12 SEPTEMBER 2017

Semi-annual results 2017

André Frei | Christoph Rubeli | Dr. Cyrill Wipfli | Philip Sauer
<table>
<thead>
<tr>
<th>1</th>
<th>Financials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Platform &amp; clients</td>
</tr>
<tr>
<td>3</td>
<td>Portfolio management</td>
</tr>
<tr>
<td>4</td>
<td>Investments</td>
</tr>
</tbody>
</table>
Strong results across the board

Financial highlights H1 2017

<table>
<thead>
<tr>
<th>Metric</th>
<th>H1 16</th>
<th>H1 17</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average AuM (EUR billion)</td>
<td>48</td>
<td>57</td>
<td>+20%</td>
</tr>
<tr>
<td>Revenues(^1) (CHF million)</td>
<td>453</td>
<td>565</td>
<td>+25%</td>
</tr>
<tr>
<td>EBITDA (CHF million)</td>
<td>272</td>
<td>374</td>
<td>+37%</td>
</tr>
<tr>
<td>IFRS profit (CHF million)</td>
<td>254</td>
<td>359</td>
<td>+42%</td>
</tr>
</tbody>
</table>

**Explanation:**
- **Average AuM:** Driven by fundraising for flagship programs.
- **Revenues:** Strong increase in late management fees & other income.
- **EBITDA:** Revenue growth temporarily outpaces hiring activities.
- **IFRS profit:** Broadly in line with EBITDA development.

\(^1\) Revenues include management fees and performance fees; management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
Revenues increase more than costs in H1 2017, driving EBITDA and IFRS profit

<table>
<thead>
<tr>
<th>Key financials (in CHF million)</th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues, of which</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management fees</td>
<td>453</td>
<td>+25%</td>
</tr>
<tr>
<td>Performance fees</td>
<td>131</td>
<td>+12%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>272</td>
<td>+37%</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>60%</td>
<td>66%</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>23</td>
<td>30</td>
</tr>
<tr>
<td><strong>Income tax expenses</strong></td>
<td>-35</td>
<td>-38</td>
</tr>
<tr>
<td><strong>IFRS profit</strong></td>
<td>254</td>
<td>+42%</td>
</tr>
<tr>
<td><strong>Diluted EPS</strong></td>
<td>9.53</td>
<td>13.42</td>
</tr>
</tbody>
</table>

1 Revenues include management fees and performance fees.
2 Management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
Management fee growth outpaces AuM growth due to higher late management fees & other income in H1 2017

Revenues (in CHF million)

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>453</td>
<td>565</td>
</tr>
<tr>
<td>Performance fees</td>
<td>131 (29%)</td>
<td>147 (26%)</td>
</tr>
<tr>
<td>Management fees</td>
<td>322 (71%)</td>
<td>418 (74%)</td>
</tr>
<tr>
<td>+20% Ø AuM growth (EUR)</td>
<td>25</td>
<td>56 late management fees &amp; other income</td>
</tr>
</tbody>
</table>

Revenues include management fees and performance fees.
Management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
Management fees may vary between calendar years during fundraising

### Illustrative example

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Start fundraising &amp; investing</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>Interim closings</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>H1</td>
<td>Management fees</td>
</tr>
<tr>
<td>2018</td>
<td>H2</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>End fundraising</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2027</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Typical duration is 10-12 years for equity offerings and 7-5 years for debt programs. Source: Partners Group.
Solid performance fee contribution in H1 2017

In the long run, performance fees are expected to grow in line with AuM growth.

Note: assuming that the market remains favorable to exits, Partners Group expects to continue to generate significant performance fees from its underlying client portfolios due to the visibility that it has on the life cycles of its programs.
Management fees will continue to be the main source of revenues

Outlook on performance fees

1 Assuming that the market remains favorable to exits, Partners Group expects to continue to generate significant performance fees from its underlying client portfolios due to the visibility that it has on the life cycles of its programs.
2 Management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
3 Typical duration is 10-12 years for equity offerings and 7-5 years for debt programs.
Continued solid management fee margin

Revenue margin (calculated as revenues divided by average daily AuM)

<table>
<thead>
<tr>
<th>Year</th>
<th>Management fees</th>
<th>Performance fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1.35%</td>
<td>7%</td>
</tr>
<tr>
<td>2007</td>
<td>1.36%</td>
<td>9%</td>
</tr>
<tr>
<td>2008</td>
<td>1.25%</td>
<td>1%</td>
</tr>
<tr>
<td>2009</td>
<td>1.26%</td>
<td>0%</td>
</tr>
<tr>
<td>2010</td>
<td>1.36%</td>
<td>4%</td>
</tr>
<tr>
<td>2011</td>
<td>1.23%</td>
<td>4%</td>
</tr>
<tr>
<td>2012</td>
<td>1.39%</td>
<td>9%</td>
</tr>
<tr>
<td>2013</td>
<td>1.33%</td>
<td>8%</td>
</tr>
<tr>
<td>2014</td>
<td>1.39%</td>
<td>6%</td>
</tr>
<tr>
<td>2015</td>
<td>1.38%</td>
<td>10%</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1 2017</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
### Key financials (in CHF million)

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>453</td>
<td>+25%</td>
</tr>
<tr>
<td><strong>Total costs, of which</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>-156</td>
<td>+5%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>-25</td>
<td>+16%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>272</td>
<td>+37%</td>
</tr>
<tr>
<td><strong>EBITDA margin</strong></td>
<td>60%</td>
<td>+6%-points</td>
</tr>
</tbody>
</table>

