selling activity this year. Moreover, pension funds are expected to look to take advantage of a more active secondary market to concentrate their resources on fewer fund relationships. These trends, along with a recovering US economy and further volatility in Europe is likely to mean another active year for secondary deal flow in 2015.

Private Equity Outlook

While we see high prices and fierce competition for assets in many markets, we do believe there are broad themes shaping consumption trends globally, including developments in technology and in large emerging markets. These are enduring investment themes which private equity can tap into and ultimately profit from. Among these we see demand for new energy sources, resurgent US manufacturing and the ageing global populations as driving forces for our investment markets.

1 Source: Eurostat Newsrelease, October 2014. Six EU countries including Greece, Bulgaria, Hungary and Spain were registering negative annual inflation

2 Source: Japan Recession 2014: Why Abenomics Isn't Working, Jessica Menton, International Business Times, December 8, 2014

3 Source: Big Job Gains and Rising Pay in Labor Data, Nelson D Schwartz, New York Times, December 5, 2014

4 Source: Bloomberg Energy & Oil Prices, February 23, 2015. Brent Crude priced at $58.42 a barrel

5 Source: Japan Recession and EU Slump Hold Lessons for US, Investor's Business Daily, November 17, 2014

6 Source: Eurostat, December 5, 2014. Germany contracted by 0.1% in Q2 followed by 0.1% growth in Q3

7 Source: European Central Bank United on €1 trillion Liquidity Injection, Claire Jones, Financial Times, November 6, 2014.

8 Source: OECD, China Economic Forecast Summary, November 2014

9 Source: Preqin, October 2014. Funds raised totalled $320 billion in the first three quarters of 2014, and dry powder stood at $1.2 trillion.

10 Secondary deal volume excludes real estate transactions. Source: Cogent Partners Secondary Market Update, January 2015

11 Cogent Partners Secondary Market Update, January 2015

12 Setter Capital Volume Report, Secondary Market 2014

PORTFOLIO OVERVIEW

5.1%	Underlying (pre FX) half-year return relative to opening assets
£113m	Net cash flow generated from PIP's portfolio
27%	Average realisation uplift on largest distributions
£129m	Distributions
£132m	Total new investment commitments made in the half-year
32%	Distributions as a percentage of opening portfolio (annualised)
£16m	Net commitments made to six co-investments
£16m	Calls made from existing undrawn commitments
7.9 years	Weighted average fund age of portfolio

The Company offers a global, diversified selection of private equity assets, carefully selected by Pantheon for their quality. The diversification of PIP's portfolio, with assets spread across different investment styles and stages, including buyout, venture and growth, and special situations, helps to reduce volatility both of 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 US and Europe, to regions with higher rates of economic growth such as Asia.

Portfolio Analysis by Value as at 31 December 2014[1]

1 Fund geography, stage, maturity and primary/secondary tables 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 at 30th June 2014 and account for approximately 90% of PIP's overall portfolio value.

Fund Geography

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

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

USA	56%
Europe	29%
Asia and other	15%
Total	100%

Fund Stage

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

The majority of the portfolio is made up of buyout funds.

Exposure to co-investments increased to 8% (from 7%) during the half-year, due to new investments.

Large/Mega Buyout	30%
Small/Mid Buyout	27%
Venture and Growth	27%
Co-investments	8%
Special Situations	6%
Generalist	2%
Total	100%

Pantheon Vehicles

At 31st December 2014, 6% of PIP's portfolio value and 5% of PIP's outstanding commitments were comprised of funds-of-funds directly managed by Pantheon. Pantheon is not entitled to management and commitment fees in respect of PIP's holdings in, and outstanding commitments to, the firm's managed fund-of-funds vehicles. In addition, Pantheon has agreed that PIP will never be disadvantaged in terms of fees compared with the position it would have been in had it made investments directly into the underlying funds rather than indirectly through such fund-of-funds vehicles.

Fund Maturity

The portfolio is well diversified by fund vintage. PIP's secondary activity is expected to lead to continued exposure to the high fundraising years of 2006-2008.

In addition, new primary commitments and co-investments are increasing PIP's exposure to more recent vintages, with the 2009 and later segment of the portfolio increasing to 15% (from 11%) during the half-year.

2009-2014	15%
2008	14%
2007	25%
2006	18%
2005	11%
2004	4%
2003	1%
2002	1%
2001 and earlier	11%
Total	100%

Primary/Secondary

53% of the portfolio is derived from primary commitments.

However, PIP's secondary emphasis has increased the secondary exposure of the portfolio to 47%, up from 44% as at 30th June 2014.

Primary	53%
Secondary	47%
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, mining and utilities sectors.

Consumer	27%
Information Technology	24%
Healthcare	15%
Industrials	14%
Energy	7%
Financials	7%
Materials	4%
Telecomm Services	2%
Total	100%

Company Geography

Over half of the portfolio is with companies based in North America, which benefit from greater capital market scope and depth.

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

15% of PIP's portfolio is based in Asia and other regions, providing access to faster growing economies such as China and India.

