
Nebraska Investment Council

Private Market Performance Report

August 2025

DRAFT

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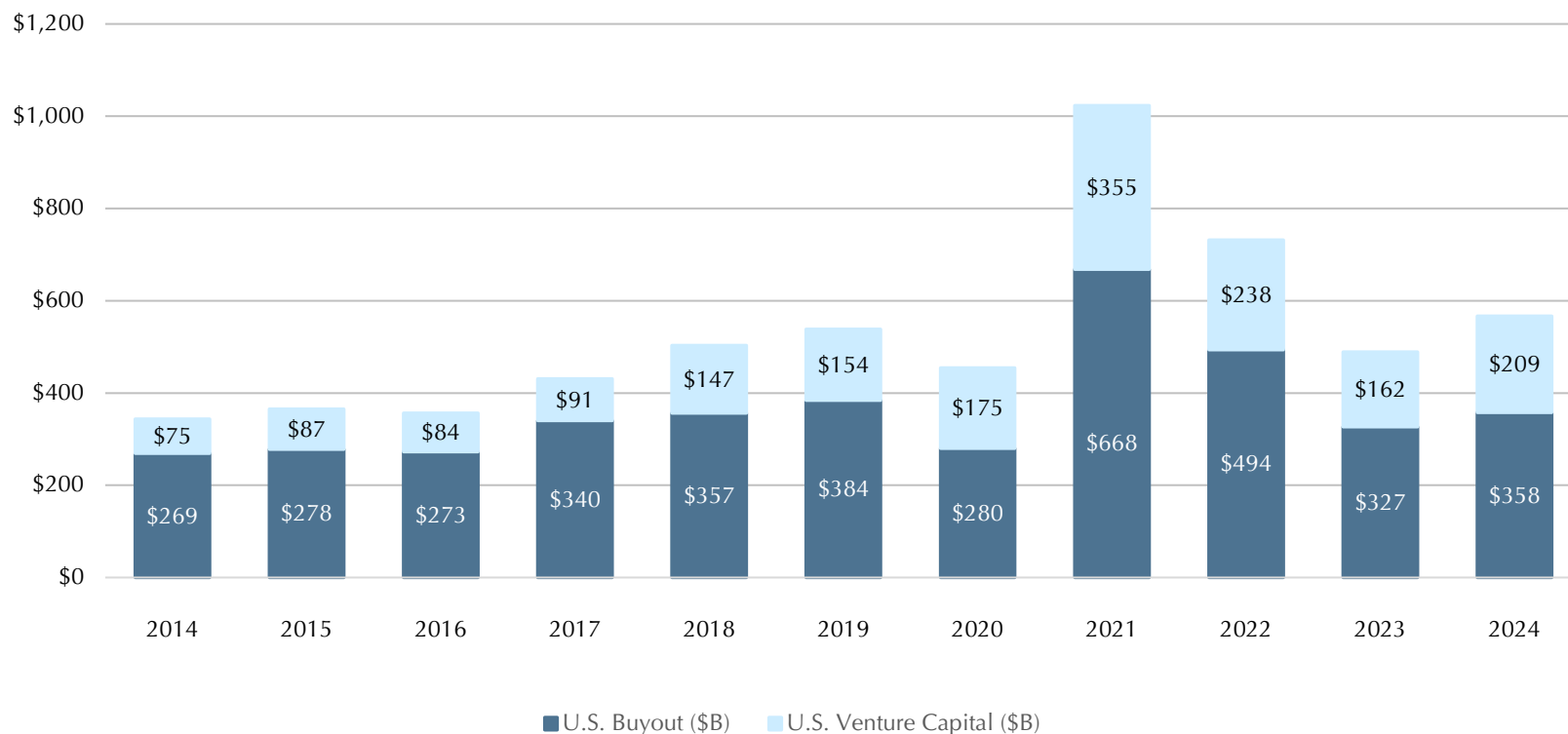
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Real Assets

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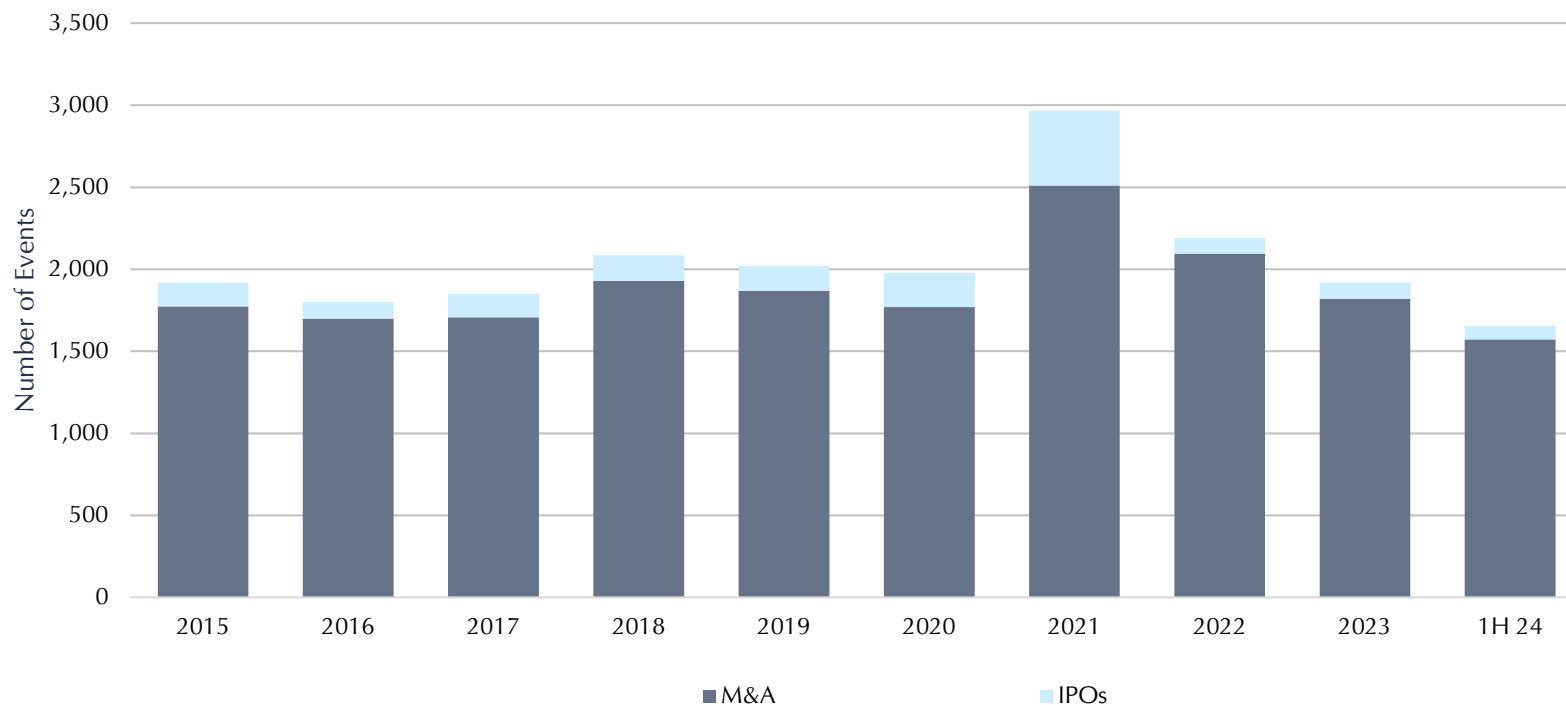
Private Equity

Investment Activity



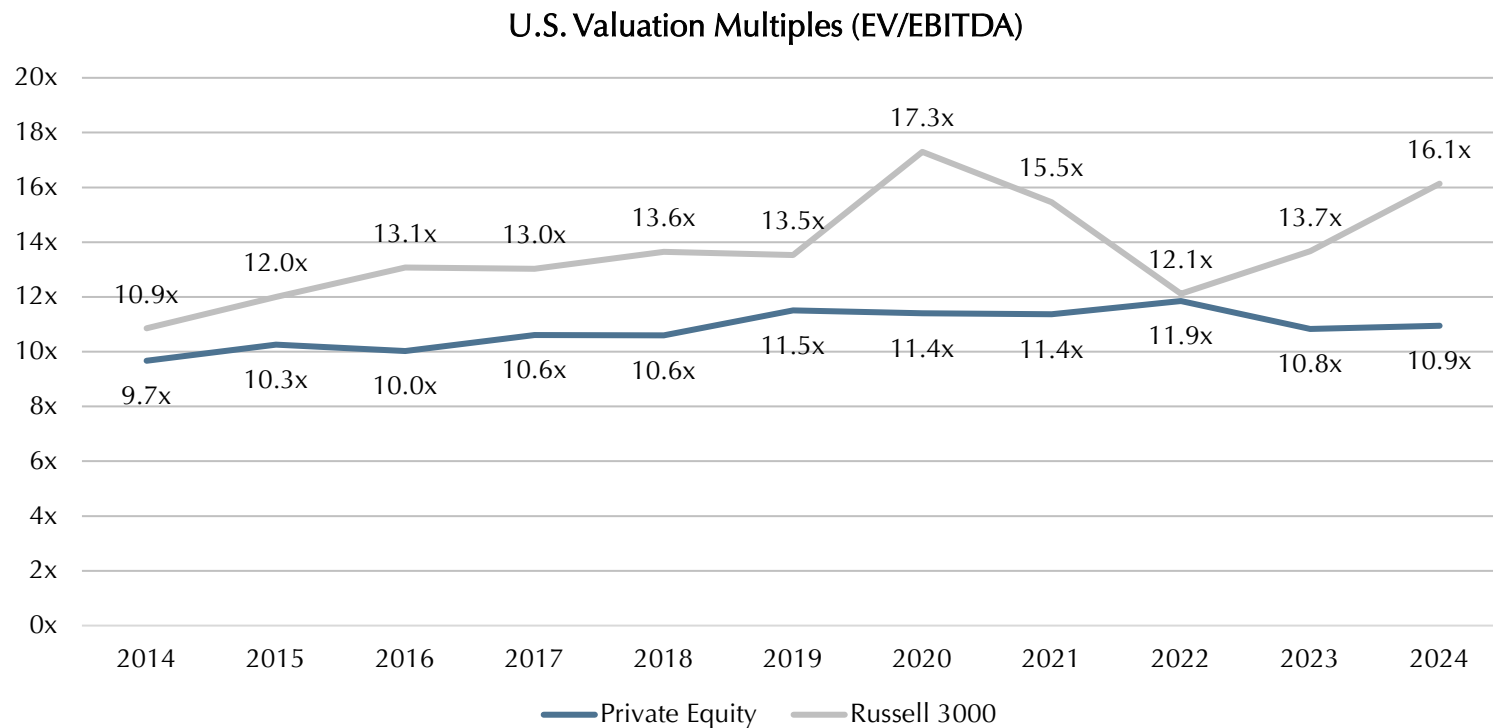
- PE investment activity has declined for three consecutive years since the peak in 2021, but total deal activity in 2024 was similar to pre-COVID levels and consistent with its 10-year average. While still uncertain, we anticipate the total deal activity in 2025 will be materially influenced by macroeconomic conditions in the US and global trade policies.