1 Revenues include management fees and performance fees; management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
Long-term growth of employees in line with management fee growth

Employee numbers grew in line with management fees

<table>
<thead>
<tr>
<th>Year</th>
<th>Recurring management fees (in CHF million)</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>314</td>
<td>447</td>
</tr>
<tr>
<td>2011</td>
<td>314</td>
<td>447</td>
</tr>
<tr>
<td>2012</td>
<td>314</td>
<td>447</td>
</tr>
<tr>
<td>2013</td>
<td>314</td>
<td>447</td>
</tr>
<tr>
<td>2014</td>
<td>314</td>
<td>447</td>
</tr>
<tr>
<td>2015</td>
<td>622</td>
<td>&gt;1'000</td>
</tr>
<tr>
<td>2016</td>
<td>622</td>
<td>&gt;1'000</td>
</tr>
<tr>
<td>2017</td>
<td>622</td>
<td>&gt;1'000</td>
</tr>
</tbody>
</table>

Personnel expenses grew in line with revenues

<table>
<thead>
<tr>
<th>Period</th>
<th>Revenues¹ (indexed)</th>
<th>Personnel expenses (indexed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 11</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>H1 12</td>
<td>~3x</td>
<td>100%</td>
</tr>
<tr>
<td>H1 13</td>
<td>~3x</td>
<td>100%</td>
</tr>
<tr>
<td>H1 14</td>
<td>~3x</td>
<td>100%</td>
</tr>
<tr>
<td>H1 15</td>
<td>~3x</td>
<td>100%</td>
</tr>
<tr>
<td>H1 16</td>
<td>~3x</td>
<td>100%</td>
</tr>
<tr>
<td>H1 17</td>
<td>320%</td>
<td>310%</td>
</tr>
</tbody>
</table>

Management fee development drives hiring efforts and cost management

1 Revenues include management fees and performance fees; management fees include recurring management fees and other revenues, net, other operating income and share of results of associates. Source: Partners Group.
EBITDA margin target of ~60% confirmed as the firm is committed to further investment in its platform

EBITDA margin development

Note: foreign exchange rates in daily averages in respective years/periods.
Solid profit contribution and balance sheet

### Profit (in CHF million)

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>254</td>
<td>359</td>
</tr>
</tbody>
</table>

+42% IFRS profit

### Balance sheet H1 2017

- CHF 702 million net liquidity
- CHF 601 million in own investments
- CHF 1'469 million shareholders' equity
- 48% Return on Equity

---

1 Comprises cash and cash equivalents and short-term working capital facilities for investment programs provided by the firm, net of borrowings.
## A straightforward growth model

<table>
<thead>
<tr>
<th><strong>AuM (average; EUR)</strong></th>
<th><strong>Revenue margin</strong></th>
<th><strong>Revenues(^1) (CHF)</strong></th>
<th><strong>EBITDA margin</strong></th>
<th><strong>IFRS profit (CHF)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued AuM growth driven by a superior offering</td>
<td>Robust revenue margin</td>
<td>Growth driven by both management and performance fees</td>
<td>Target EBITDA margin of ~60% confirmed</td>
<td>Strong IFRS profit and EBITDA growth</td>
</tr>
<tr>
<td>48bn H1 2016</td>
<td>1.74% H1 2016</td>
<td>453m H1 2016</td>
<td>60% H1 2016</td>
<td>EBITDA 272m H1 2016</td>
</tr>
<tr>
<td>57bn H1 2017</td>
<td>1.84% H1 2017</td>
<td>565m H1 2017</td>
<td>66% H1 2017</td>
<td>EBITDA 374m H1 2017</td>
</tr>
</tbody>
</table>

\(^1\) Revenues include management fees and performance fees; management fees include recurring management fees and other revenues, net, other operating income and share of results of associates.
# Table of contents

<table>
<thead>
<tr>
<th></th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Financials</td>
</tr>
<tr>
<td>2</td>
<td>Platform &amp; clients</td>
</tr>
<tr>
<td>3</td>
<td>Portfolio management</td>
</tr>
<tr>
<td>4</td>
<td>Investments</td>
</tr>
</tbody>
</table>
H1 2017 corporate highlights

**Offices**
- Americas: **Denver Campus** on track (93 FTEs)¹
- Asia: **Singapore** office move; **Manila** ramp-up successful

**Professionals**
- Ensuring **systematic talent development**
- **Associate and Analyst Program** (32 members)¹

**Developing & hiring talent**

**Fundraising**
- Closing **latest series of flagship programs**
- **No flagship programs open for private real estate** in H1 2017

**Raising flagship programs**

**Building out our offices**

**Organization**
- **Board of Directors**
- **ExCo**
- **ICs**
- **Investment**
- **Departments**
- **Specialist ICs**

**Enabling further growth**

---

¹ As of 22 August 2017. Source: Partners Group.
Organizational structure

As of 1 July 2017

Members of the Board of Directors
Peter Wuffli (Chairman), Charles Dallara (Vice Chairman), Steffen Meister (Delegate), Alfred Gantner, Grace del Rosario-Castaño, Marcel Erni, Michelle Felman, Urs Wietlisbach, Eric Strutz, Patrick Ward