North America	52%
Asia and other	15%
UK	11%
Scandinavia	5%
Germany	4%
Benelux	3%
Other Europe	3%
Iberia	2%
France	2%
Italy	2%
Central and Eastern Europe	1%
Total	100%

PORTFOLIO ANALYSIS

Portfolio Performance by Stage for the Half-Year to 31st December 2014[1]

- The portfolio generated investment returns of 5.1% during the half-year prior to foreign exchange effects.
- Large buyouts dominated performance during the period.

Debt Mutiples[2]

Venture and growth and buyout investments have differing leverage characteristics.

- The venture and growth portfolio accounts for 27% of portfolio value and has little or no reliance on leverage.
- In a market associated with high leverage transactions, debt multiples on PIP's underlying companies have remained within reasonable levels at less than five times EBITDA.

PORTFOLIO ANALYSIS - BUYOUT

Valuation Multiple[2]

- 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 for the year to 30th June 2014 was 9.7 times, compared to 8.4 times and 10.4 times for the FTSE All-Share and MSCI World indices.

Revenue and EBITDA Growth[2]

- Weighted average revenue growth for the sample buyout companies was +8.5% in the 12 months to 30th June 2014, compared to -5.3% and +1.6% for the FTSE All-Share and MSCI World indices.
- Weighted average EBITDA growth for the sample buyout companies was +9.8% in the 12 months to 30th June 2014, compared to +2.8% and -0.1% for the FTSE All-Share and MSCI World indices.
- Strong top-line performance and cost control is a principal objective of private equity managers.

[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.*

[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 30th June 2014 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 30th June 2014 or, where not available, the closest annual period disclosed, and provide coverage of 48% (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 2009-2013 is based on the same methodology and provides coverage of 50-75% of the portfolio in each year. Enterprise value is defined as carrying value + net debt. The net debt and enterprise value figures were based upon 30th June 2014 underlying valuations, or the closest period end disclosed. The valuation multiple sample covers approximately 56% of PIP's buyout portfolio. The debt multiple sample covers 61% of PIP's buyout portfolio and 51% of PIP's co-investment portfolio. Data sourced from Bloomberg.*

PORTFOLIO ANALYSIS - VENTURE AND GROWTH

Venture and Growth Portfolio Analysis

- Prior to foreign exchange effects, PIP's venture and growth funds generated a return of 3.0% in the six months to 31st December 2014.
- Although vintage 2002 and earlier generated negative returns during the six month period, we continue to see significant distributions from these vintages.
- 2007 and later funds performed strongly, with half-year returns of 8.1%. These funds constitute 35% of the venture and growth portfolio.

- 2003 to 2006 constitute 41% of the venture and growth portfolio and in our view, can continue to produce a substantial level of distributions.

DISTRIBUTIONS IN THE HALF-YEAR TO 31ST DECEMBER 2014

PIP received more than 900[1] distributions in the half-year, with many at significant uplifts to carrying value. Given the current robust exit environment, the Company's mature portfolio should continue to generate significant distributions in the coming quarters.

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

Distributions by Region and Stage

PIP received £129m in proceeds from the portfolio in the six months to 31st December 2014, implying an annualised distribution rate equivalent to 32% of the opening private equity assets.

The US accounted for the majority of PIP's distributions, where market conditions supported a good level of exits among larger buyouts.

Despite economic headwinds, European distributions were at least as strong.

Distributions by Region = £129m	
USA	**49%**
Europe	**36%**
Asia and other	**15%**
Total	**100%**

Distributions by Stage = £129m	
Large/Mega Buyout	**39%**
Small/Mid Buyout	**31%**
Venture and Growth	**21%**
Co-investments	**2%**
Special Situations	**4%**
Generalist	**3%**
Total	**100%**

Distribution Rates[2] in the Half-Year to 31st December 2014 by Vintage

Mature vintages continue to distribute at higher rates, with 2009 and earlier funds distributing at a rate in excess of 30%. With a weighted fund maturity of 7.9 years, PIP's mature portfolio should continue to generate significant levels of cash, particularly if we see sustained improvements in the financial markets.

[2] Distribution rate equals distributions in period divided by opening portfolio value.

Cost Multiples on a Sample of the Largest Distributions in the Half-Year to 31st December 2014[1]

On a sample of the largest 50 distributions, the value-weighted average cost multiple on initial cost was 2.1 times, highlighting the continued ability of private equity managers to create a significant value over the course of an investment.

[1] The available data in the sample represented approximately 36% by value of PIP's total distributions for the half-year to 31st December 2014. This data is based upon gross cost multiples available at the time of the distribution.

Uplifts on Liquidity Event on a Sample of the Largest Distributions in the Half-Year to 31st December 2014[2]

On a sample of the largest 50 distributions, the value-weighted average uplift on the sample was 27%. This average uplift is consistent with PIP's view that realisations tend to be significantly incremental to returns. PIP's mature portfolio is well placed to continue to generate a good level of distributions in the coming year.

[2] Uplift on liquidity event compares the value received upon realisation against the investment's carrying value prior to the transaction taking place. In the event of an IPO, the uplift is the difference between the carrying value prior to the IPO and the value at the close of the first day of trading. The available data in the sample represented approximately 34% by value of PIP's total distributions for the half-year to 31st December 2014.