Exit Activity



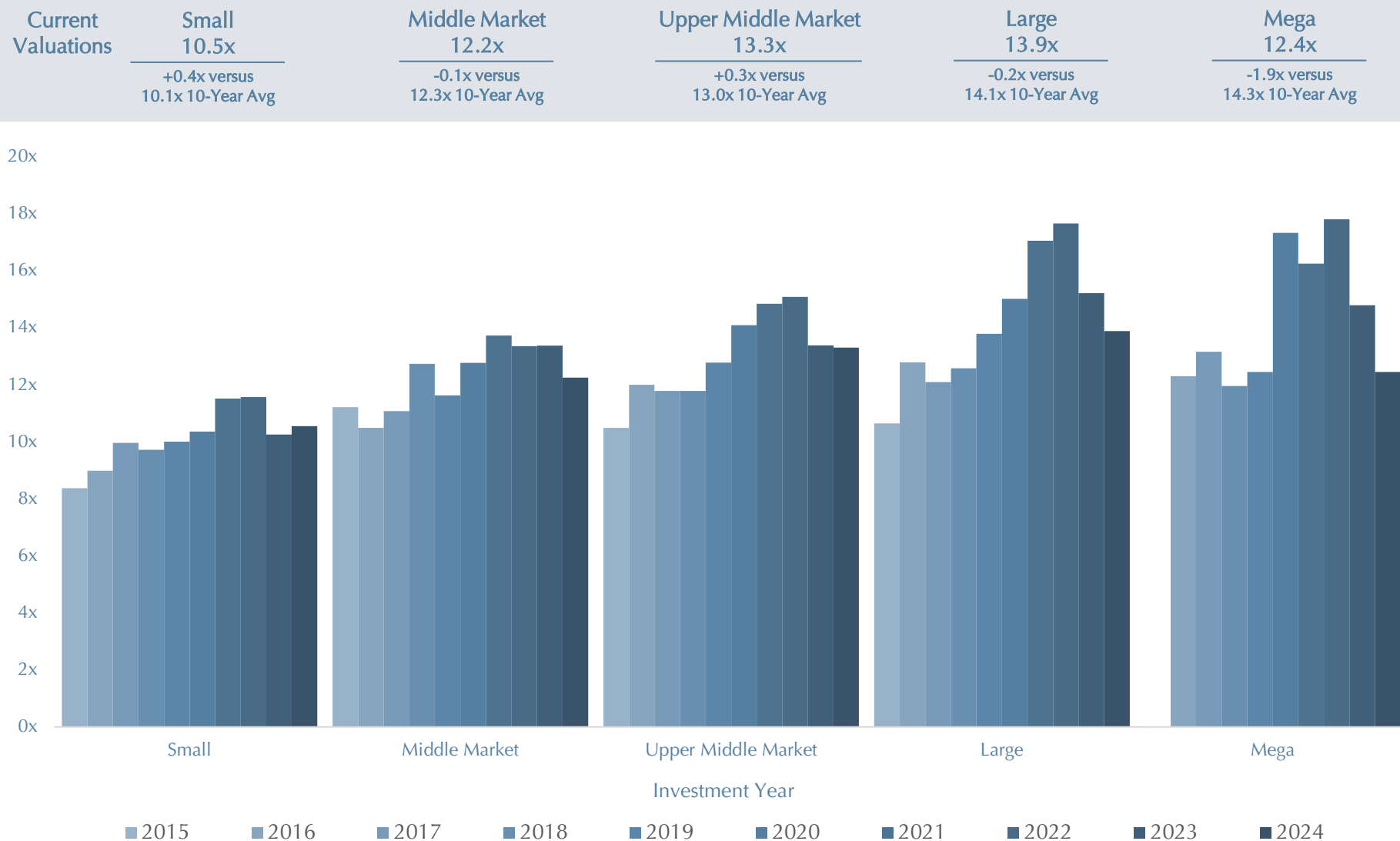
- PE-backed exits hit their lowest levels in over a decade, potentially due to managers' reluctance to sell portfolio companies acquired at elevated valuations during peak vintages.

- The valuation gap between private equity and public equity markets has widened further after nearly reaching parity in 2022. If valuation levels persist, we expect managers to increasingly favor public markets as an exit strategy in 2025.



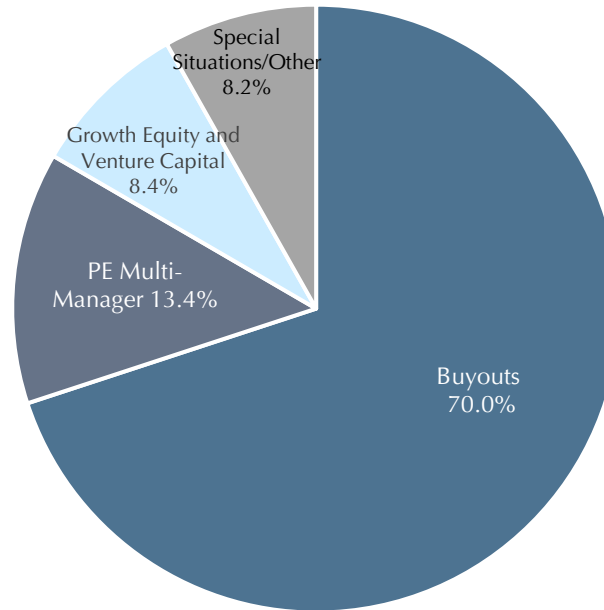
Source: Bloomberg; Russell Investment Group, as of December 31, 2024. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. December 31, 2024 S&P Leveraged Commentary & Data for Real Assets. Past performance is not indicative of future results. The above represents Aksia's market observations. Observations are subject to change.

EV/EBITDA Transaction Multiples – Buyout Sub-Sectors

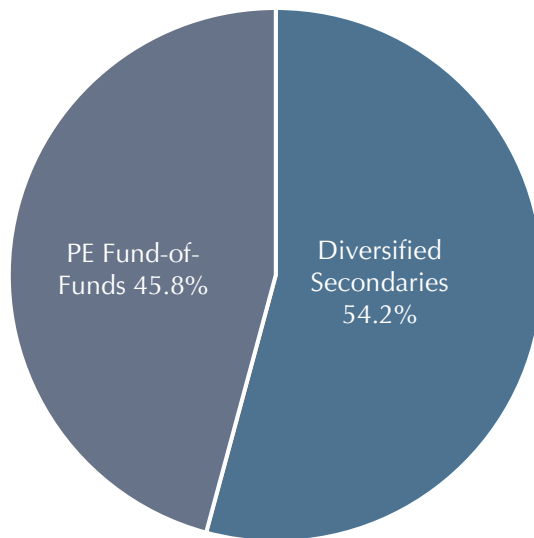


Aksia database as of June 30, 2024, extracted 4Q 2024. Includes companies with greater than \$5 million in revenue. Transaction multiples shown are median values for each year. Company size defined by enterprise value as follows: Small < \$250 million, Middle Market is \$250 mil - \$500 mil, Upper Middle Market is \$500 mil. to \$1 bil. Large is \$1 bil to \$2.5 bil, and Mega is over \$2.5 bil. Past performance is not indicative of future results.

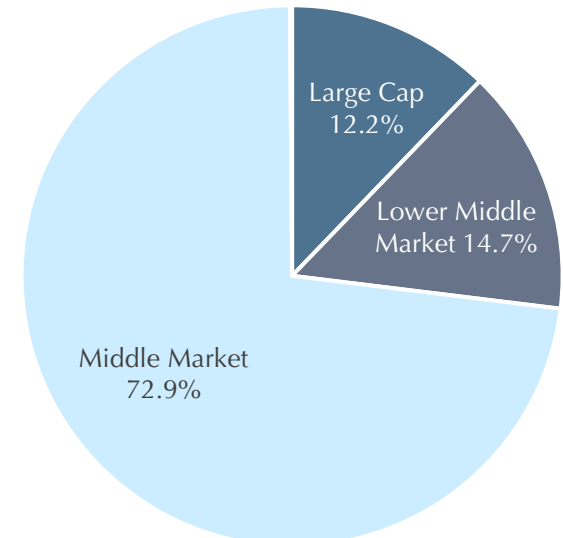
Current Exposure



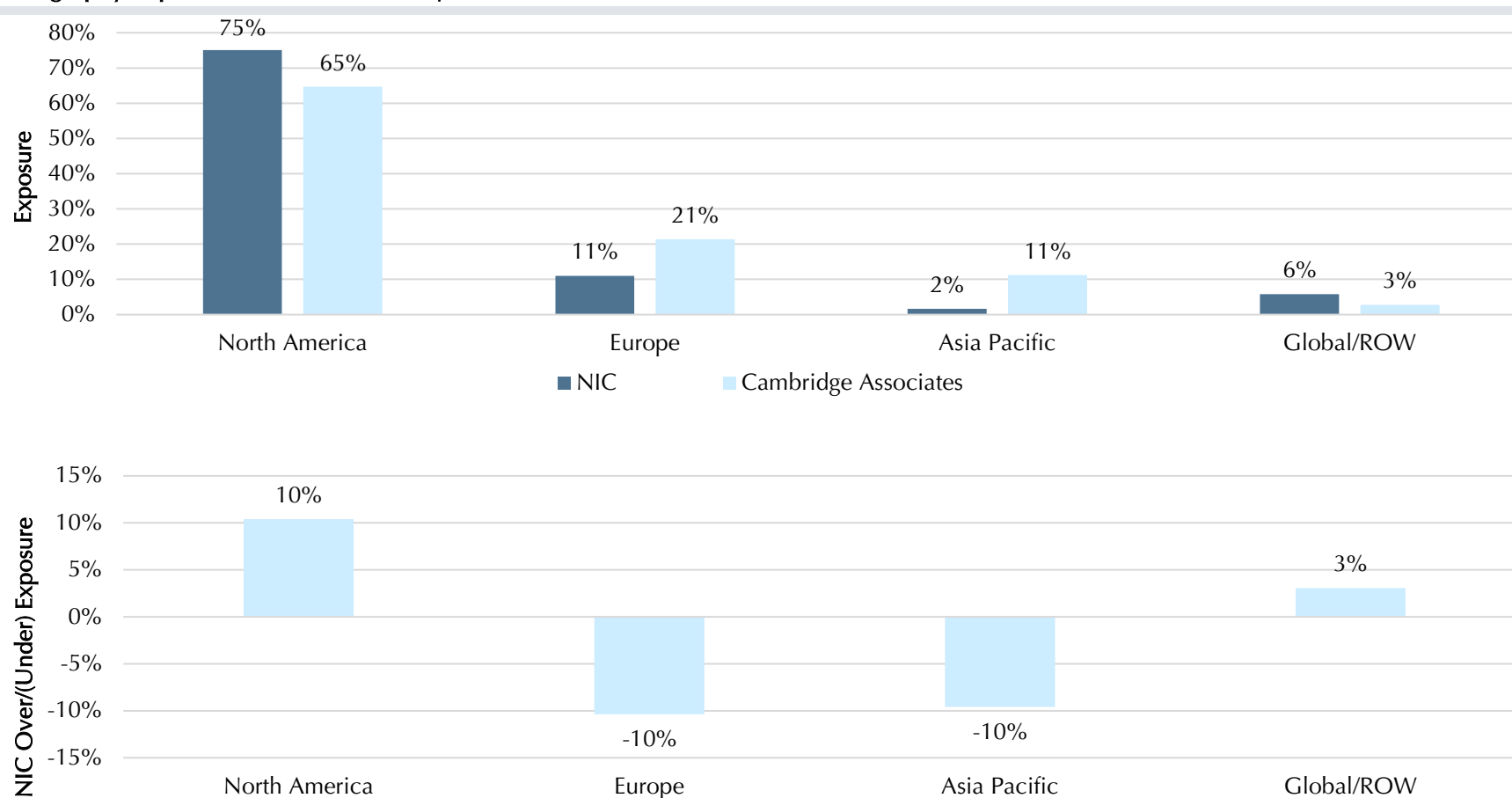
PE Multi-Manager



Buyout Exposure



Geography Exposure vs. Benchmark^{1,2} | As of March 31, 2025

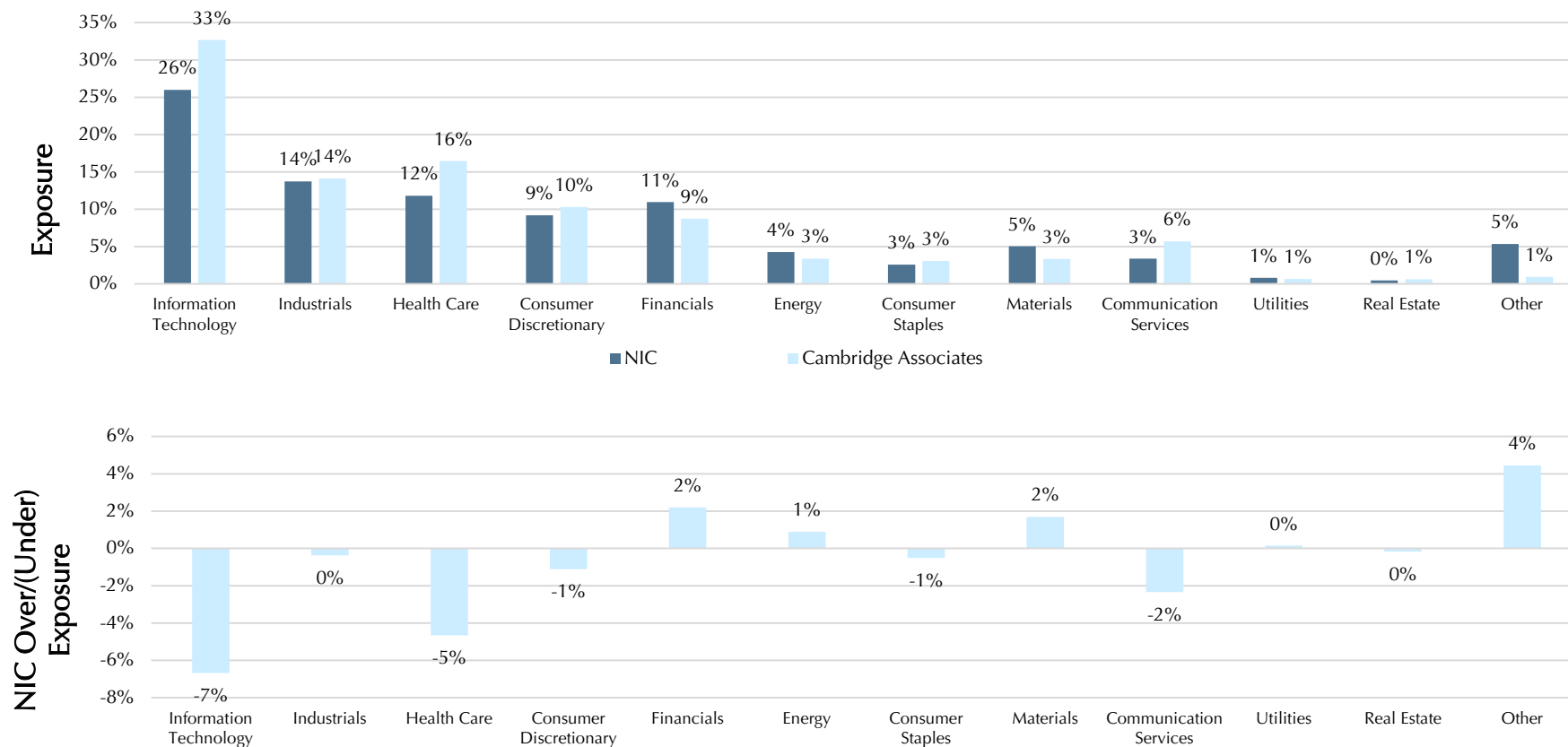


Displaying Industry exposures for 93% of total portfolio allocations.