Executive Committee
André Frei (Co-CEO), Christoph Rubeli (Co-CEO), Juri Jenkner, Andreas Knecht (COO), David Layton, Marlis Morin, Michael Studer (CRO)

Private Equity
David Layton¹,²

Private Real Estate
C. Angéloz²/M. Bryant

Private Debt
W. Berry/S. Essex²

Private Infrastructure
Juri Jenkner¹,²

Portfolio Solutions
Michael Studer¹,² (CRO)

Investment Services
Yves Schneller²

Client Services
Marlis Morin¹,²

Client Solutions
Stefan Näf²

Corporate Operations
Andreas Knecht¹,² (COO)

¹ ExCo Members.
² GExB Members, further includes René Biner, Gonzalo Fernández Castro, Felix Haldner, Sergio Jovele and Stephan Schäli.
Investment governance structure

As of 1 July 2017

Relative Value Committee
- Definition of macroeconomic scenarios and assessment of private markets investment themes
  - Steffen Meister (Chair), Stephan Schäli (Deputy, CIO), René Biner, Marcel Erni, Alfred Gantner, Christoph Rubeli, Michael Studer (CRO)

Global Portfolio Committee
- Asset allocation and portfolio implementation
  - Stephan Schäli (Chair, CIO), Michael Studer (Deputy, CRO), Roberto Cagnati, Marcel Erni, Fabien Piotet, Cyrill Wipfli

Investment Oversight Committee
- Oversees processes in relation to investment activities for clients
  - Michelle Felman (Chair), Alfred Gantner (Deputy), Grace del Rosario-Castaño, Marcel Erni, Stephan Schäli (General Secretary, CIO)

Global Investment Committee
1 Responsible for final deal selection and in-/divestment recommendations
  - René Biner (Chair), Stephan Schäli (Deputy, CIO), Andreas Baumann, Marcel Erni, Alfred Gantner, Walter Keller, Christoph Rubeli, Michael Studer (CRO)

Private Equity Specialist IC
Private Debt Specialist IC
Private Real Estate Specialist IC
Private Infrastructure Specialist IC

Note: Legal Investment Committees are held for all asset classes and strategies.
1 Includes Vertical Specialists (Lukas Bucher, Remy Hauser, Fredrik Henzler, Lane McDonald, Tim Phil and Christian Unger) and Functional Specialists (Pamela Alsterlind, Scott Essex, Adam Howarth, Juri Jenkner, David Layton, Brandon Prater, Marc Weiss).
Committed to further investing in our platform

March 2013

A further build-out of private markets investment capacity in the mid- to long-term (2015-2020) expected

- A platform with more than 1'000 employees
- >500 investment professionals
- Investment platform and capacity
  - Asset class
  - Private equity ~150-200
  - Real estate ~75-100
  - Infrastructure ~50-100
  - Private debt ~50-75
  - Inv. related >100
- >500 other platform-related professionals
- Allows the firm to achieve a critical investment capacity of on average USD 10 billion per year throughout the cycle
- USD 10 billion investment capacity in 2015-2020

Source: Partners Group.

September 2017

Partners Group reports [...] new investments of USD 11.7 billion in 2016...

- Business development and platform planning
- Resource planning over 1,000 employees in the mid- to long-term
- Investment capacity per annum
- Investment selection process and execution
- Investments
  - Further ramp-up of investment capacity
  - Strategic hiring of senior professionals
- Clients
  - Ensuring proximity to clients
  - Continued build-out of local presences
- Corporate
  - Drive product innovation (e.g. DC)
  - Digitalization

Continue to invest in the platform build-out
Key private markets client trends

Clients

- Continued growth of global institutional AuM
- Increasing allocations to private markets
- Ongoing consolidation of private markets managers

Sustained client demand expected

Continued increase of private markets allocations

Institutional investors’ intentions for their private markets allocations over the long term¹

<table>
<thead>
<tr>
<th>Private equity</th>
<th>Private debt</th>
<th>Private real estate</th>
<th>Private infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>94%</td>
<td>92%</td>
<td>90%</td>
<td>89%</td>
</tr>
<tr>
<td>6%</td>
<td>8%</td>
<td>10%</td>
<td>11%</td>
</tr>
</tbody>
</table>

¹ Preqin Alternative Asset Outlook (H1 2017) “Survey of institutional investors’ intentions for their private markets allocations over the long term”.
Sustained growth in AuM and number of employees

Total assets under management (in EUR billion)

Note: assets under management exclude discontinued public alternative investment activities and divested affiliated companies.
AuM well-diversified across asset classes and client base

**AuM by asset class (as of 30 June 2017)**
- Private real estate: 15%
- Private debt: 17%
- Private infrastructure: 14%
- Private equity: 54%

**AuM by client (as of 30 June 2017)**
- Largest client: 3%
- Top 2-5 clients: 8%
- Top 6-10 clients: 6%
- Top 11-20 clients: 7%
- >1'000 other institutional clients: 76%

Source: Partners Group client demand H1 2017.
AuM diversified across regions and types of clients

**AuM by region (as of 30 June 2017)**

- UK: 23%
- North America: 14%
- Scandinavia: 4%
- Southern Europe: 3%
- France & Benelux: 5%
- Germany & Austria: 18%
- Switzerland: 17%
- Asia & Middle East: 9%
- South America: 2%
- Australia: 5%