INVESTMENTS CALLED IN THE HALF-YEAR TO 31ST DECEMBER 2014

Investments called during the half-year ranged across regions and sectors, including consumer, speciality pharmaceuticals, energy companies and outsourced business service providers.

Calls by Region and Stage

PIP paid £16m to finance calls on undrawn commitments during the half-year to 31st December 2014, equivalent to an annualised call rate of 18% of opening undrawn commitments.

Calls by Region = £16m	
USA	67%
Europe	21%

Asia and other	12%
Total	100%

Calls by Stage = £16m

Large/Mega Buyout	34%
Venture and Growth	25%
Special Situations	21%
Small/Mid Buyout	9%
Co-investments	9%
Generalist	2%
Total	100%

NEW COMMITMENTS

PIP committed £132m to new investments during the half-year, concentrated on buyout funds in the US and European markets. £66m was drawn at the time of purchase. As a result of Pantheon's targeted origination, PIP continued to benefit from good deal flow, with all secondary deals during the half-year in processes that were either proprietary or involved restricted competition.[1]

New Commitments by Region

Over 90% of new commitments made in the half-year were to private equity funds focused on the US and European markets, reflecting the larger secondary opportunity in these regions.

Europe	50%
USA	43%
Asia and other	7%
Total	100%

New Commitments by Stage

A significant majority of new investments were made in the large buyout and mid-market space, targeting funds whose portfolio companies have high barriers to entry, strong cash generation and multiple potential exit routes.

Small/Mid Buyout	44%
Large/Mega Buyout	35%
Co-investments	12%
Venture and Growth	9%
Total	100%

New Commitments by Deal Type

Secondary transactions accounted for the majority of new commitments.

Investment activity in the half-year reflected PIP's efforts to grow its primary programme on a targeted basis, committing £45m to six top-tier funds. PIP also participated in six co-investments. Co-investments and primaries offer exposure to more recent vintages and assets which may be less accessible in the secondary market.

Secondaries[2]	54%
Co-investments	34%
Primaries	12%
Total	100%

[1] A proprietary deal is where Pantheon was in exclusive discussions with the seller. A restricted process deal is where there are three or fewer bidders for the asset.

[2] Includes late primary commitments.

NEW COMMITMENTS
SECONDARY AND PRIMARY (FUNDS)

PIP committed £72m to five secondary and two late transactions, with a majority of commitments in large and mid-market buyout funds. Late primary commitments enable PIP on occasion to invest in a fund being raised when there is evidence of value manifesting in the portfolio.

PIP's commitment to primaries during the half-year included four buyout funds and two growth capital firms, adding current vintage exposure with high-quality managers to its portfolio.

New Secondary and Primary Commitments[1]

Secondary and Late Primary Commitments in the Half-Year to 31st December 2014

INVESTMENT DATE	STAGE	DESCRIPTION	COMMITMENTS £M	% FUNDED
Jul-14	Buyout	Large buyout fund focused on European assets	**20.1**	**89%**
Jul-14	Buyout	Portfolio of European mid-market	**11.1**	**83%**

		and large buyout fund interests		
Aug-14	Buyout	Nordic focused mid-market buyout fund	**9.5**	**77%**
Aug-14	Buyout	Investment in Wasserstein III, a US mid-market fund[2]	**5.5**	**34%**
Oct-14	Buyout	Investment in Herkules Capital IV, a Nordic mid-market fund[2]	**7.4**	**26%**
Oct-14	Buyout	Latin American buyout fund	**1.4**	**63%**
Dec-14	Buyout	US fund interest with global exposure	**17.0**	**89%**
TOTAL			**72.0**	**75%**

Primary Commitments in the Half-Year to 31st December 2014

INVESTMENT	STAGE	DESCRIPTION	COMMITMENTS £M
Altor Fund IV	Buyout	Nordic mid-market buyout fund	**9.3**
ECI 10	Buyout	Buyout fund focused on UK mid-market space	**7.5**
ABRY Partners VIII	Buyout	US mid-market buyout fund focused on media, communications and IT sector	**6.0**
Hellman & Friedman Capital Partners VIII	Buyout	Large buyout manager with global exposure	**9.9**
Baring Asia Fund VI	Venture and Growth	Pan-Asian buyout and growth fund	**5.7**
Growth Fund[3]	Venture and Growth	US growth equity fund	**6.2**
TOTAL			**44.6**

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

[2] Late primary commitments.

[3] Confidential.

OUTSTANDING COMMITMENTS

PIP's outstanding commitments 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 the private equity industry worldwide.

Analysis of Outstanding Commitments as at 31st December 2014

PIP's outstanding commitments to investments increased to £240m at 31st December 2014 compared with £176m at 30th June 2014. The Company paid calls of £16m and added an additional £66m of outstanding commitments associated with new investments made in the half-year. The remaining £14m increase was due to foreign exchange movements in the portfolio's underlying funds.

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	55%
Europe	31%
Asia and other	14%
Total	100%

Stage

PIP's undrawn commitments are well-diversified across all major stages of private equity.