¹Based on FMV of the underlying portfolio companies, then weighted by each fund NAV.

²Cambridge Associates is an index tracking the performance of thousands of global private funds and their underlying private equity and venture capital investment positions.

Industry Exposure vs. Benchmark^{1,2} | As of March 31, 2025

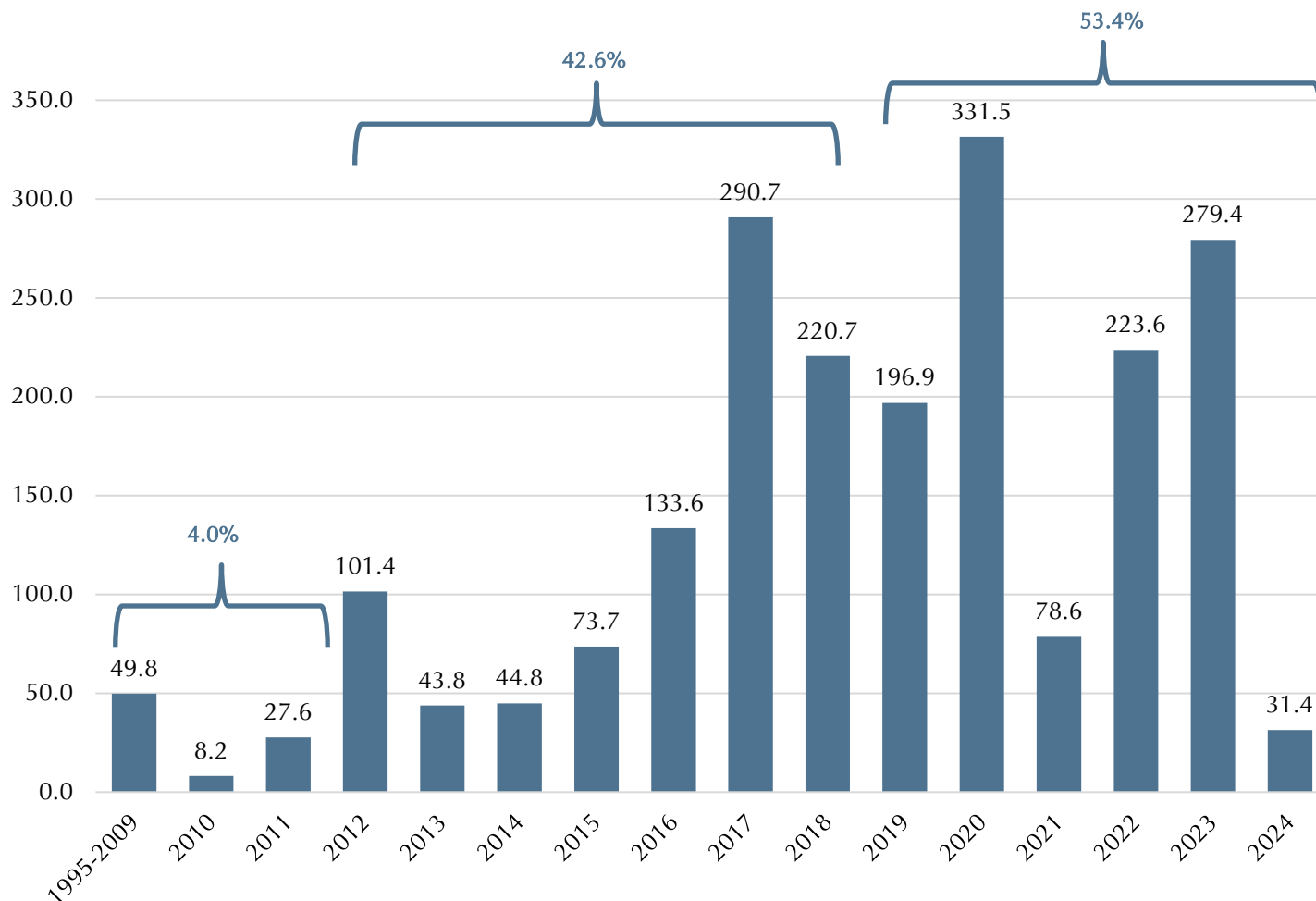


Displaying Industry exposures for 93% of total portfolio allocations.

¹Based on FMV of the underlying portfolio companies, then weighted by each fund NAV.

²Cambridge Associates is an index tracking the performance of thousands of global private funds and their underlying private equity and venture capital investment positions

- 53.4% of NIC private equity exposure is from funds less than six years old



Defined Benefit and Cash Benefit Balance Program

Total Plan Assets	\$21.5 bn
Private Equity Target	5.0%
Private Equity Net Asset Value	\$1.4 bn
Private Equity Exposure	6.6%
Net IRR Since Inception	13.7%
Total-Value-to-Paid-in Since Inception	1.8x

Healthcare Endowment Program

Total Plan Assets	\$591.0 mn
Private Equity Target	5.0%
Private Equity Net Asset Value	\$24.3 mn
Private Equity Exposure	4.1%
Net IRR Since Inception	15.1%
Total-Value-to-Paid-in Since Inception	1.8x

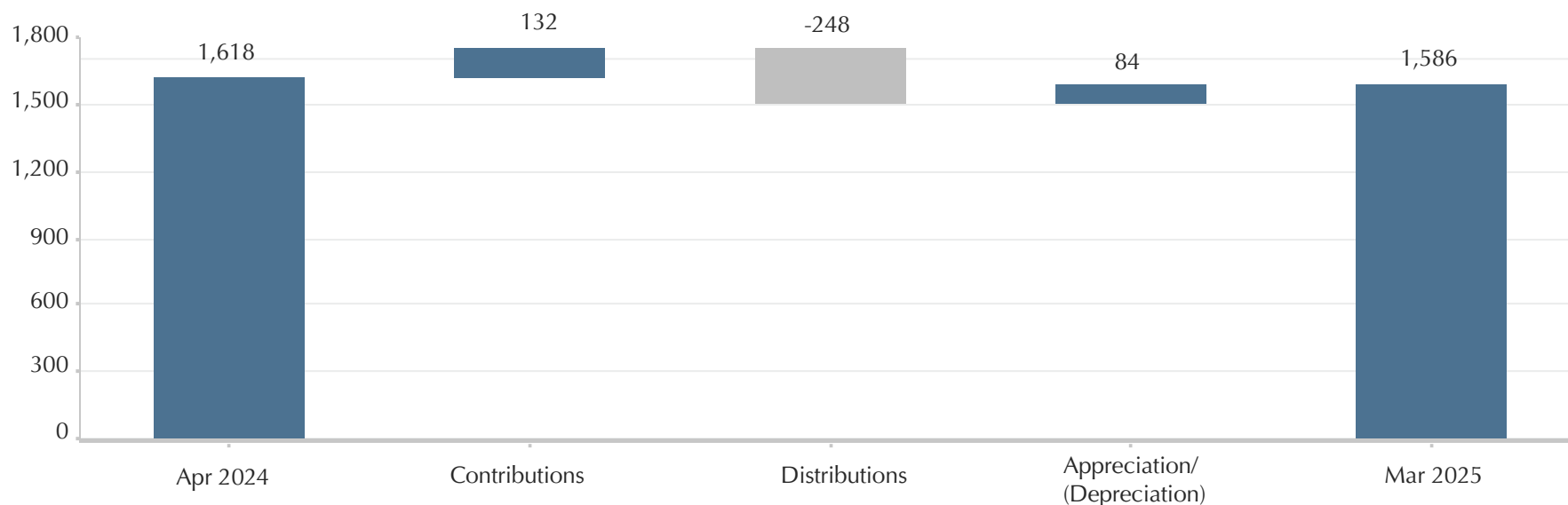
General Endowment Program

Total Plan Assets	\$1.2 bn
Private Equity Target	5.0%
Private Equity Net Asset Value	\$56.9 mn
Private Equity Exposure	4.7%
Net IRR Since Inception	15.1%
Total-Value-to-Paid-in Since Inception	1.8x

OSERS Program

Total Plan Assets	\$1.7 bn
Private Equity Target	5.0%
Private Equity Net Asset Value	\$95.5 mn
Private Equity Exposure	5.6%
Net IRR Since Inception	8.2%
Total-Value-to-Paid-in Since Inception	1.7x

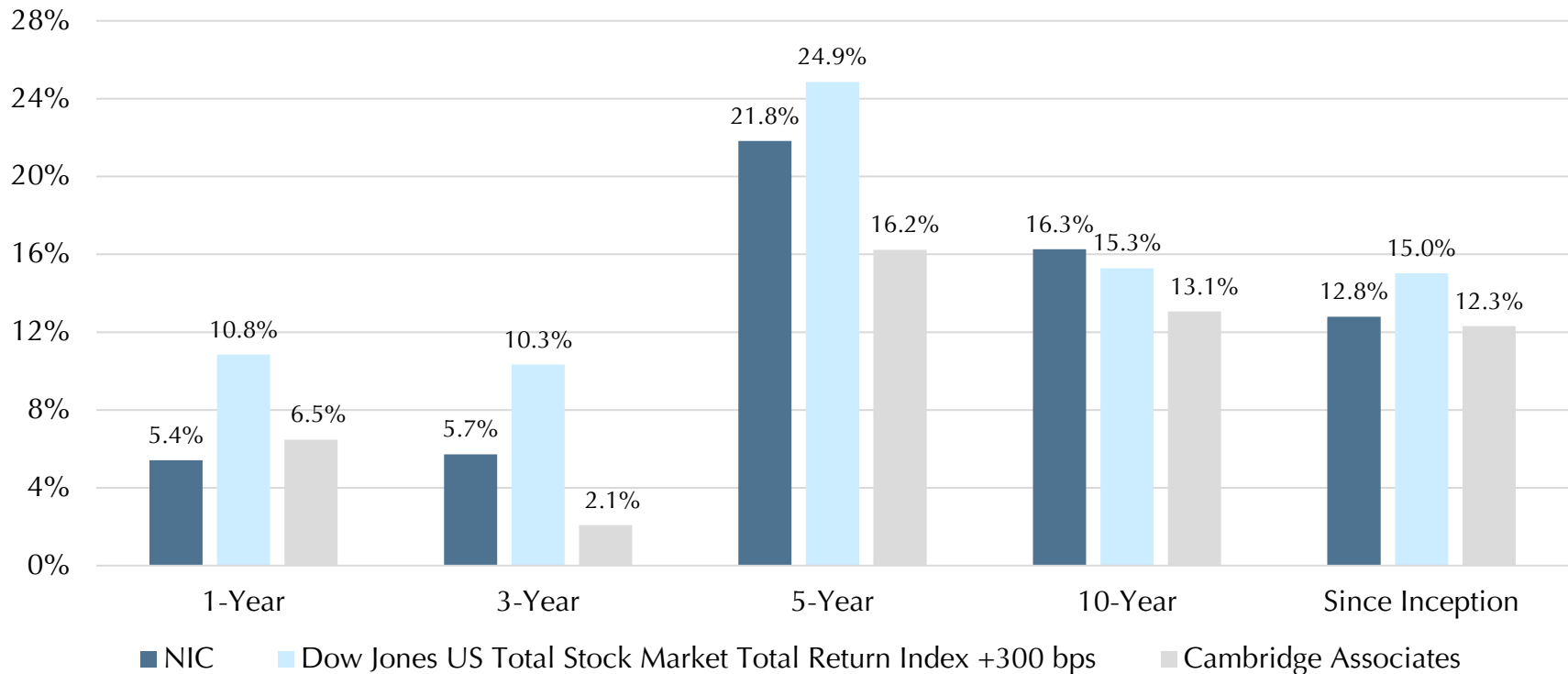
Portfolio Value Bridge | April 1, 2024 through March 31, 2025 | \$ millions



- Contributions of \$132.2 million were less than distributions of \$248.1 million, generating positive cash flow from the program of \$115.9 million.
- From April 1, 2024 to March 31, 2025, the portfolio appreciated by \$84 million, or 5.2% of beginning net asset value.
- Total market value at March 31, 2025 was \$1.6 billion.
- Total committed but unfunded value at March 31, 2025 was \$549.4 million.