EUR 58 billion

**AuM by type (as of 30 June 2017)**

- Public pension funds: 24%
- Corporate & other pension funds: 31%
- SWFs and other endowments: 14%
- Family offices, banks & others: 14%
- Insurance companies: 12%
- Distribution partners/private individuals: 14%
- South America: 2%
- UK: 23%
- Scandinavia: 4%
- Southern Europe: 3%
- France & Benelux: 5%
- Germany & Austria: 18%
- Switzerland: 17%
- Asia & Middle East: 9%
- South America: 2%
- Australia: 5%

EUR 58 billion

Source: Partners Group.
### Expected gross client demand for the full-year 2017

**AuM, client demand and other effects (in EUR billion, estimates)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total AuM</th>
<th>Client demand</th>
<th>Tail-downs &amp; redemptions*</th>
<th>FX &amp; others**</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>31.6</td>
<td>6.1</td>
<td>(0.0)</td>
<td>-2.1</td>
</tr>
<tr>
<td>2015</td>
<td>37.6</td>
<td>8.4</td>
<td>(0.0)</td>
<td>+2.1</td>
</tr>
<tr>
<td>2016</td>
<td>46.0</td>
<td>9.2</td>
<td>-1.0</td>
<td>-2.6</td>
</tr>
<tr>
<td>2017</td>
<td>54.2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Tail-downs consist of maturing investment programs; redemptions stem from liquid and semi-liquid programs (~15% of AuM).
**Others consist of performance from select programs and other effects.

Note: negative effects consist of both tail-downs & redemptions as well as FX & others.
<table>
<thead>
<tr>
<th></th>
<th>Financials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Platform &amp; clients</td>
</tr>
<tr>
<td>3</td>
<td>Portfolio management</td>
</tr>
<tr>
<td>4</td>
<td>Investments</td>
</tr>
</tbody>
</table>
Implementation of relative value, global deal sourcing and selection

Implementation across three main dimensions

Global IC
Considers current risk-return profiles across private markets and instruments when approving/declining transactions and applying stress scenarios (top down and bottom up)

Deal teams
Bottom up reflection of current relative value in sourcing priorities and top line growth assumptions during transaction due diligence

Portfolio Management
Top down adjustment of planned investment capacity for the year across asset classes, instruments and regions within bandwidths / client guidelines

For illustrative purposes only.
Source: Partners Group illustration.
Partners Group's integrated investment philosophy

**Expected Return Framework**

- **Equity**
  - Private: +7.9%
  - Public: +0.7%
  - Private vs. Public: +7.2%

- **Debt**
  - Private: +4.6%
  - Public: +3.5%
  - Private vs. Public: +1.1%

- **Real Estate**
  - Private: +1.1%
  - Public: +0.1%
  - Private vs. Public: +1.0%

- **Infrastructure**
  - Private: +0.9%
  - Public: +0.9%
  - Private vs. Public: +0.0%

**Expected returns over typical investment periods**
Focus on core views and alternative scenarios

**Relative value**

- **Investment environment over the next 6-18 months**
Focus on strategies and asset classes

**Investment themes**

- **Transformation and value creation themes in different sectors**
  - Tangible trends guide sourcing

**Partners Group Relative Value Committee**

Economist, investment professionals, industry specialists and portfolio managers

For illustrative purposes only.
Source: Partners Group.
<table>
<thead>
<tr>
<th>Year</th>
<th>Investment Themes/Strategies</th>
</tr>
</thead>
</table>
| 2010  | - Buying quality assets at trough earnings  
       - Earnings bottoming out but top-line growth to remain below trend  
       - Focus on stable, "real" assets  
       - Mezzanine is the sweet spot in private debt |
| 2012  | - In a period of stagnation, proactive ownership is pivotal  
       - Assetflation but low top-line growth  
       - Bifurcated markets in real estate and infrastructure, crowded core space  
       - Attractive supply-demand imbalance in debt space as lenders retreating |
| 2014/16 | - Assetflation losing steam, search for transformative growth  
       - Amid elevated valuations, valuation upside limited  
       - Seek stable assets benefiting from transformative growth  
       - Increased focus on value creation |
| H2 2017 | - In search of platform-building opportunities  
       - Sustained low but steady growth  
       - Test assets' resilience to adverse economic scenarios  
       - Identify anchor assets with platform-building potential |

Source: Partners Group Private Markets Navigator.
Expected Return Framework: the importance of scenario thinking

One base case and three test scenarios

<table>
<thead>
<tr>
<th>Base case scenario</th>
<th>Stock market rally</th>
<th>Faster rate hike cycle</th>
<th>Mild recession</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Low but steady growth, modest upward trajectory for real economic growth</td>
<td>• Highly accommodative monetary policy combined with outsized growth expectations</td>
<td>• Rising wage pressures in the US and/or rising longer-dated yields pressurize the Fed</td>
<td>• Recession or external shock would result in an economic slowdown and unchanged Fed rates</td>
</tr>
<tr>
<td>• Multiples tend to retract</td>
<td>• Higher valuations</td>
<td>• Valuations correct notably</td>
<td>• Valuations would slightly recover</td>
</tr>
</tbody>
</table>

Source: Partners Group.
Implement targeted risk/return profiles for clients by combining equity and debt instruments across asset classes

**Portfolio management**

- ~40% of AuM in mandates\(^1\)
  
  Strengthen: build closer relationships and pave the way for long-term investment success

- Strategic portfolio updates
  
  Understand: foster dialogue with clients to reserve future investment capacity

- Implementation of relative value
  
  Implement & monitor: active portfolio management drives outperformance of programs and mandates