Small/Mid Buyout	35%
Large/Mega Buyout	31%
Venture and Growth	20%
Special Situations	7%
Co-investments	4%
Generalist	3%
Total	100%

Maturity

47% of PIP's undrawn commitments are in the 2007 vintage or older. It is likely that a portion of these commitments will not be drawn.

Rise in vintage 2014 undrawns reflect increase in primary commitment levels.

2005 and earlier	21%

2006	12%
2007	14%
2008	12%
2009	1%
2010	1%
2012	4%
2013	5%
2014	30%
Total	100%

FINANCE AND SHARE BUYBACKS

Cash and Available Bank Facility
At 31st December 2014, PIP had cash balances of £123m.

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 $100m and €46m which, using exchange rates at 31st December 2014, amount to a sterling equivalent of £100m. At 31st December 2014, the Loan Facility remained fully undrawn.

Undrawn Commitment Cover
At 31st December 2014, the Company had £223m of available financing, comprised of its cash balances and Loan Facility. The sum of PIP's available financing and private equity portfolio provide 4.5 times cover relative to undrawn commitments.

It should be noted that a portion of the Company's undrawn commitments of £240m is unlikely to be called in full by the underlying managers. When a fund is past its investment period, which is typically between five and six years, it generally cannot make any new investments (only drawing capital to fund existing follow-on investments or pay expenses). As a result, the rate of capital calls in these funds tends to slow dramatically.

Approximately 60% of the Company's undrawn commitments are in fund vintages that are greater than six years old.

Share Buybacks
PIP bought back 0.5%[1] of its shares in the financial year. In total, 125,000 ordinary shares and 200,000 redeemable shares were bought back at a weighted average discount of 16% and 23% respectively, resulting in a total uplift to NAV per share of 1.5p, or 0.1% of opening NAV per share. 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.

[1] *Calculated using the number of shares bought back in the half-year divided by the number of shares outstanding at 30th June 2014.*

LARGEST 50 MANAGERS BY VALUE AS AT 31ST DECEMBER 2014[1]

NUMBER	MANAGER	REGION[2]	STAGE BIAS	% OF PIP'S TOTAL PRIVATE EQUITY ASSET VALUE
1	TPG	Global	Buyout	4.7%
2	Providence Equity Partners	USA	Buyout	3.5%
3	KKR	Global	Buyout	2.2%
4	Carlyle Group	Global	Generalist	2.1%
5	Vision Capital	Europe	Buyout	1.8%
6	Warburg Pincus Partners	Global	Generalist	1.7%
7	Blackstone Capital Partners	USA	Buyout	1.7%
8	Apax Partners	Europe	Buyout	1.7%
9	CVC Capital Partners	Global	Buyout	1.5%
10	Quantum Energy Partners	USA	Energy	1.5%
11	Golden Gate Capital	USA	Buyout	1.4%
12	Bridgepoint Partners	Europe	Buyout	1.4%
13	Matlin Patterson	USA	Special Situations	1.3%
14	Brentwood Associates	USA	Buyout	1.3%
15	EQT	Asia[3]	Buyout	1.3%
16	Baring Vostok Capital Partners	Russia	Buyout	1.2%
17	Apollo Management	USA	Buyout	1.1%
18	Equistone	Europe	Buyout	1.1%
19	Baring Private Equity	Asia	Venture and Growth	1.1%
20	Altor Capital	Europe	Buyout	1.1%

21	Oak Investment Partners	USA	Venture and Growth	1.0%
22	Riverstone Holdings	USA	Venture and Growth	1.0%
23	Hutton Collins	Europe	Special Situations	0.9%
24	Canaan Partners	USA	Venture and Growth	0.9%
25	Polaris Venture Partners	USA	Venture and Growth	0.9%
26	ABS Capital Partners	USA	Venture and Growth	0.9%
27	Bain Capital	USA	Buyout	0.8%
28	Nova Capital Management	Europe	Buyout	0.8%
29	Avista Capital Partners	USA	Buyout	0.8%
30	Doughty Hanson & Co	Europe	Buyout	0.8%
31	Catalyst Investors	USA	Venture and Growth	0.8%
32	Technology Crossover Ventures	USA	Venture and Growth	0.8%
33	Summit Partners	Global	Generalist	0.7%
34	Nordic Capital	Europe	Buyout	0.7%
35	IK Investment Partners	Europe	Buyout	0.7%
36	Permira	Europe	Buyout	0.7%
37	Tricor US Management	USA	Buyout	0.7%
38	Advent International Group	Global	Buyout	0.7%
39	Franciso Partners	USA	Buyout	0.7%
40	Mid-Europa Partners	Europe	Buyout	0.7%
41	Yorktown Partners	USA	Energy	0.7%
42	Genstar Capital Partners	USA	Buyout	0.7%
43	Cinven Partners	Europe	Buyout	0.7%
44	Thomas H. Lee Partners	USA	Buyout	0.6%
45	Baker Capital Partners	USA	Venture and Growth	0.6%
46	Rutland Partners	Europe	Special Situations	0.6%
47	Essex Venture Partners	USA	Venture and Growth	0.6%
48	Gemini Israel Funds	Europe	Venture and Growth	0.6%
49	Herkules Capital	Europe	Buyout	0.6%
50	ARCH Venture Partners	USA	Venture and Growth	0.6%
COVERAGE OF PIP'S TOTAL PRIVATE EQUITY ASSET VALUE				**57.0%**

[1] Percentages look through feeders and funds-of-funds.