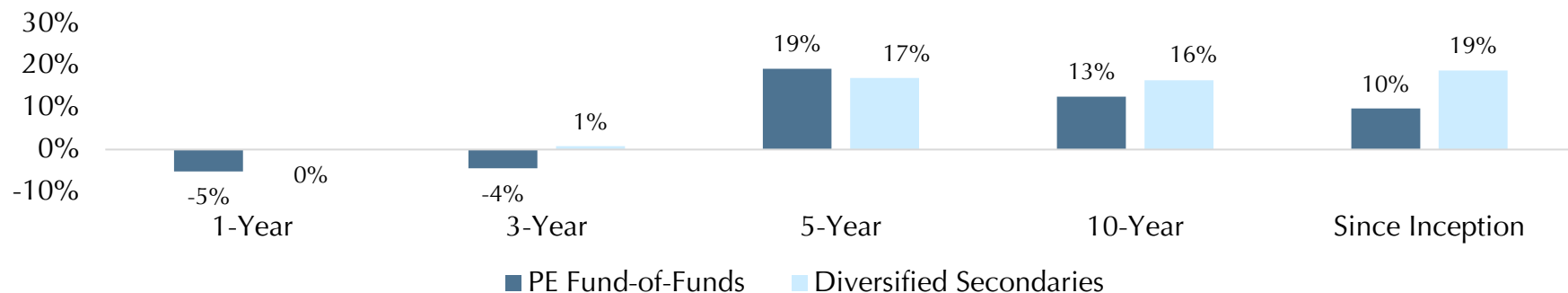
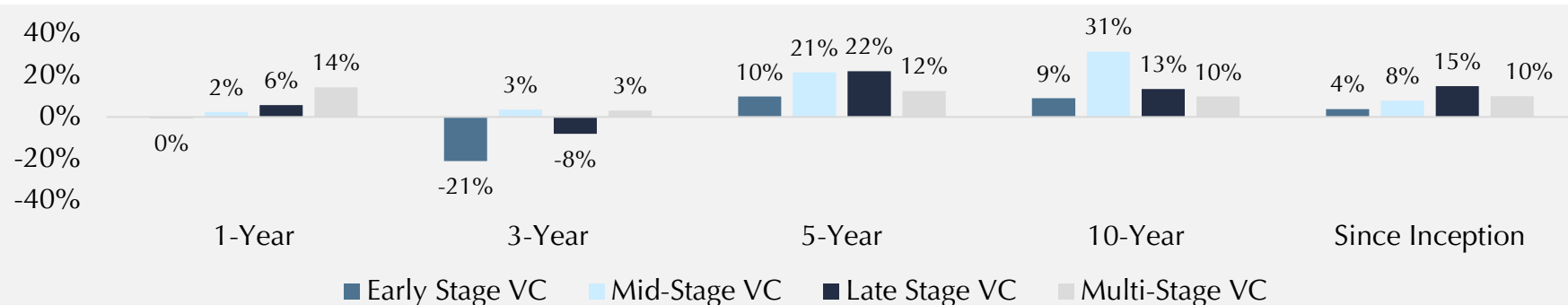
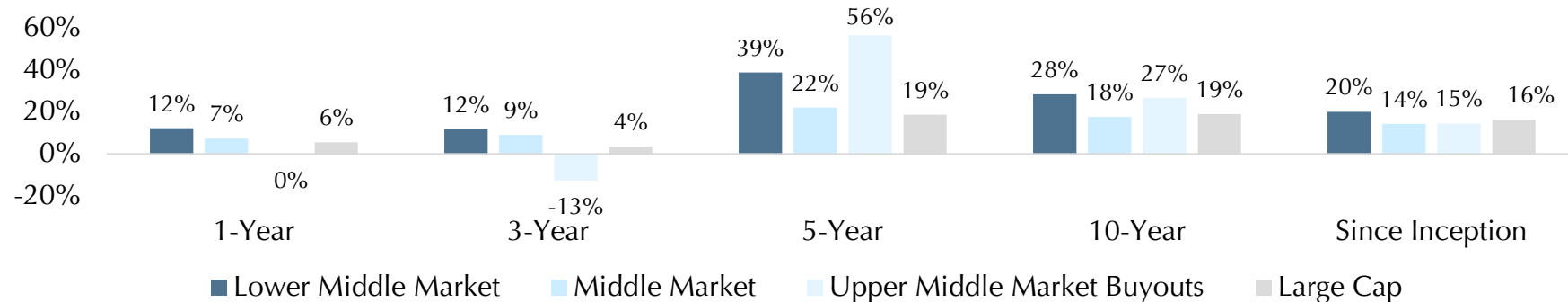
Portfolio Performance | As of March 31, 2025

NIC Private Equity vs Benchmarks



- NIC outperformed the Dow Jones US Total Stock Market Total Return Index + 3% over a 10-year period.
- The portfolio outperformed a peer benchmark (Cambridge Associates) for 3-year, 5-year and 10-year periods.

Horizon Net Returns By Sub-Strategy¹ | As of March 31, 2025 | \$ in million



¹The internal rate of return (IRR) is based on daily cash flows. IRRs of investments held less than twelve months generally are not meaningful and are therefore labeled NM.

Top 10 Managers Ranked by Exposure¹ | As of March 31, 2025 | \$ in million

Manager	Commitment	Fair Market Value	% of Fair Market Value	Unfunded	Total Exposure ¹	% of Total Exposure	IRR ²	TVPI
TJC LP	212.0	192.2	12.1%	43.8	236.0	11.0%	16.7%	1.8x
Genstar Capital Management LLC	150.0	208.6	13.2%	13.2	221.9	10.4%	23.6%	2.0x
McCarthy Capital	166.0	165.0	10.4%	44.1	209.1	9.8%	26.7%	2.4x
Francisco Partners Management LP	170.0	149.9	9.4%	44.6	194.5	9.1%	20.3%	2.0x
New Mountain Capital LLC	210.7	119.3	7.5%	62.1	181.4	8.5%	17.7%	2.0x
HarbourVest Partners	206.0	100.1	6.3%	55.2	155.4	7.3%	18.7%	1.6x
New Enterprise Associates	140.0	109.1	6.9%	31.3	140.4	6.6%	14.8%	1.8x
Bridgepoint Advisers Ltd	146.5	90.2	5.7%	32.0	122.1	5.7%	12.0%	1.5x
Wynnchurch Capital LP	75.0	81.8	5.2%	8.0	89.8	4.2%	19.7%	1.8x
Constitution Capital Partners	72.0	38.6	2.4%	41.0	79.7	3.7%	17.0%	1.6x
Total Portfolio	2,764.0	1,586.3	100.0%	549.4	2,135.7	100.0%	12.8%	1.8x

¹Total Exposure = FMV + Unfunded

²The internal rate of return (IRR) is based on daily cash flows. IRRs of investments held less than twelve months generally are not meaningful and are therefore labeled NM

Vintage Year Performance¹ | As of March 31, 2025 | \$ in million

Vintage Year	Contributions	Distributions	Net Asset Value	Gain/Loss	Net TVPI	Distributed to Paid-In Capital	Net IRR ²
2024	-	-	-0.6	-0.6	-	-	-
2023	60.1	0.8	64.5	5.2	1.1x	0.0x	14.9%
2022	70.5	4.7	87.6	21.8	1.3x	0.1x	27.1%
2021	70.0	6.9	73.4	10.3	1.1x	0.1x	5.8%
2020	259.9	60.8	305.8	106.7	1.4x	0.2x	13.8%
2019	148.2	66.6	172.3	90.7	1.6x	0.4x	17.2%
2018	148.3	107.4	213.9	172.9	2.2x	0.7x	22.3%
2017	307.2	343.4	259.9	296.1	2.0x	1.1x	18.2%
2016	96.4	174.7	123.2	201.5	3.1x	1.8x	34.4%
2015	84.2	142.7	69.1	127.6	2.5x	1.7x	21.3%
2014	74.7	123.8	36.2	85.4	2.1x	1.7x	18.1%
2013	158.2	240.0	38.8	120.6	1.8x	1.5x	13.6%
2012	210.4	286.3	76.2	152.2	1.7x	1.4x	10.5%
2011	79.7	139.8	20.9	81.0	2.0x	1.8x	15.6%
2010	51.8	70.3	9.0	27.5	1.5x	1.4x	9.1%
2009	44.9	53.1	7.4	15.7	1.4x	1.2x	6.2%
2008	178.2	345.7	15.1	182.6	2.0x	1.9x	15.4%
2007	118.7	195.1	7.1	83.5	1.7x	1.6x	10.6%
2006	145.1	210.6	5.5	71.1	1.5x	1.5x	6.9%
2005	56.8	78.1	0.3	21.5	1.4x	1.4x	5.4%
2003	3.0	4.3	0.0	1.3	1.4x	1.4x	5.9%
2002	4.7	7.7	0.4	3.4	1.7x	1.6x	6.4%
2001	5.0	4.9	-	-0.1	1.0x	1.0x	-0.4%
2000	8.7	11.4	-	2.7	1.3x	1.3x	5.0%
1999	1.2	0.9	-	-0.3	0.8x	0.8x	-5.2%
1995	13.7	20.6	-	6.9	1.5x	1.5x	5.9%
Total Portfolio	2,399.7	2,700.5	1,586.3	1,887.1	1.8x	1.1x	12.8%

¹The internal rate of return (IRR) is based on daily cash flows. IRRs of investments held less than twelve months generally are not meaningful and are therefore labeled NM.

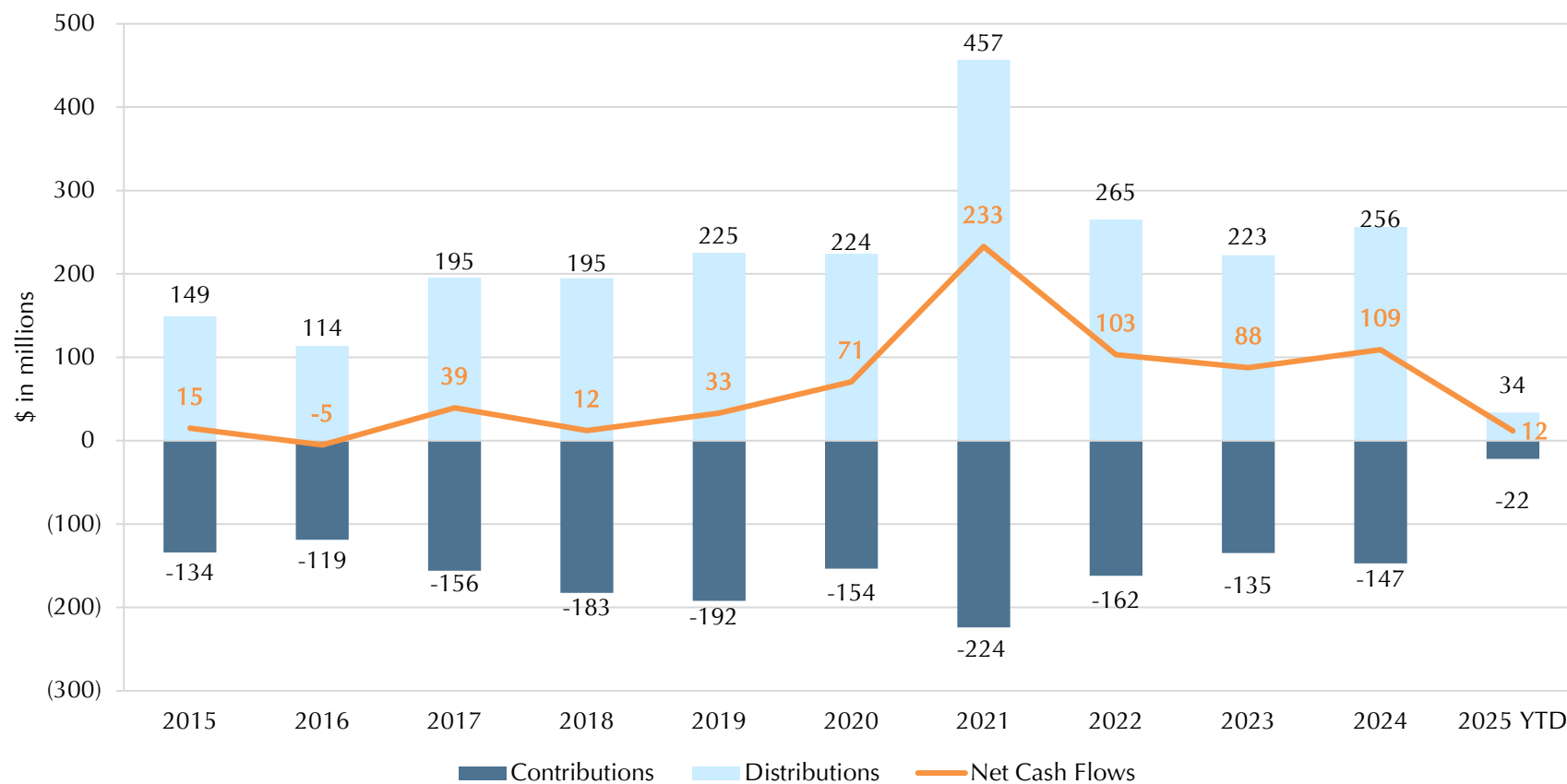
Sector - Sub-Strategy Performance¹ | As of March 31, 2025 | \$ in million