**Value-add for investors**

![Graph showing asset allocation for different strategies](image)

For illustrative purposes only

1 Mandates include clients with dedicated separate account programs and commitments of mandates invested into Partners Group programs. Source: Partners Group.
Agreement on investment goals and definition of key investment parameters is paramount to successful portfolio and risk management.
Creating a bespoke portfolio proposal

**TVPI development**

- Gross vs. Net TVPI over time

**Target returns**

<table>
<thead>
<tr>
<th>Return</th>
<th>Investment</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario</td>
<td>IRR</td>
<td>Multiple</td>
</tr>
<tr>
<td>Middle range</td>
<td>15.6%</td>
<td>1.75x</td>
</tr>
</tbody>
</table>

**Target allocation (type)**

- 42% Primaries
- 40% Secondaries
- 18% Directs

**Target allocation (asset class)**

- 50% Private equity
- 20% Private debt
- 15% Private real estate
- 15% Private infrastructure

**Commitment strategy**

- 3 years Build-up
- 7 years CF break-even
- USD 71 m Peak NAV
- 3.9 years Implied holding period
- 0% Recyclin g in % of committed

**NAV development**

- 80.0 NAV over time

**Incremental cash flow**

- 60.0 Incremental cash flow over time

**Target allocation (region)**

- 39% North America
- 22% Europe
- 39% Asia / Rest of World

For illustrative purposes only. There is no assurance that target results nor target strategies will be achieved.

Source: Partners Group illustration.
Additional investments required to maintain/increase private markets allocation

**NAV target development 5% growth p.a.**

- NAV expected to reach USD ~300m by 2020 (5% growth p.a. assumption)
- Additional investments of USD 300m necessary (5 years to reach target NAV)

**NAV target development 15% growth p.a.**

- NAV expected to reach USD ~400m by 2020 (15% growth p.a. assumption)
- Additional investments of USD 500m necessary (5 years to reach targeted NAV)

Source: Partners Group (May 2017). For illustrative purposes only. The actual development of the program depends on many factors and may differ significantly. For the purpose of cash flow modeling, Partners Group standard fees have been assumed for the Partners Group portfolio.
# Table of contents

<table>
<thead>
<tr>
<th></th>
<th>Financials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Platform &amp; clients</td>
</tr>
<tr>
<td>3</td>
<td>Portfolio management</td>
</tr>
<tr>
<td>4</td>
<td>Investments</td>
</tr>
</tbody>
</table>
Partners Group H1 2017 investment platform overview

**Investment platform update**

- **Over 950 total employees**
- **USD 5.6 billion** invested in private markets opportunities on behalf of our clients
- **USD 3.2 billion direct investments** based on 2,211 direct opportunities screened
  - USD 0.9 billion invested in 9 assets
  - USD 2.3 billion invested in 33 credits
- **USD 1.0 billion secondary investments**; USD 73 billion screened across all asset classes
- **USD 1.4 billion invested with select best-in-class managers** in the private markets industry
- **USD 4.3 billion underlying portfolio distributions**

**42 direct investments across the globe**

<table>
<thead>
<tr>
<th>Region</th>
<th>Direct Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North America</strong></td>
<td>17</td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td>19</td>
</tr>
<tr>
<td><strong>Asia-Pacific/RoW</strong></td>
<td>6</td>
</tr>
</tbody>
</table>

Note: figures exclude investments executed for short-term loans, cash management purposes and syndication partner investments.
Continued significant deal flow

First screenings in H1 2017

<table>
<thead>
<tr>
<th></th>
<th>Directs</th>
<th>Secondaries</th>
<th>Primaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private equity</td>
<td>798</td>
<td>USD 42 billion</td>
<td>111</td>
</tr>
<tr>
<td>Private debt</td>
<td>246</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Private real estate</td>
<td>694</td>
<td>USD 26 billion</td>
<td>100</td>
</tr>
<tr>
<td>Private infrastructure</td>
<td>473</td>
<td>USD 5 billion</td>
<td>47</td>
</tr>
<tr>
<td>Total screened</td>
<td>2'211</td>
<td>USD 73 billion</td>
<td>258</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Executed</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD 3.2 billion</td>
<td>42 transactions*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>USD 1.0 billion</td>
<td>12 transactions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>USD 1.4 billion</td>
<td>21 commitments</td>
<td></td>
</tr>
</tbody>
</table>

*Includes 33 credits amounting to USD 2.3 billion.
Note: figures exclude investments executed for short-term loans, cash management purposes and syndication partner investments.
Private markets investment activities across the globe and across all asset classes

Private markets investments in H1 2017

North America 39%
Europe 51%
Asia-Pacific/ RoW 10%

USD 5.6 billion

Primaries 25%
Secondaries 18%
Directs 57%

USD 5.6 billion

Note: figures exclude investments executed for short-term loans, cash management purposes and syndication partner investments.
Private equity

Environment

- Historic volumes of dry powder to be deployed ...
- ... lifting valuations to all-time highs
- Differentiated value creation strategy is key

Focus on developing category leaders

Relative decrease in dry powder in a growing market

Valuations at all-time highs
Private equity

Investment strategies

Developing category leaders

1. Platform companies
2. Category winners
3. Defensive leaders

Focus on transformative trends

- **Outsourced digital infrastructure support**
  - **Curvature¹**
    - Global provider of outsourced information technology systems support services
    - HQ: Charlotte, NC, USA
    - Employees: >900

