

Monthly report October 2017

October NAV up 2.0%

- Civica - new private equity direct investment
- Secondary transaction Project Preakness
- Real estate investment in Rocky Point Office Portfolio

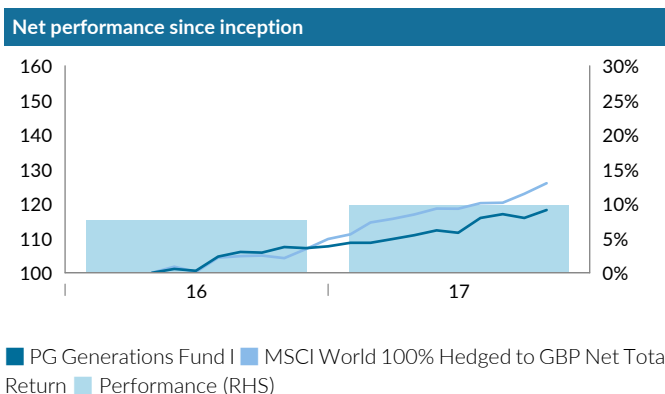
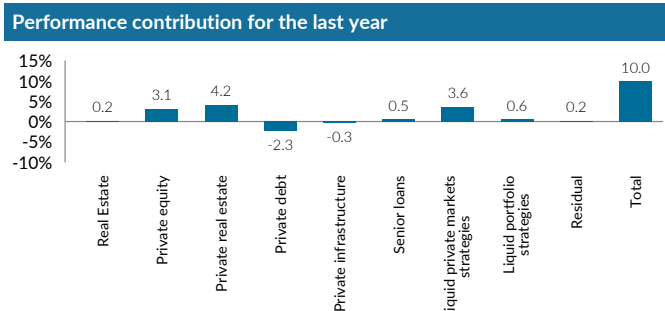
In October, Partners Group Generations Fund I recorded a positive performance of 2.0% and closed at a share price of GBP 1.182. With seven new investments across various strategies such as private equity, private debt, real estate and listed high yield, the Fund further diversified its portfolio.

The largest investment was in Civica, a leading London-based provider of specialist software, digital solutions and outsourcing services. The company provides business-critical software and technology-based outsourcing services to both public sector organizations and to commercial organizations in highly regulated sectors. Partners Group considers Civica as an attractive investment opportunity, given its leading and defensible market positions, highly diversified customer base with high retention rates and recurring revenues on the back of multi-year contracts. Furthermore, the company demonstrates strong financial performance with continuous growth, stable margins and high cash conversion. Going forward, Partners Group will work with Civica's management team to help expand the company both organically and through accretive acquisitions.

Project Preakness is a secondary acquisition of a portfolio comprising seven buyout and ten venture capital funds from leading managers such as EQT. The transaction involved funds that restrict transfers to pre-approved buyers with Partners Group being the only already "pre-approved" prospect by all investment partners. This, together with significant portfolio overlap, put Partners Group in an ideal position to offer a differentiated complete portfolio solution. Overall, the portfolio presents significant value creation potential, given that approx. 37% of the underlying companies were acquired post-2015 at attractive valuations.

On the real estate side, capital was invested to acquire Rocky Point Office Portfolio, a portfolio of two 12-story class A office buildings located in Tampa, Florida, US. The property is strategically situated within the Westshore, the city's largest office submarket, with proximate access to the Tampa International Airport and upscale residential neighborhoods. Partners Group was attracted due to the discounted entry basis relative to sales comparables and replacement cost, strategic location of the portfolio, diversified tenant base, as well as positive macroeconomic growth momentum in the submarket, which has recorded strong population and employment growth in recent years. Additionally, this investment is in line with Partners Group's relative value strategy, which targets value-added office investment opportunities in southeast US.

Key figures			
In GBP	30.09.2017	31.10.2017	YTD
NAV per share	1.159	1.182	9.8%
Performance (since inception)	15.9%	18.2%	
Monthly volatility	4.7%	4.7%	



Net performance since inception				
In %	2016	2017	ITD cum.	ITD ann.
PG Generations Fund I	7.7	9.8	18.2	11.7
MSCI World 100% Hedged to GBP Net Total Return	9.8	14.7	26.0	16.6

Largest five private markets direct investments		
		% of NAV
1. Civica	Information technology	5.1
2. UK Light Industrial Portfolio	Financials	4.7
3. Caffè Nero	Consumer staples	2.7
4. Rocky Point Office Portfolio (Tampa, Florida)	Financials	2.1
5. AlliedUniversal 2015	Industrials	1.9

Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016				0.0%	1.1%	-0.5%	4.1%	1.3%	-0.2%	1.5%	-0.3%	0.5%	7.7%
2017	1.0%	0.0%	1.0%	1.0%	1.3%	-0.6%	3.9%	0.9%	-0.9%	2.0%			9.8%