Sector - Sub-Strategy	Contributions	Distributions	Net Asset Value	Gain/Loss	Net TVPI	Distributed to Paid-In Capital	Net IRR ²
Lower Middle Market	248.7	380.8	173.9	306.0	2.2x	1.5x	20.1%
Middle Market	858.7	731.7	814.7	687.6	1.8x	0.9x	14.2%
Upper Middle Market Buyouts	26.8	62.9	1.0	37.0	2.4x	2.3x	14.5%
Large Cap	183.8	205.0	131.2	152.4	1.8x	1.1x	16.4%
Buyouts Total	1,318.1	1,380.3	1,120.7	1,183.0	1.9x	1.0x	15.8%
Early-Stage VC	29.5	28.5	11.2	10.2	1.3x	1.0x	3.8%
Late-Stage VC	42.1	83.1	28.9	69.9	2.7x	2.0x	14.7%
Mid-Stage VC	9.7	11.1	4.6	6.0	1.6x	1.1x	7.7%
Multi-Stage VC	111.4	71.6	89.9	50.1	1.4x	0.6x	10.0%
Venture Capital Total	192.8	194.3	134.7	136.2	1.7x	1.0x	9.6%
Growth Equity	11.3	18.0	10.5	17.2	2.5x	1.6x	22.5%
Growth Equity Total	11.3	18.0	10.5	17.2	2.5x	1.6x	22.5%
Diversified Secondaries	150.8	137.5	100.1	86.9	1.6x	0.9x	18.7%
PE Fund-of-Funds	315.4	477.1	70.6	232.2	1.7x	1.5x	9.7%
PE Multi-Manager Total	466.2	614.6	170.7	319.2	1.7x	1.3x	10.6%
PE Special Situations	103.1	114.9	48.7	60.5	1.6x	1.1x	14.1%
PE Special Situations Total	103.1	114.9	48.7	60.5	1.6x	1.1x	14.1%
Total Portfolio	2,399.7	2,700.5	1,586.3	1,887.1	1.8x	1.1x	12.8%

¹The internal rate of return (IRR) is based on daily cash flows. IRRs of investments held less than twelve months generally are not meaningful and are therefore labeled NM.

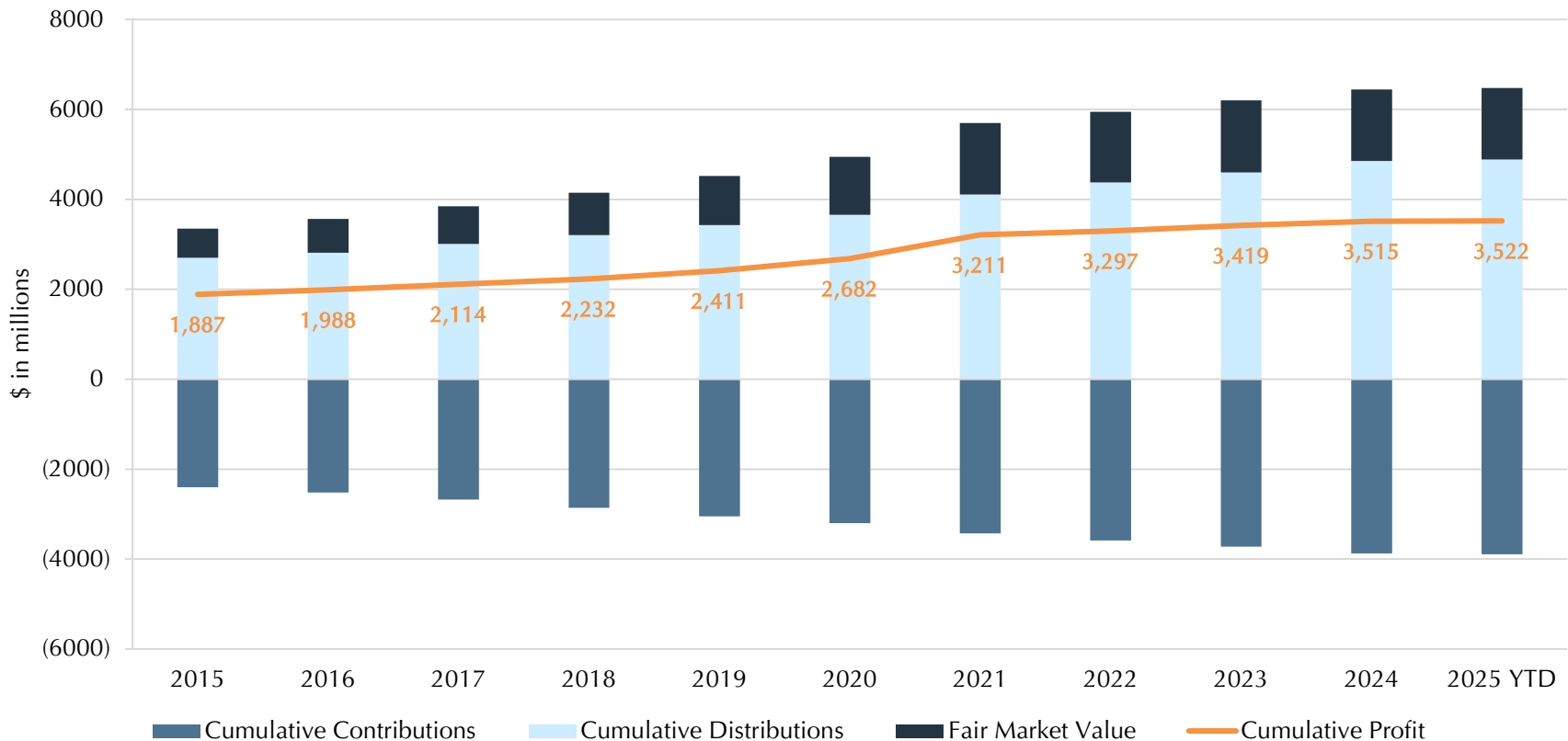
Annual Contributions, Distributions & Net Cash Flows

- The private equity program has produced cash in each of the last 8 years.
- Since the beginning of 2015, private equity distributions have exceeded contributions by \$561.2 million.



Cumulative Program Cash Flows and Market Value | As of March 31, 2025 | USD

- The private equity program has steadily created value over the 10-year period from 2015 through March 31, 2025.
- Cumulative profit for private equity totaled \$3.5 billion with value creation of \$1.6 billion since the beginning of 2015.

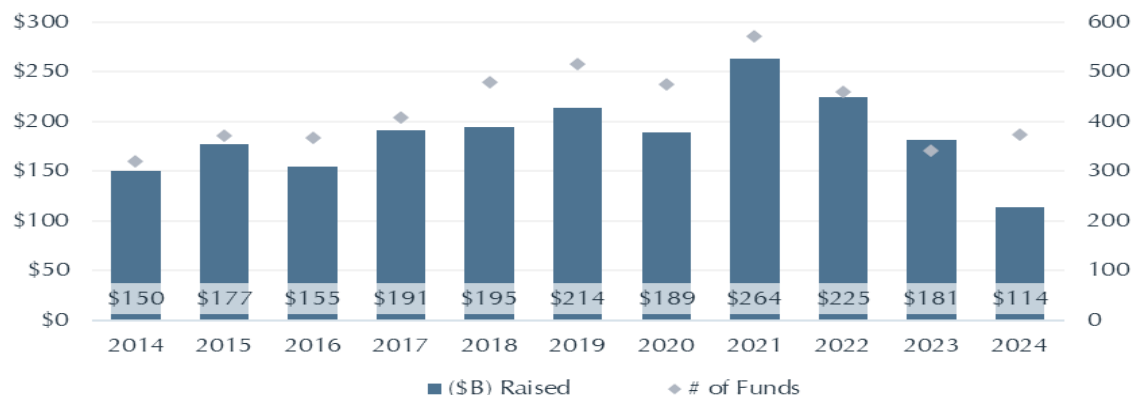


Real Assets

Real Estate

- Global real estate fundraising remained depressed due to heightened interest rates
- Limit transaction volumes resulted in muted distribution activity for investors
- Low distributions constrained LP's ability to make new contributions and extended fundraising timelines

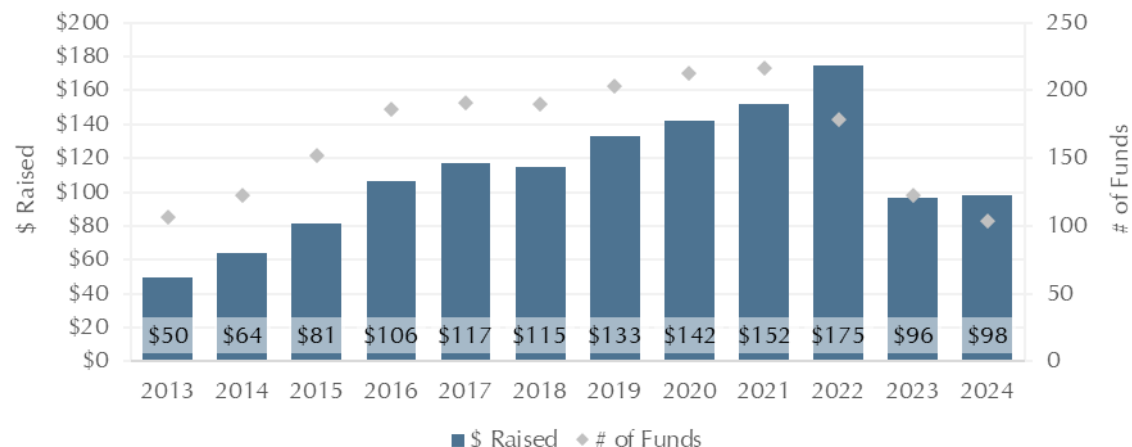
Real Estate Fundraising



Infrastructure

- Elevated interest rates continue to challenge fundraising. The slowdown in distribution activity has further impacted fundraising, and we expect an increase will be necessary for allocations to rebound. Momentum in power and digital infrastructure may support a 2025 recovery.

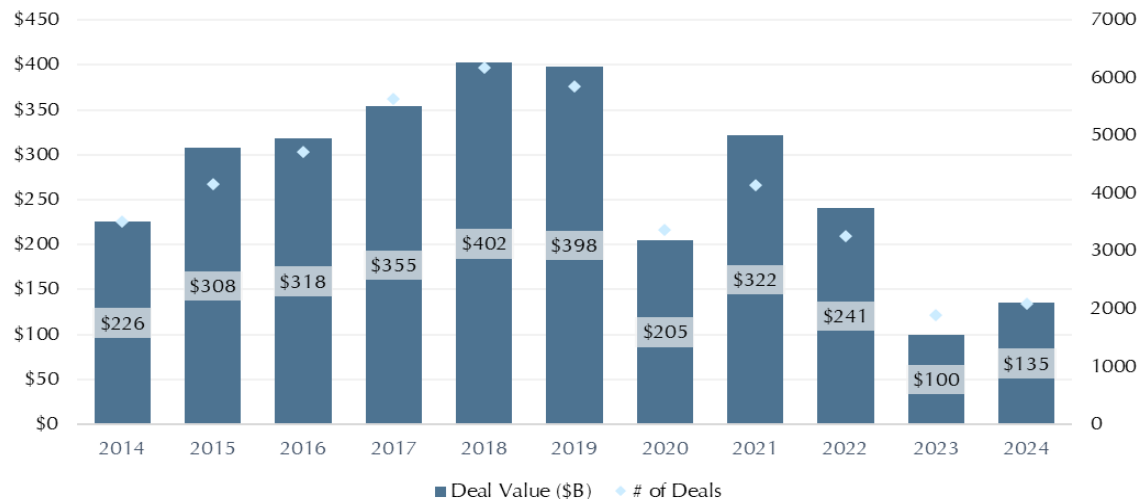
Infrastructure Fundraising | \$ Billion



Real Estate

- Both transaction volume and deal value for full year 2024 surpassed 2023, reversing the downward trend experienced since 2021. However, real estate deal activity, both deal value and number of deals, remains significantly below the last peak in 2019.
- Private market valuations have been slow to adjust to rising rates, resulting in a large 'bid-ask' spread between buyers and sellers.