- **Cost-efficient healthcare delivery**
  - **Cerba HealthCare**
    - Market-leading operator of clinical pathology laboratories in France and Benelux region
    - HQ: Paris, France
    - Employees: >4,200

- **Business services outsourcing**
  - **SPi Global**
    - Global provider of outsourced services to education, science, and medical research publishers
    - HQ: Manila, Philippines
    - Employees: >12,500

1. Formerly Systems Maintenance Services and SMS | Curvature.
Source: Partners Group.
Private debt

Environment

- Leveraged loan issuance is strong
- Spreads have tightened
- Equity cushions remain high

Focus on realizing the potential of privately originated loans

Equity cushions remain high\(^1\)

Spreads have tightened\(^1\)

Private debt

Investment strategies

Realizing the potential of privately originated loans

1. Creative structures

2. Niche industries

3. Buy-and-build strategies

Focus on transformative trends

Growth in quick service restaurant sales

Checkers
Quick service restaurant chain in the US with 850 restaurants and diverse menu offerings
HQ: Tampa, FL, USA
Employees: >1’100

Need for telecom and IT support services

Claranet
Leading B2B managed hosting, network and communications services provider
HQ: London, UK
Employees: >1’800

Increasing regulatory complexity

SAI Global
Leading global provider of risk management products and services
HQ: Sydney, Australia
Employees: >2’000

Source: Partners Group.
Private real estate

Environment

- Investor appetite and transaction activity is strong
- Prime cap rates remain at low levels
- Migration trends drive winners/losers among cities

Focus on value creation opportunities

Prime cap rates remain at low levels (example Europe)

Migration trends drive winners/losers among cities (US)

1 Change in number of non-farm jobs in twelve-months to October 2016.
2 Change in population in twelve months to January 2016.
Private real estate

Investment strategies

Looking for value creation opportunities

1. Buy below replacement cost
2. Buy, fix and sell
3. Develop core

Focus on transformative trends

Structural undersupply in urban locations

Class A office tower
33-story Class A office tower with attractive metropolitan city center location
Location: Atlanta, GA, USA
Size: >622,000 square feet

La Défense office tower
Renovated (2003) office tower with environmental certification and multiple on-site services
Location: Paris, France
Size: 28,090 square meters

Reshaping of Australian apartment market

Brisbane residential
89-story building divided into 5 residential zones with separate facilities and shared services
Location: Brisbane, Australia
Size: 1,000 units

Investment strategies

Buy below replacement cost
Buy, fix and sell
Develop core

Focus on transformative trends

Structural undersupply in urban locations

Class A office tower
33-story Class A office tower with attractive metropolitan city center location
Location: Atlanta, GA, USA
Size: >622,000 square feet

La Défense office tower
Renovated (2003) office tower with environmental certification and multiple on-site services
Location: Paris, France
Size: 28,090 square meters

Reshaping of Australian apartment market

Brisbane residential
89-story building divided into 5 residential zones with separate facilities and shared services
Location: Brisbane, Australia
Size: 1,000 units

Source: Partners Group.
Private infrastructure

Environment

- Private infrastructure investment volume has grown
- Expensive core assets
- Selection can enable attractive returns/entries

Focus on scaling up anchor assets

Private infrastructure investment volume has grown

Global annual infrastructure deal volume, aggregated, 2010-2016, in USD bn

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>196</td>
<td>284</td>
<td>255</td>
<td>276</td>
<td>327</td>
<td>362</td>
<td>413</td>
</tr>
</tbody>
</table>

+110% last 6yrs

Avg. c.20% equity

Avg. c.80% Debt

Selection can enable attractive returns / entries

Risk-adjusted target returns; entry multiples

Availability-based PPP

Communications infrastructure
telecom towers vs. fiber networks

Cheaper entry by

Europe: Telecom towers - 12-16x; Fiber network - 10-12x

Australia: Telecom towers - 2-4x; Fiber network - 10-12x

Solar

Europe: 5-7x

Taiwan: 12x

1 Preqin (January 2017).
2 Citi (October 2016).
3 Source: Partners Group research (2016).
Private infrastructure

Investment strategies

1. Platform opportunities

2. Build core

3. Operational value creation

Focus on transformative trends

Petrochemical downstream processing

Expansion of terrestrial fiber networks

Growth of renewable power assets

Raven

Ethylene processing facility; Raven will sell 100% of its capacity under tolling agreements
Region: Baytown, TX, USA

Tutor Group

Add-on to Covage, the European arm of our existing fiber platform Axia
Region: Paris, France

Sapphire Wind Farm

270MW wind project, 40% of capacity is already contracted to Australian Government
Region: New South Wales, Australia

Source: Partners Group.
Key drivers of private markets performance

Value creation approach

- **Sector growth**
  - Exposure

- **Economic growth**
  - Monetary policy
  - GDP growth
  - Market sentiment
  - Industry trends
  - Regional trends

- **Financial development**
  - Capital structure
  - Improve capital efficiency
  - Optimize capex
  - Reduce finance costs

- **Corporate development**
  - Market positioning
  - Institutionalized setup
  - Leadership development
  - Multiple expansion

- **Business development**
  - Top line gains (e.g. market entry, acquisitions)
  - Bottom line gains (e.g. optimize cost of sales, reduce overheads)

