

NB Distressed Debt Investment Fund Limited New Global Shares

NEUBERGER BERMAN

March 31, 2015

FUND OBJECTIVE

NB Distressed Debt Investment Fund Limited ("NBDDIF") is a Guernsey-incorporated closed-ended investment company that launched in June 2010. NBDDIF's primary objective is to provide investors with attractive risk-adjusted returns through long-biased, opportunistic stressed, distressed and special situation credit-related investments while seeking to limit downside risk.

NBDDIF owns holdings diversified across distressed, stressed and special situations investments, with a focus on senior debt backed by hard assets. The portfolio is managed by the Distressed Debt team at Neuberger Berman, which sits within what we believe is one of the largest and most experienced non-investment grade credit teams in the industry.

The New Global Share Class ("NBDG") was created in March 2014 and aims to capture the growing opportunity in distressed debt globally. NBDG is subject to an investment period ending on 31 March 2017, following which the assets will be placed into run-off.

The New Global Shares are one of three classes of shares in NBDDIF. The other classes are the Ordinary Share Class and the Extended Life Share Class. The Ordinary Share Class is subject to an investment period which ended on 10 June 2013 and the Extended Life Share Class is subject to an investment period which ended on 31 March 2015. Separate factsheets are produced for those classes.

MANAGER COMMENTARY

Summary

In the first quarter of 2015, we continued to deploy capital in new and existing positions. We exited three positions which contributed positively to NAV. We see significant upside potential in the existing portfolio, which we expect to realise as we restructure and exit investments.

Portfolio

As at 31 March 2015, we had deployed approximately 78.4% of NBDG's capital. NBDG had investments in 27 names across 12 industries. The largest sector concentrations were in lodging & casinos, utilities, shipping and surface transportation. In the first quarter we added new positions in the oil & gas and air transportation sectors. We also added incremental exposure to existing names in the shipping, oil & gas, power, casino and metals sectors.

NBDG's NAV per share decreased 1.1% in the first quarter of 2015, to GBP 87.66 from GBP 88.60 per share. The primary drivers of NBDG's NAV decrease were secondary market price declines of existing positions. We believe that performance comparison versus other distressed managers is indicated by the HFRI Distressed/Restructuring Index² which returned 0.8% in the quarter. During the first quarter of 2015 we saw three exits, which all added positively to NAV and are described in detail below. We are working towards key restructuring milestones on our existing investments, which we anticipate can ultimately result in profitable exits.

Market Update³

We continue to believe the pipeline of distressed debt opportunities in real estate, transportation and energy debt is compelling. EU banks in particular increased their disposal of European and U.S. loans and assets to €91 billion in 2014, versus €64 billion in 2013, €46 billion in 2012, €36 billion in 2011 and €11 billion in 2010. However, over €1 trillion of non-performing loans remain on EU banks' balance sheets. We believe that the European regulatory environment may continue to facilitate further recognition and disposal of distressed loans. Additionally, the recent volatility in energy markets has presented new opportunities in the U.S.

Exits

In the first quarter we saw three exits in NBDG, our 3rd, 4th and 5th exits since inception. These exits generated approximately £0.8 million of total return and gains for NBDG.

Investment 3: We purchased a £4.0 million portion of a first lien debt facility at 87.75% of par, which was secured by the operating assets of a British ferry company. We expected that the company would either restructure its debt or would refinance its existing debt structure. In the case of a debt restructuring and conversion into post-reorganization securities, we believed that our cost basis represented a significant valuation discount versus comparable assets. Ultimately, the company was sold and our debt paid off at par plus accrued interest. Total return from this investment was £0.6 million generating an IRR of 24%.

Investment 4: We purchased \$1.0 million face value of senior notes at 87.60% of par of a company with oil & gas assets. We believed that the company would be able to refinance its capital structure through a combination of asset sales and capital markets activities. Subsequent to our purchase, the secondary price of the senior notes increased significantly and we exited via the secondary market. Total return from this investment was £0.1 million generating an IRR of 112%.

Investment 5: We purchased \$0.6 million face value of senior notes at 90.25% of par of a company with oil & gas assets. We believed that the company would be able to refinance its capital structure through a combination of asset sales and capital markets activities. Subsequent to our purchase, the secondary price of the senior notes increased significantly and we exited via the secondary market. Total return from this investment was £41,000 generating an IRR of 90%.

Data as at March 31, 2015 unless otherwise noted. Past performance is not indicative of future returns. All comments unless otherwise stated relate to NBDG.

1. Source: Bloomberg, except as otherwise noted.

2. The HFRI Distressed/Restructuring Index reflects distressed restructuring strategies which employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings (provided by Hedge Fund Research, Inc.).