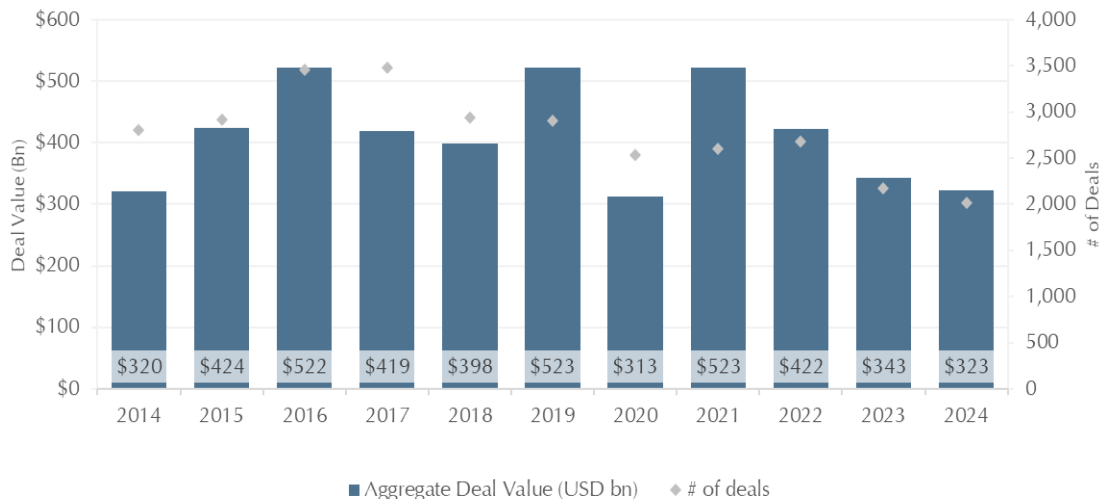
Real Estate Deal Activity



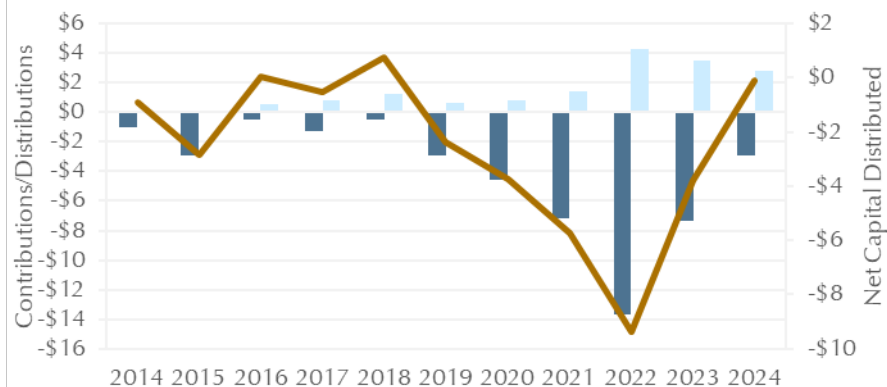
Infrastructure

- A wider bid-ask-spread and higher borrowing rates led to lower transaction volumes.
- In our view, sellers continue to anchor price expectations in the “old regime” when rates were low and capital was abundant, while buyers feel constrained by higher financing costs.

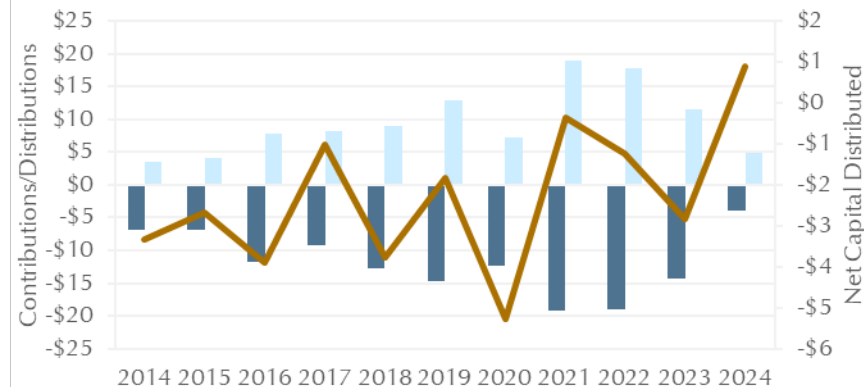
Infrastructure Deal Activity



Annual Infrastructure Capital Called & Distributed
(Aksia Clients) | \$ Billion



Annual Real Estate Capital Called & Distributed
(Aksia Clients) | \$ Billion

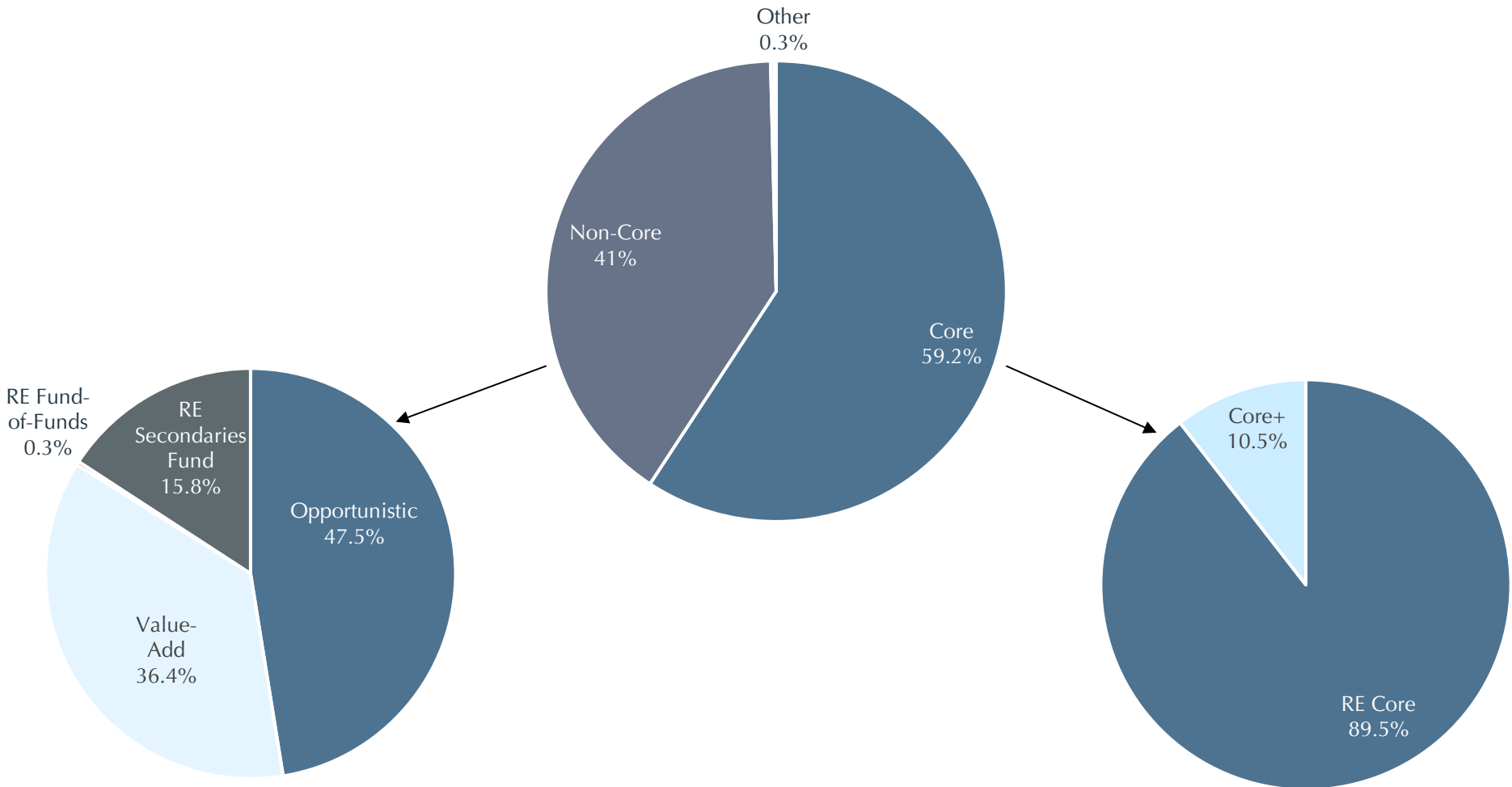


Annual Natural Resources Capital Called & Distributed (Aksia Clients) | \$ Billion

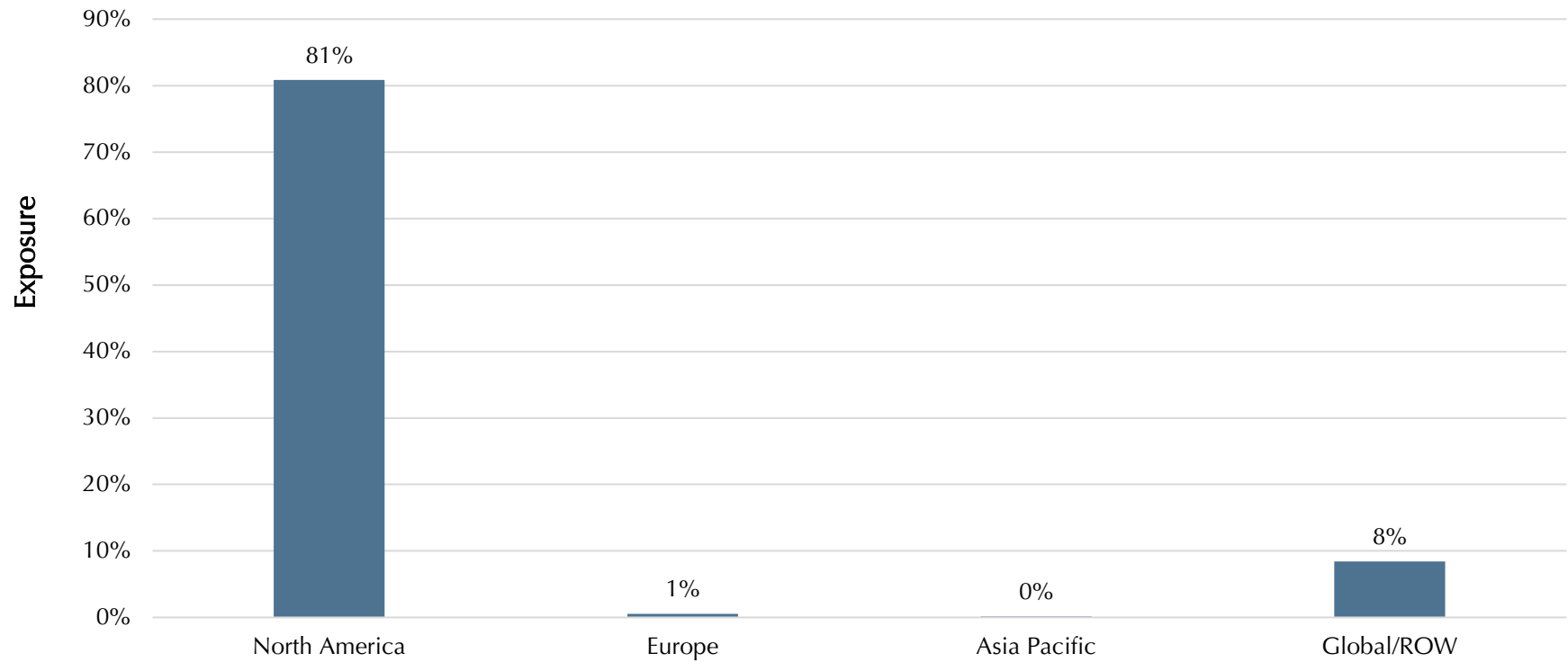


- **REAL ESTATE:** Capital deployment and distributions have both declined, reflecting ongoing market headwinds and valuation pressures.
- **INFRASTRUCTURE:** Strong investor demand continues to drive net inflows, but persistently low distributions are heightening liquidity concerns.
- **NATURAL RESOURCES:** While deployment remains modest, earlier vintages are now returning capital through increased distributions.