- **Value creation**
  - Equity control/ Long-term / Governance / Full insight

2016 results

- >160 ongoing value creation initiatives
- > 80 initiatives realized
- >200 board meetings held
- Over 90 business introductions throughout the portfolio
- Active exit management; USD 10 billion gross portfolio distributions

---


2 Figures calculated net of underlying fees, gross of Partners Group fees. For illustrative purposes only. There is no assurance that target returns will be achieved. There is no assurance that similar investments will be made. Source: Partners Group.
Partners Group retains high scores from UN PRI for Responsible Investment

Partners Group's 2017 UN PRI report for Responsible Investment

- Strategy & Governance: A+
- Private equity: A+
- Private real estate: A
- Private debt: A

Results highlight strong ESG program and leadership in Responsible Investment

Source: Partners Group.
Contacts

**Investor relations contact:**
Philip Sauer  
**T** +41 41 784 6660  
philip.sauer@partnersgroup.com

**Media relations contact:**
Jenny Blinch  
**T** +41 41 784 6526  
jenny.blinch@partnersgroup.com

Zugerstrasse 57  
6341 Baar-Zug  
Switzerland  
**T** +41 41 784 60 00

partnersgroup@partnersgroup.com  
www.partnersgroup.com
This material has been prepared solely for purposes of illustration and discussion. Under no circumstances should the information contained herein be used or considered as an offer to sell, or solicitation of an offer to buy any security. Any security offering is subject to certain investor eligibility criteria as detailed in the applicable offering documents. The information contained herein is confidential and may not be reproduced or circulated in whole or in part. The information is in summary form for convenience of presentation, it is not complete and it should not be relied upon as such. Any interests referenced herein have not been and will not be approved or disapproved by the U.S. Securities and Exchange Commission or by the securities regulatory authority of any U.S. state or any other relevant jurisdiction, and no other authority or commission has passed upon the accuracy or adequacy of this presentation. Any representation to the contrary is a criminal offense. All information, including performance information, has been prepared in good faith; however, Partners Group makes no representation or warranty express or implied, as to the accuracy or completeness of the information, and nothing herein shall be relied upon as a promise or representation as to past or future performance. This material may include information that is based, in part or in full, on hypothetical assumptions, models and/or other analysis of Partners Group (which may not necessarily be described herein), no representation or warranty is made as to the reasonableness of any such assumptions, models or analysis. Any charts which represent the composition of a portfolio of private markets investments serve as guidance only and are not intended to be an assurance of the actual allocation of private markets investments. The information set forth herein was gathered from various sources which Partners Group believes, but does not guarantee, to be reliable. Unless stated otherwise, any opinions expressed herein are current as of the date hereof and subject to change at any time. All sources which have not been otherwise credited have derived from Partners Group. No representation is being made that any account or fund will or is likely to achieve profits or losses similar to the results being portrayed herein. The gross annual rate of returns represents the compound annual rate of return ("IRR") before management fees, organizational expenses and the general partner’s allocation of profit. Actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets, market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the performance data contained herein are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the returns indicated herein. Nothing contained herein should be deemed to be a prediction or projection of future performance of any investment. Certain information contained in this presentation constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any investment may differ materially from those reflected or contemplated in such forward-looking statements.

**Material notes to investors based in Australia** Partners Group (UK) Limited (ABN 41 130 021 484) is authorized and regulated by the Financial Conduct Authority under UK law, which differs from Australian law and is exempt from the requirement to hold an Australian financial services license.

**Material notes to investors based in Brazil** This document has been prepared exclusively for the purpose of providing information, and it is not to be considered as an offer for the sale of any security. The securities may not be offered, sold, redeemed or transferred in Brazil, as any public offering or distribution of securities in Brazil is not legal without prior registration with CVM. Persons wishing to offer or acquire securities in Brazil should consult their own counsel as to the applicability of the registration requirement or any exemption therefrom.

**Material notes to investors based in Canada** This material is presented to investors on behalf of Partners Group AG. Statements herein do not necessarily pertain to Partners Group (USA) Inc., an affiliate of Partners Group AG. Partners Group (USA) Inc. is registered as an exempt market dealer and portfolio manager under the securities laws of each of the Provinces of Canada. For information specifically regarding Partners Group (USA) Inc., please contact us.

**Material notes to investors based in the People’s Republic of China** This material is presented to investors by Partners Group (Shanghai) Co., Ltd. on behalf of Partners AG. Partners Group (Shanghai) Co., Ltd. is not representing any other entity. Any products referenced herein have not been submitted to or approved/verified by or registered with the China Securities Regulatory Commission or other relevant governmental authorities in the PRC. Such products may not be offered, sold or delivered or available for reoffering, resale or redelivery directly or indirectly to any person in the PRC, other than in full compliance with the relevant laws and regulations of the PRC. PRC investors are responsible for obtaining all relevant government regulatory approvals/licenses, verifications and/or registrations.
**Material notes to investors based in the Dubai International Financial Centre**

This material relates to a financial product which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this financial product. Accordingly, the DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set out in this document, and has no responsibility for it. The financial product to which this document relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on the financial product. If you do not understand the contents of this document you should consult an authorized financial adviser.