3. Source: Data from PWC dated January 2015.

FUND MANAGERS



MICHAEL HOLMBERG

27 years investment experience



PATRICK FLYNN

23 years investment experience

KEY STATISTICS (as at March 31, 2015)¹

| | |
|--|-----------|
| NAV Per Share: | GBP 87.66 |
| Share Price: | GBP 77.00 |
| Share Price (Discount) / Premium vs. NAV | (12.16)% |
| Market Cap | £85.31m |

KEY INFORMATION

| | |
|-------------------|---------------------------------|
| Fund Type: | Closed-ended Investment Company |
| Launch Date: | 10 June 2010 |
| Base Currency: | GBP |
| NAV Frequency: | Daily |
| Domicile: | Guernsey |
| Year End: | 31 December |
| Management Fee: | 1.5% |
| Bloomberg Ticker: | NBDG |
| ISIN: | GG00BH7JH183 |
| Website: | www.nbddif.com |

DIRECTORS

Robin Monro-Davies (Chairman)

Talmi Morgan

John Hallam

Christopher Sherwell

Michael Holmberg

Patrick Flynn

EXITS

| Exit | Industry | Instrument | Entry Value ¹ | Exit Value ¹ | Timing | Catalyst | ROR ² | IRR ³ |
|------|-----------|--------------|--------------------------|-------------------------|----------|----------------|------------------|------------------|
| 3 | Shipping | Secured Loan | 87.75% | 100.00% | 9 months | Asset Sale | 18% | 24% |
| 4 | Oil & Gas | Bonds | 87.60% | 98.00% | 3 months | Secondary Sale | 15% | 112% |
| 5 | Oil & Gas | Bonds | 90.25% | 99.25% | 2 months | Secondary Sale | 11% | 90% |

HOLDINGS⁴

| Holding | Industry | Purchased Instrument | Status | Country | % of NAV | Primary Assets |
|---------|-----------------------------|----------------------|------------|-------------|----------|--|
| 1 | Lodging & Casinos | Post-Reorg Equity | Post-Reorg | USA | 5% | Casino/hotel real estate |
| 2 | Lodging & Casinos | Secured Loan | Defaulted | Spain | 5% | Hotels |
| 3 | Utilities | Secured Loan | Defaulted | USA | 5% | Power plants |
| 4 | Non Ferrous Metals/Minerals | Post-Reorg Equity | Post-Reorg | USA | 5% | Manufacturing/distribution real estate |
| 5 | Building & Development | Post-Reorg Equity | Post-Reorg | USA | 5% | Residential real estate |
| 6 | Surface Transportation | Secured Loan | Defaulted | Spain | 5% | Infrastructure concession |
| 7 | Commercial Mortgage | Secured Loan | Current | Netherlands | 4% | Commercial real estate |
| 8 | Utilities | Post-Reorg Equity | Post-Reorg | USA | 4% | Power plants |
| 9 | Lodging & Casinos | Secured Loan | Current | USA | 4% | Casino/hotel real estate |
| 10 | Surface Transportation | Secured Loan | Post-Reorg | USA | 4% | Infrastructure concession |
| Total* | | | | | 46%* | |

* 46% is the true percentage of NBDG's NAV. The sum of the individual holding numbers may appear larger due to rounding of decimal places.

PERFORMANCE⁵



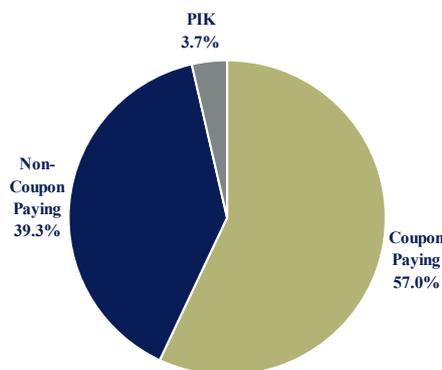
COUNTRY BREAKDOWN^{6,7} (%)

| | |
|----------------------------|-------|
| United States | 55.2% |
| United Kingdom (inc. cash) | 21.6% |
| Spain | 9.2% |
| Netherlands | 4.3% |
| Denmark | 3.9% |
| Marshall Islands | 3.7% |
| Australia | 1.3% |
| Norway | 0.8% |

CURRENCY BREAKDOWN^{6,7} (%)

| | |
|-----|-------|
| USD | 57.9% |
| GBP | 26.5% |
| EUR | 13.9% |
| AUD | 1.7% |

COUPON PAYMENTS (excluding cash)⁶



SECTOR BREAKDOWN^{6,7} (%)

| | |
|--------------------------------|-------|
| Lodging & Casinos | 16.6% |
| Utilities | 15.0% |
| Shipping | 10.3% |
| Surface Transport | 9.7% |
| Energy | 5.1% |
| Non-Ferrous Metals/Minerals | 4.7% |
| Building & Development | 4.6% |
| Commercial Mortgage | 4.3% |
| Oil & Gas | 3.3% |
| Air Transport | 2.2% |
| Industrial | 1.4% |
| Chemicals & Plastics | 1.3% |
| Cash, Accruals and Equivalents | 21.6% |

Data as at March 31, 2015. Past performance is not indicative of future returns. All comments unless otherwise stated relate to NBDG.

- Actual price information is generally provided where investments have not been converted into other assets.
- The Rate of Return (ROR) represents the change in value of the security (capital appreciation, depreciation and income) as a percentage of the purchase amount.
- The annualized internal rate of return (IRR) was computed based on the actual dates of the cash flows of the security (purchases, sales, interest, principal paydowns).
- Categorizations determined by Neuberger Berman and percentages determined by U.S. Bancorp Fund Services (Guernsey) Limited / Quintillion Limited, as administrator to NBDDIF, based on market value as of March 31, 2015. Excludes cash and short term investments.
- Source: Bloomberg.
- Categorizations determined by Neuberger Berman; percentages determined by Neuberger Berman and U.S. Bancorp Fund Services (Guernsey) Limited / Quintillion Limited as Fund Administrator. Please note that irrespective of the "sector" in which an investment is made, the underlying assets constituting the collateral for the investment may comprise real estate assets in a number of cases. As a result, NBDG's overall exposure to the real estate sector may be more than its actual direct exposure to that sector.
- Includes cash and accruals.

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