Current Exposure



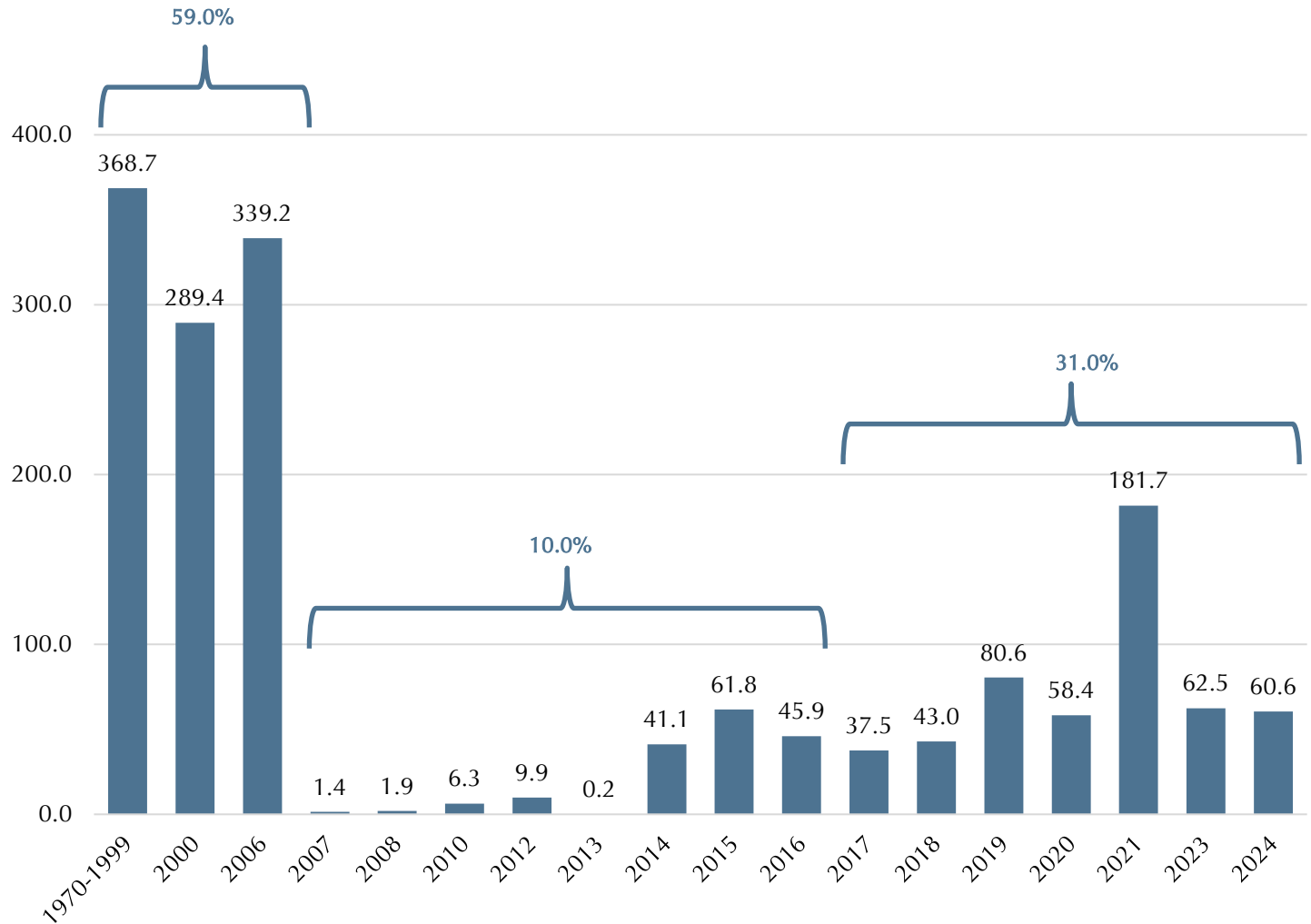
Geography Exposure¹ | As of March 31, 2025



Region exposures for 83% of total portfolio allocations.

¹Based on FMV of the underlying portfolio companies, then weighted by each fund NAV.

- The bulk of NIC current real assets exposure (59.0%) is from funds with vintage years from 1970 – 2006



Defined Benefit and Cash Benefit Balance Program

Total Plan Assets	\$21.5 bn
Real Assets Target	7.5%
Real Assets Net Asset Value	\$1.1 bn
Real Assets Exposure	5.3%
Net IRR Since Inception	5.3%
Total-Value-to-Paid-in Since Inception	1.3x

OSERS Program

Total Plan Assets	\$1.7 bn
Real Assets Target	7.5%
Real Assets Net Asset Value	\$110.9 mn
Real Assets Exposure	6.5%
Net IRR Since Inception	6.9%
Total-Value-to-Paid-in Since Inception	1.3x

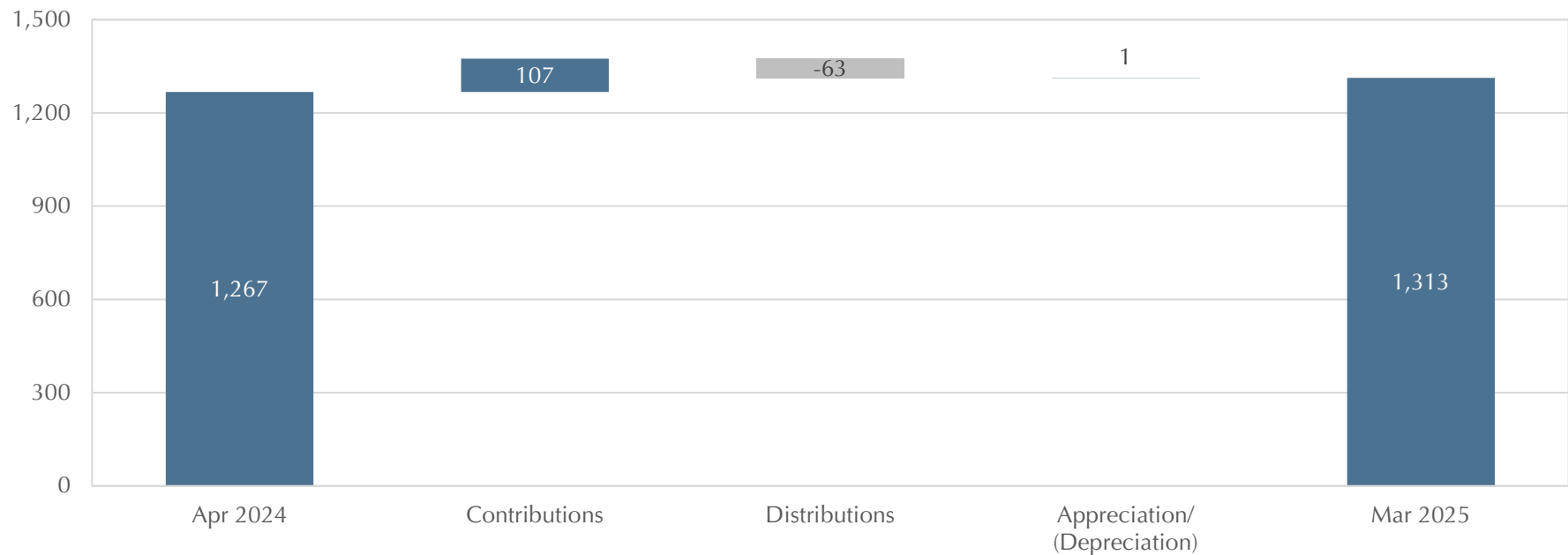
General Endowment Program

Total Plan Assets	\$1.2 bn
Real Assets Target	5.0%
Real Assets Net Asset Value	\$40.7 mn
Real Assets Exposure	3.3%
Net IRR Since Inception	6.7%
Total-Value-to-Paid-in Since Inception	1.3x

Healthcare Endowment Program

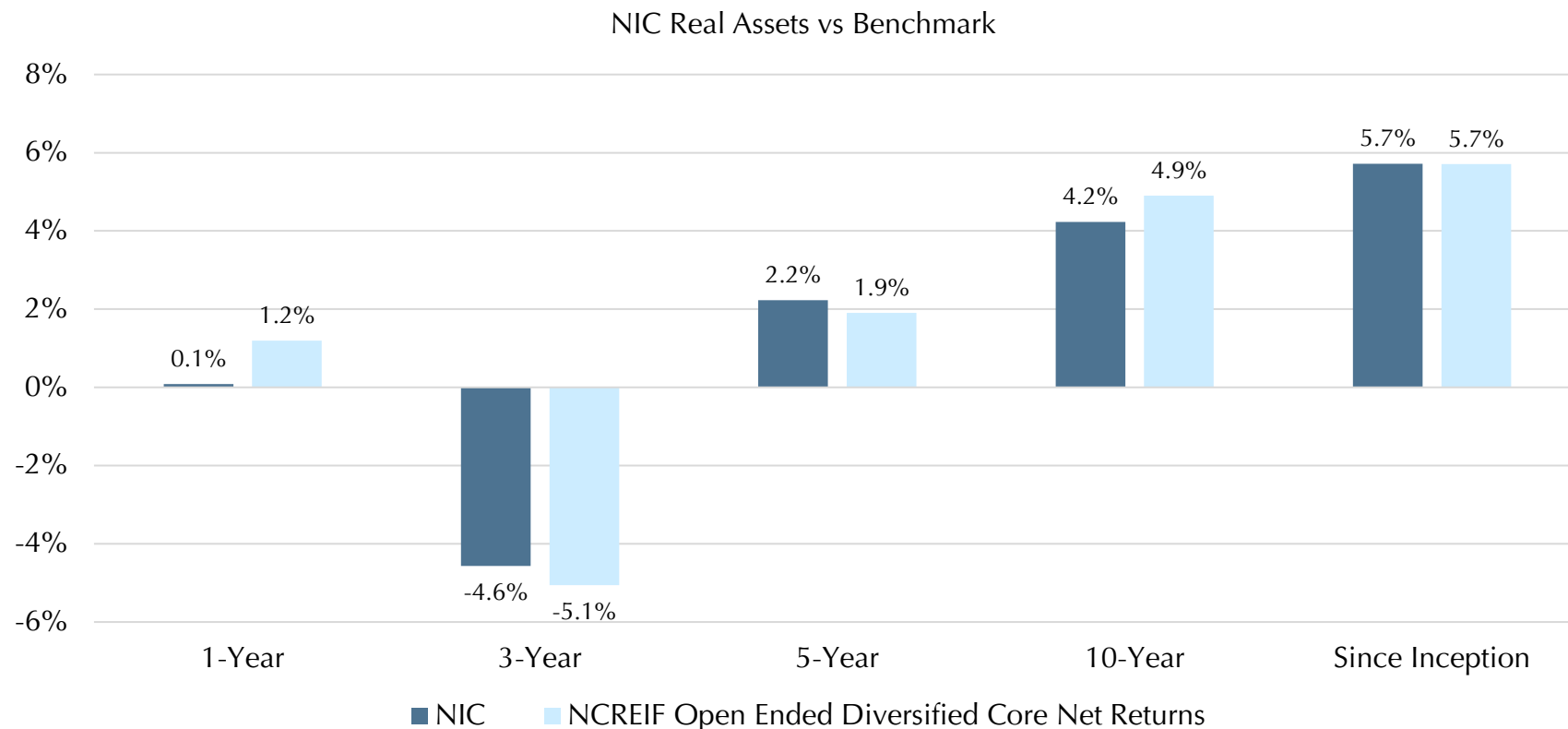
Total Plan Assets	\$591.0 mn
Real Assets Target	5.0%
Real Assets Net Asset Value	\$17.5 mn
Real Assets Exposure	3.0%
Net IRR Since Inception	6.6%
Total-Value-to-Paid-in Since Inception	1.3x

Portfolio Value Bridge | April 1, 2024 through March 31, 2025 | \$ millions



- Contributions of \$107 million exceeded distributions of \$62.9 million generating negative cash flow from the program of \$44.1 million.
- From April 1, 2024 to March 31, 2025, the portfolio appreciated by \$1.0 million.
- Total market value at March 31, 2025 was \$1.3 billion.
- Total committed but unfunded value at March 31, 2025 was \$377.3 million.