[2] Refers to the regional exposure of funds.

[3] The majority of PIP's remaining investment in EQT is held in one of its Asian funds.

LARGEST 50 COMPANIES BY VALUE AS AT 31ST DECEMBER 2014

NUMBER	COMPANY	COUNTRY	SECTOR	% OF PIP'S TOTAL PRIVATE EQUITY ASSET VALUE
1	Spotify Limited	Sweden	Information Technology	0.7%
2	King.com[4]	UK	Information Technology	0.7%
3	Zoë's Kitchen[2,4]	USA	Consumer	0.7%
4	Attendo[3]	Sweden	Healthcare	0.7%
5	CPL Industries	UK	Energy	0.7%
6	Standard Pacific[4]	USA	Consumer	0.7%
7	Applied Medical Resources[3]	USA	Healthcare	0.6%
8	InterXion[4]	Netherlands	Information Technology	0.6%
9	Vitruvian Exploration[3]	USA	Energy	0.6%
10	CPI Card Group	USA	Industrials	0.6%
11	EP Energy[3,4]	USA	Energy	0.6%
12	Nord Anglia Education[4]	Hong Kong	Consumer	0.5%
13	LBX Pharmacy Chain	China	Consumer	0.5%
14	Alarm.com	USA	Industrials	0.5%
15	Miclyn[3]	Singapore	Energy	0.5%
16	CSPC Pharmaceutical Group[4]	China	Healthcare	0.5%
17	Maplin Electronics[3]	UK	Consumer	0.5%
18	ista International[3]	Germany	Information Technology	0.5%
19	McGraw-Hill[2,3]	USA	Consumer	0.4%
20	Standard Bancshares[3]	USA	Financials	0.4%
21	IMS Health[4]	USA	Healthcare	0.4%
22	ConvaTec Healthcare	USA	Healthcare	0.4%
23	JDR Cable Systems	USA	Energy	0.4%
24	Yongda Automobiles Services[3,4]	China	Consumer	0.4%
25	SoftBrands	USA	Information Technology	0.4%

26	BrightHouse	UK	Consumer	0.4%
27	Kosmos Energy[4]	Bermuda	Energy	0.4%
28	Bibby Scientific	UK	Information Technology	0.4%
29	Par Pharmaceutical	USA	Healthcare	0.3%
30	Healthscope[4]	Australia	Healthcare	0.3%
31	MINDBODY[2]	USA	Information Technology	0.3%
32	Antero Resources[4]	USA	Energy	0.3%
33	United Surgical Partners	Spain	Healthcare	0.3%
34	Heptagon Advanced Micro-Optics[3]	Singapore	Information Technology	0.3%
35	Hilton Worldwide[4]	USA	Consumer	0.3%
36	GGC Credit Opps	USA	Financials	0.3%
37	USI Holdings[3]	USA	Financials	0.3%
38	TMF Group	Netherlands	Industrials	0.3%
39	Hugo Boss[4]	Germany	Consumer	0.3%
40	K-Mac Holdings	USA	Consumer	0.3%
41	Univision Communications	USA	Consumer	0.3%
42	Syniverse Technologies	USA	Information Technology	0.3%
43	OOO Lenta[4]	Russia	Consumer	0.3%
44	Classic Fine Foods	Singapore	Consumer	0.3%
45	Wagamama	UK	Consumer	0.3%
46	The Teaching Company	USA	Consumer	0.3%
47	Michaels Stores	USA	Consumer	0.3%
48	Visma[2]	Norway	Information Technology	0.3%
49	P&I Personal & Informatik[3]	Germany	Information Technology	0.2%
50	Jimmy John's	USA	Consumer	0.2%
TOTAL				**21.1%**

[1] The largest 50 companies table is based upon underlying company valuations at 30th June 2014, adjusted for known calls, distributions, new investment commitments and post-valuation information.

[2] Liquidation event subsequent to 30th June 2014.

[3] Co-Investments/directs.

[4] Listed companies.

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 30th June 2014 and continue to be as set out in that report.

Risks faced by the Company include, but are not limited to, funding of investment commitments and default risk, risks relating to investment opportunities, financial risk of private equity, long-term nature of private equity investments, liquidity risk, 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 the Statement on Half-Yearly Financial Reports issued by the UK Accounting Standards Board.

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

(a) DTR 4.2.7R of the Disclosure 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 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 of Directors on 25th February 2015 and the above responsibility statement was signed on its behalf by Tom Bartlam, Chairman.

INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 31ST DECEMBER 2014

	SIX MONTHS TO 31ST DECEMBER 2014			SIX MONTHS TO 31ST DECEMBER 2013			YEAR TO 30TH JUNE 2014		
	REVENUE £'000	**CAPITAL £'000**	**TOTAL* £'000**	REVENUE £'000	CAPITAL £'000	TOTAL* £'000	REVENUE £'000	CAPITAL £'000	TOTAL* £'000
Gains/(losses) on investments designated at fair value through profit or loss**	**-**	**88,398**	**88,398**	-	(15,946)	(15,946)	-	25,659	25,659
Currency gains/(losses) on cash and borrowings	**-**	**8,122**	**8,122**	-	(7,466)	(7,466)	-	(10,530)	(10,530)
Investment income	**7,713**	**-**	**7,713**	7,925	-	7,925	13,681	-	13,681
Investment management fees	**(4,908)**	**-**	**(4,908)**	(4,232)	-	(4,232)	(8,749)	-	(8,749)
Other expenses	**(654)**	**(337)**	**(991)**	(615)	-	(615)	(995)	(189)	(1,184)
RETURN ON ORDINARY ACTIVITIES BEFORE FINANCING COSTS AND TAX	**2,151**	**96,183**	**98,334**	3,078	(23,412)	(20,334)	3,937	14,940	18,877
Interest payable and similar charges/finance costs	**(915)**	**-**	**(915)**	(724)	-	(724)	(1,419)	-	(1,419)
RETURN ON ORDINARY ACTIVITIES BEFORE TAX	**1,236**	**96,183**	**97,419**	2,354	(23,412)	(21,058)	2,518	14,940	17,458
Tax on ordinary activities	**(231)**	**-**	**(231)**	(612)	-	(612)	(945)	-	(945)
RETURN ON ORDINARY ACTIVITIES AFTER TAX FOR THE PERIOD	**1,005**	**96,183**	**97,188**	1,742	(23,412)	(21,670)	1,573	14,940	16,513
RETURN PER ORDINARY AND REDEEMABLE SHARE***	**1.53p**	**146.04p**	**147.57p**	2.85p	(34.74)p	(32.16)p	2.35p	22.30p	24.65p

* The total column of the statement represents the Company's profit and loss statement prepared in accordance with UK Accounting Standards. The supplementary revenue return and capital columns are prepared under guidance published by the Association of Investment Companies.

** Includes currency movements on investments.

*** Return per ordinary and redeemable share is shown in note 6.

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.

RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS (UNAUDITED)

	SHARE CAPITAL £'000	SHARE PREMIUM £'000	CAPITAL REDEMPTION RESERVE £'000	OTHER CAPITAL RESERVE £'000	CAPITAL RESERVE ON INVESTMENTS HELD £'000	SPECIAL RESERVE £'000	REVENUE RESERVE £'000	TOTAL £'000
Movement for the six months ended 31st December 2014								
OPENING EQUITY SHAREHOLDERS' FUNDS	**22,787**	**283,555**	**2,758**	**337,152**	**288,689**	**23,198**	**(56,448)**	**901,691**
Return for the period	**-**	**-**	**-**	**52,485**	**43,698**	**-**	**1,005**	**97,188**
Ordinary shares bought back for cancellation	**(84)**	**-**	**84**	**-**	**-**	**(1,449)**	**-**	**(1,449)**
Redeemable shares bought back for cancellation	**(2)**	**-**	**2**	**-**	**-**	**(2,163)**	**-**	**(2,163)**
CLOSING EQUITY SHAREHOLDERS' FUNDS	**22,701**	**283,555**	**2,844**	**389,637**	**332,387**	**19,586**	**(55,443)**	**995,267**
Movement for the six months ended 31st December 2013								
OPENING EQUITY SHAREHOLDERS' FUNDS	23,454	283,555	2,091	314,138	296,763	41,304	(58,021)	903,284
Return for the period	-	-	-	10,969	(34,381)	-	1,742	(21,670)
Ordinary shares bought back for cancellation	(452)	-	452	-	-	(7,044)	-	(7,044)
Redeemable shares bought back for cancellation	(3)	-	3	-	-	(3,005)	-	(3,005)
CLOSING EQUITY SHAREHOLDERS' FUNDS	22,999	283,555	2,546	325,107	262,382	31,255	(56,279)	871,565
Movement for the year ended 30th June 2014								
OPENING EQUITY SHAREHOLDERS' FUNDS	23,454	283,555	2,091	314,138	296,763	41,304	(58,021)	903,284
Return for the year	-	-	-	23,014	(8,074)	-	1,573	16,513
Ordinary shares bought back for cancellation	(660)	-	660	-	-	(10,456)	-	(10,456)
Redeemable shares bought back for cancellation	(7)	-	7	-	-	(7,650)	-	(7,650)
CLOSING EQUITY SHAREHOLDERS' FUNDS	22,787	283,555	2,758	337,152	288,689	23,198	(56,448)	901,691

The Notes form part of these financial statements.