**Material notes to investors based in France**

This information material is presented to investors at their request by Partners Group (France) SAS, which is regulated by the French Securities and Exchange Commission ("Autorités des marchés financiers", "AMF") as a result of its status of a French financial advisor ("Conseiller en investissements financiers") through its membership to professional associations ("Anacofi and Anacofi-Cif") under N° E002832. Partners Group (France) SAS is acting on behalf of Partners Group AG and certain of its affiliates. Any product referred to in this information material will be either a non-French non-harmonized open end investment collective scheme or a non-French closed-ended fund for the purposes of the Monetary and Finance Code of the Republic of France ("MFC"). Any product will not be submitted to or approved/verified by or registered with AMF. The promotion of any product and the distribution of any associated material is accordingly restricted by law. The open end investment collective schemes may be promoted only to qualified investors at their request. The placement of the closed-ended funds may only be undertaken towards qualified investors acting for their own account through a private placement. The shares or the interests thus acquired in any product cannot be distributed or resold directly or indirectly to the public otherwise than in accordance with the provisions of the MFC. Potential investors should consult their own authorized financial advisor.

**Material notes to investors based in Hong Kong**

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. The shares / units of the collective investment scheme(s) mentioned in this document are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO. Therefore, neither the information made available in this document shall be construed as a distribution in or from Hong Kong to any person other than "professional investors" as defined in the SFO and any rules made under the SFO.

**Material notes to investors based in Italy**

The fund is not a UCITS fund and it has not nor will be filed with the Italian authorities for authorization of an offering of interests in Italy. Failing authorization any offer of interests in the Italian jurisdiction is prohibited under applicable laws and regulations. This memorandum does not constitute an offer to sell or a solicitation of any offer to buy the interests in the Italian jurisdiction. Pursuant to this memorandum, the interests may not be offered and a circular, advertisement or other document or offering material relating to such interests, may not be published, distributed or made available in the Republic of Italy or to any Italian resident investor in circumstances which would be in breach of relevant Italian laws and regulations. This memorandum may be made available to a person in Italy only upon the express and unsolicited request of such person who has contacted the Fund or its sponsor or placement agent on his or her own initiative.

**Material notes to investors based in Japan**

The registration number for Partners Group AG in Japan is Kanto Financial Bureau No. 2141 (Financial Instruments Business). Partners Group AG is a member of the Japan Investment Advisers Association. The Financial Instruments Mediation Assistance Center ("FINMAC") is the appropriate financial arbitrator for any complaints or disputes regarding the firm’s Type II Financial Instruments Business and Investment Advisory Business. (FINMAC Phone: +81 3 3667 8009 Fax: +81 3 3669 9833).

**Material notes to investors based in Korea**

This document has been prepared exclusively for the purpose of providing information, and it is not to be considered as an offer for the sale of any security. The securities may not be offered, sold, redeemed or transferred in Korea, as any public offering or distribution of securities in Korea is not legal without prior registration with the Korean Financial Services Commission. Please note that Partners Group Singapore Pte. Ltd., Korea Branch is not a licensed entity in Korea.

**Disclaimer**
Material notes to investors based in Singapore: Partners Group (Singapore) Pte. Ltd. holds a Capital Markets Services Licence (Fund Management) of the Monetary Authority of Singapore (MAS), Licence No. CMS1000493-1. The collective investment scheme(s) mentioned in this document is/are not authorised or recognised by the Monetary Authority of Singapore (MAS) and units in the scheme(s) are not allowed to be offered to the retail public. The content of this document is directed solely at persons who are "institutional investors" as defined in section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or "relevant persons" as defined in section 305(5) of the SFA.

Material notes to investors in Sweden This marketing material has not and will not be registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this marketing material may not be made available, nor may the interests offered hereunder be marketed and offered for sale in Sweden, other than under circumstances which are deemed not constitute an offer to the public in Sweden under the Swedish Financial Instruments Trading Act (1991:980) or the Swedish Investment Funds Act (2004:46).

Material notes to investors based in Switzerland The paying agent in Switzerland for the collective investment scheme is Credit Suisse AG (Mailing address: Credit Suisse AG, Paying Agent Services, TSZA42, P.O. Box 100, CH-8070 Zurich) and the representative is Partners Group AG (Mailing address: Partners Group AG, Zugerstrasse 57, 6341 Baar, Switzerland). The Prospectus, Articles of Association and further information documentation, such as the annual and half-yearly reports as well as the information on the historical performance of the Fund (if any) may be obtained free of charge at the registered office may be obtained from General Counsel's office - Partners Group AG.

Material notes to investors based in the United Kingdom The products outlined in this communication are controlled investments for the purposes of the financial promotion restriction under section 21 of the Financial Services and Markets Act 2000 ("FSMA") and are unregulated collective investment schemes for the purposes of section 238 of FSMA. This communication is exempt from the general restriction under sections 21 and 238 of FSMA on the communication of invitations or inducements to engage in investment activity on the grounds that it is made only to or directed only at persons to whom it may lawfully be distributed.

Material notes to investors based in the United States of America Any interests referenced herein may not be sold, transferred or resold (i) except as permitted under the constituent documents of that fund and (ii) in accordance with applicable securities laws, including the US Securities Act of 1933, as amended, and the US Investment Company Act of 1940, as amended. This presentation may relate to investments managed by any of the following: (i) Partners Group AG, which is not registered with the SEC as an investment adviser pursuant to the US Investment Advisers Act of 1940, as amended (the "Advisers Act"); (ii) Partners Group (USA) Inc., which is registered as an investment adviser pursuant to the Advisers Act or (iii) another Partners Group advisory affiliate. Please contact us for more information regarding how specific assets may be managed within the Partners Group enterprise.

D. v. 1.6.2016