Portfolio Performance | As of March 31, 2025



- NIC outperformed its benchmark for the 3-year and 5-year periods
- The portfolio underperformed over 1-year and 10-year periods

Top 10 Managers Ranked by Exposure¹ | As of March 31, 2025 | \$ in million

Manager	Commitment	Fair Market Value	% of Fair Market Value	Unfunded	Total Exposure ¹	% of Total Exposure	IRR ²
PGIM Real Estate	207.5	311.4	23.7%	0.0	311.4	18.4%	4.9%
Clarion Partners LLC	239.6	289.3	22.0%	0.0	289.4	17.1%	2.1%
UBS Financial Services Inc	283.1	247.9	18.9%	0.0	247.9	14.7%	5.1%
Morgan Stanley	157.1	58.8	4.5%	89.4	148.2	8.8%	-1.7%
Neuberger Berman	237.3	89.8	6.8%	58.3	148.1	8.8%	9.5%
Oaktree Capital Management LP	120.0	41.2	3.1%	72.7	114.0	6.7%	-1.3%
Ares Management LLC	200.5	42.7	3.3%	65.4	108.1	6.4%	11.7%
Torchlight Investors	154.0	92.4	7.0%	14.7	107.1	6.3%	7.6%
Kayne Anderson Capital Advisors LP	80.5	60.5	4.6%	31.0	91.5	5.4%	13.7%
Rockwood Capital LLC	98.3	35.5	2.7%	5.8	41.3	2.4%	-4.6%
Top 10 Total	1,777.9	1,269.7	96.7%	337.3	1,607.0	95.1%	--

¹Total Exposure = FMV + Unfunded

²The internal rate of return (IRR) is based on daily cash flows. IRRs of investments held less than twelve months generally are not meaningful and are therefore labeled NM

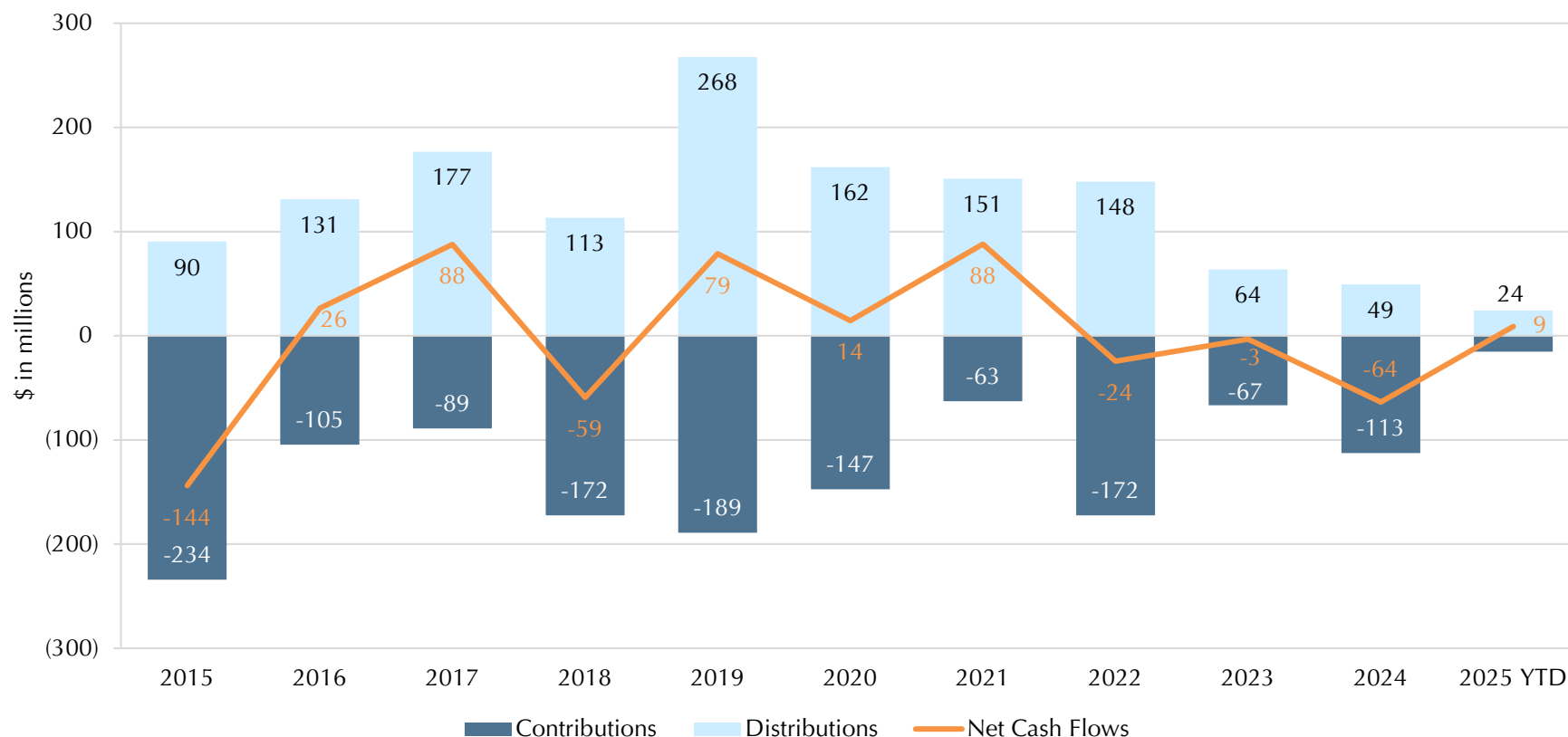
Vintage Year Performance¹ | As of March 31, 2025 | \$ in million

Vintage Year	Contributions	Distributions	Net Asset Value	Gain/Loss	Net TVPI	Distributed to Pain-In Capital	Net IRR ²
2024	5.2	-	4.8	-0.4	0.9x	0.x	-7.5%
2023	6.4	-	4.9	-1.5	0.8x	0.x	
2021	80.0	3.4	88.6	12.0	1.2x	0.x	10.4%
2020	51.3	0.4	55.7	4.8	1.1x	0.x	4.2%
2019	81.7	11.5	60.4	-9.8	0.9x	0.1x	-5.6%
2018	68.2	61.1	34.0	26.9	1.4x	0.9x	16.6%
2017	37.9	19.8	33.5	15.4	1.4x	0.5x	7.8%
2016	80.1	51.9	31.9	3.6	1.x	0.6x	1.4%
2015	188.7	207.8	45.3	64.3	1.3x	1.1x	8.0%
2014	178.0	187.2	35.6	44.8	1.3x	1.1x	8.3%
2013	25.8	32.6	0.2	7.0	1.3x	1.3x	8.2%
2012	180.2	183.5	6.6	9.9	1.1x	1.x	1.7%
2010	133.1	163.0	2.5	32.3	1.2x	1.2x	8.7%
2008	26.3	36.5	0.4	10.5	1.4x	1.4x	11.0%
2007	80.8	112.3	0.7	32.1	1.4x	1.4x	8.6%
2006	290.2	202.6	249.8	162.2	1.6x	0.7x	4.6%
2005	12.5	14.9	-	2.4	1.2x	1.2x	4.8%
2004	274.3	390.5	-	116.2	1.4x	1.4x	7.4%
2002	7.9	13.9	-	6.0	1.8x	1.8x	51.8%
2000	315.8	58.3	289.4	31.8	1.1x	0.2x	2.1%
1998	26.8	85.8	-	59.0	3.2x	3.2x	9.4%
1981	152.7	38.7	156.8	42.8	1.3x	0.3x	3.8%
1980	53.6	-	99.1	45.5	1.8x	0.x	4.9%
1978	162.5	217.4	91.1	146.0	1.9x	1.3x	5.5%
1970	21.0	5.0	21.6	5.6	1.3x	0.2x	4.6%
Total Portfolio	2541.3	2098.2	1312.7	869.5	1.3x	0.8x	5.7%

¹Thee internal rate of return (IRR) is based on daily cash flows. IRRs of investments held less than twelve months generally are not meaningful and are therefore labeled NM

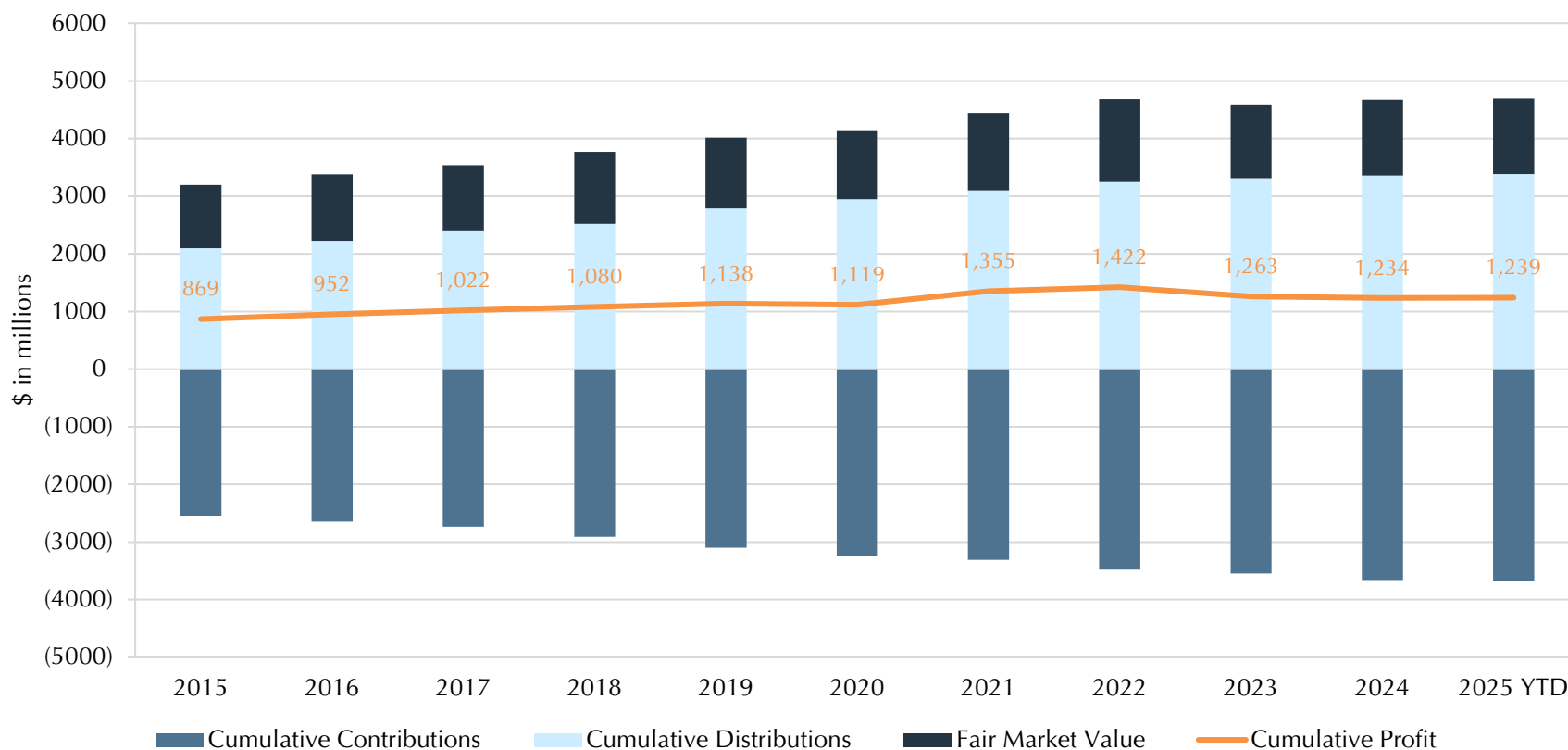
Annual Contributions, Distributions & Net Cash Flows | As of March 31, 2025

- Program cash flows have varied over the years. Lower distributions in the past two years have led to the program using cash rather than generating it on a net basis.
- Since the beginning of 2015, real assets program distributions have exceeded contributions by \$10.0 million.



Cumulative Program Cash Flows and Market Value | As of March 31, 2025 | USD

- Cumulative profit for the real assets program totaled \$1.2 billion since inception. Since 2015, value creation equals \$370 million.
- With the exception of 2020 and 2023-2024, the real assets program has steadily created value since 2015.



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This analysis covers the significant events that have occurred with respect to the limited partnership investments, co-investments, and direct investments, as they apply, in the portfolio (collectively referred to as "investment(s)"). Aksia monitors the portfolio's investments in various partnerships. To complete this independent analysis, Aksia requested and then collected information from representatives of the portfolio and the individual partnerships as well as the portfolio's custodian where applicable. Further, this review relies upon information received during its preparation, as well as the facts, assumptions and valuation approach contained herein, which have been reviewed with the portfolio administrator staff. Aksia has not independently verified this information. Aksia has accurately relayed the information received in its independent analysis of the portfolio's performance and current portfolio valuation. The portfolio's performance is summarized using all or a selection of the following portfolio performance calculation methods: distribution to paid-in multiple, internal rate of return, total value to paid-in multiple, and time-weighted rate of return. Additional details regarding the performance calculations can be found in Definitions. Subsequent analysis will reflect future developments, as well as refine the analysis of past activities as Aksia receives new or revised information.

For individual investment return purposes, investments are typically marked-to-market using comparable public market valuations or third-party transactions. Publicly traded partnership investments are typically marked-to-market. In general, the valuation policies of the portfolio's general partners appear to be in line with FASB ASC 820-10, Fair Value Measurements. Generally, the first few years of an investment's life demonstrate low or negative returns. These returns are not very meaningful due to the fact that management fees have not been offset by capital gains typically generated by more mature portfolio companies (termed the J-curve effect). Reports are available that are customized based on the portfolio administrator's definition of meaningful data.

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