BALANCE SHEET (UNAUDITED)

	AS AT 31ST DECEMBER 2014 £'000	AS AT 31ST DECEMBER 2013 £'000	AS AT 30TH JUNE 2014 £'000
Fixed assets			
Investments designated at fair value through profit or loss	**863,313**	803,366	814,959
Current assets			
Debtors	**10,602**	967	576
Cash at bank	**122,844**	68,103	88,346
	133,446	69,070	88,922
Creditors: amounts falling due within one year			
Other creditors	**1,492**	871	2,190
	1,492	871	2,190
NET CURRENT ASSETS	**131,954**	68,199	86,732
NET ASSETS	**995,267**	871,565	901,691
Capital and reserves			
Called-up share capital	**22,701**	22,999	22,787
Share premium	**283,555**	283,555	283,555
Capital redemption reserve	**2,844**	2,546	2,758
Other capital reserve	**389,637**	325,107	337,152
Capital reserve on investments held	**332,387**	262,382	288,689
Special reserve	**19,586**	31,255	23,198
Revenue reserve	**(55,443)**	(56,279)	(56,448)
TOTAL EQUITY SHAREHOLDERS' FUNDS	**995,267**	871,565	901,691
NET ASSET VALUE PER SHARE - ORDINARY AND REDEEMABLE	**1,513.26p**	1,303.87p	1,364.24p
NUMBER OF ORDINARY SHARES IN ISSUE	**33,397,013**	33,832,013	33,522,013
NUMBER OF REDEEMABLE SHARES IN ISSUE	**32,372,534**	33,012,534	32,572,534
TOTAL SHARES IN ISSUE	**65,769,547**	66,844,547	66,094,547

The Notes form part of these financial statements.

CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 31ST DECEMBER 2014

	SIX MONTHS TO 31ST DECEMBER 2014 £'000	SIX MONTHS TO 31ST DECEMBER 2013 £'000	YEAR TO 30TH JUNE 2014 £'000
Cash flow from operating activities			
Investment income received	**7,690**	7,899	13,637
Deposit and other interest received	**23**	26	44
Investment management fees paid	**(4,824)**	(4,481)	(8,772)
Secretarial fees paid	**(101)**	(115)	(201)

Other cash payments	**(810)**	(477)	(977)
Withholding tax deducted	**(231)**	(612)	(945)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**1,747**	2,240	2,786
Servicing of finance			
Loan commitment and arrangement fees paid	**(1,200)**	(551)	(1,110)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE	**(1,200)**	(551)	(1,110)
Capital expenditure and financial investment			
Purchases of investments	**(106,031)**	(78,866)	(134,472)
Disposals of investments	**136,578**	85,811	171,724
NET CASH INFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	**30,547**	6,945	37,252
NET CASH INFLOW BEFORE FINANCING	**31,094**	8,634	38,928
Financing			
Ordinary shares purchased for cancellation	**(2,522)**	(8,484)	(11,896)
Redeemable shares purchased for cancellation	**(2,163)**	(3,005)	(6,577)
NET CASH OUTFLOW FROM FINANCING	**(4,685)**	(11,489)	(18,473)
INCREASE/(DECREASE) IN CASH	**26,409**	(2,855)	20,455

The Notes form part of these financial statements.

NOTES TO THE HALF-YEARLY FINANCIAL STATEMENTS (UNAUDITED)

1. Financial Information

The financial information has been prepared on the historical cost basis of accounting, except for the measurement at fair value of investments and financial instruments, and in accordance with applicable UK accounting standards on the basis that all activities are continuing. The accounting policies set out in the statutory accounts for the year ended 30th June 2014 have been applied to this Half-Yearly Financial Report. They have also been prepared on the assumption that approval as an investment trust will continue to be granted.

The accounting policies are also consistent with the Statement of Recommended Practice (revised January 2009) issued by the Association of Investment Companies. The financial information has been prepared in accordance with the Accounting Standards Board Statement 'Half-Yearly Financial Reports' issued in July 2007.

The financial information contained in this Half-Yearly Financial Report is not the Company's statutory accounts. The financial information for the six months ended 31st December 2014 and 31st December 2013 are not for a financial year and have not been audited but have been reviewed by the Company's auditors and their report can be found below. The statutory accounts for the financial year ended 30th June 2014 have been delivered to the Registrar of Companies and received an audit report which was unqualified, did not include a reference to any matters which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under section 498 (2) and (3) of the Companies Act 2006.

2. Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, including its financial position, are set out in the Chairman's Statement and Manager's 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. For this reason, they consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

3. Tax on Ordinary Activities

The tax charge for the six months to 31st December 2014 is £231,000 (six months to 31st December 2013: £612,000; year to 30th June 2014: £945,000). 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.

4. Related Party Transactions

Under the FCA listing rules, the Manager, Pantheon Ventures (UK) LLP, is regarded as a related party of the Company.

During the period, services were provided with a total value of £5,202,000, being £4,908,000 directly from Pantheon Ventures (UK) LLP and £294,000 via Pantheon managed fund investments. (31st December 2013: £4,522,000; £4,232,000; and £290,000; year to 30th June 2014: £9,312,000; £8,749,000; and £563,000 respectively). At 31st December 2014, the amount due to Pantheon Ventures (UK) LLP in management fees and performance fees disclosed under creditors was £830,000 and £nil respectively.

5. Performance Fee

The Manager is entitled to a performance fee from the Company in respect of each 12 calendar month period ending on 30th 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 period ended 31st December 2014, the notional performance fee hurdle is a net asset value per share of 2,139.06p. The performance fee is calculated using the adjusted net asset value. In previous periods this was adjusted to exclude the derivative asset.

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.

6. Return per Ordinary and Redeemable Share

	SIX MONTHS TO 31ST DECEMBER 2014			SIX MONTHS TO 31ST DECEMBER 2013			YEAR TO 30TH JUNE 2014		
	REVENUE	**CAPITAL**	**TOTAL**	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
Return on ordinary activities after tax £'000	**1,005**	**96,183**	**97,188**	1,742	(23,412)	(21,670)	1,573	14,940	16,513
Weighted average ordinary and redeemable shares			**65,862,754**			67,389,248			66,994,396
Return per ordinary and redeemable share	**1.53p**	**146.04p**	**147.57p**	2.58p	(34.74)p	(32.16)p	2.35p	22.30p	24.65p

7. Net Asset Value per Share

	31ST DECEMBER 2014	31ST DECEMBER 2013	30TH JUNE 2014
Net assets attributable in £'000	**995,267**	871,565	901,691
Ordinary and redeemable shares	**65,769,547**	66,844,547	66,094,547
Net asset value per share -	**1,513.26p**	1,303.87p	1,364.24p

ordinary and redeemable

8. Reconciliation of Return on Ordinary Activities before Financing Costs and Tax to Net Cash Flow from Operating Activities

	SIX MONTHS TO 31ST DECEMBER 2014 £'000	SIX MONTHS TO 31ST DECEMBER 2013 £'000	YEAR TO 30TH JUNE 2014 £'000
Return on ordinary activities before financing costs and tax	**98,334**	(20,334)	18,877
Withholding tax deducted	**(231)**	(612)	(945)
(Gains)/losses on investments	**(88,398)**	15,946	(25,659)
Currency (gains)/losses on cash and borrowings	**(8,122)**	7,466	10,530
Increase/(decrease) in creditors	**114**	(266)	(16)
Decrease/(increase) in other debtors	**50**	40	(1)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**1,747**	2,240	2,786

9. Reconciliation of Net Cash Flows to Movements in Net Funds

	SIX MONTHS TO 31ST DECEMBER 2014 £'000	SIX MONTHS TO 31ST DECEMBER 2013 £'000	YEAR TO 30TH JUNE 2014 £'000
Increase/(decrease) in cash in the period	**26,409**	(2,855)	20,455
Non-cash movement			
- foreign exchange gains/(losses)	**8,089**	(7,429)	(10,496)
Movement in net cash flows	**34,498**	(10,284)	9,959
Net cash at beginning of period	**88,346**	78,387	78,387
NET FUNDS AT END OF PERIOD	**122,844**	68,103	88,346

10. Analysis of Net Funds

	31ST DECEMBER 2014 £'000	31ST DECEMBER 2013 £'000	30TH JUNE 2014 £'000
Cash at bank	**122,844**	68,103	88,346
	122,844	68,103	88,346

11. Fair Value Hierarchy

Financial Assets at Fair Value through Profit or Loss at 31st December 2014

	LEVEL 1 £'000	**LEVEL 2 £'000**	**LEVEL 3 £'000**	**TOTAL £'000**
Unlisted holdings	**-**	**-**	**862,832**	**862,832**
Listed holdings	**481**	**-**	**-**	**481**
TOTAL	**481**	**-**	**862,832**	**863,313**

Level 3 Financial Assets at Fair Value through Profit or Loss at 31st December 2014

	PRIVATE EQUITY INVESTMENTS £'000
Opening balance	**814,846**
Purchases at cost	**106,034**
Transfer of book cost to level 1*	**(2,624)**
Sales proceeds	**(143,055)**
Total gains or losses included in "Gains on investments" in the Income Statement	
- on assets sold	**44,091**

- on assets held as at 31st December 2014	**43,540**
CLOSING BALANCE	**862,832**

* The transfer of book cost to level 1 is due to stock distributions received from private equity investments.

INDEPENDENT REVIEW REPORT
TO PANTHEON INTERNATIONAL PARTICIPATIONS PLC

Introduction
We have been engaged by the Company to review the condensed set of financial statements in the Half-Yearly Financial Report for the six months ended 31 December 2014 which comprises the Income Statement, Reconciliation of Movements in Equity Shareholder's Funds, Balance Sheet, Cash Flow Statement and Notes to the Half-Yearly Financial Statements. We have read the other information contained in the Half-Yearly Financial Report which comprises only the Half-Year at a Glance, Performance Summary, Historical Data, Chairman's Statement, Objective and Investment Policy, Manager's Review and the Interim Management Report and Responsibility Statement of the Directors and considered whether it contains any apparent misstatements or material inconsistencies with the financial information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE (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 them in a 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, 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 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 applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts', issued in January 2009. The financial information in the Half-Yearly Financial Report has been prepared in accordance with the Accounting Standards Board Statement 'Half-Yearly Financial Reports' issued in July 2007.

Our Responsibility
Our responsibility is to express to the Company a conclusion 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' issued by the Auditing Practices Board for use in the United Kingdom. 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 Ireland) 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 31 December 2014 is not prepared, in all material respects, in accordance with the Accounting Standards Board Statement 'Half-Yearly Financial Reports' and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

GRANT THORNTON UK LLP
Auditor
London
25th February 2015

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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