PRINCESS PRIVATE EQUITY HOLDING LIMITED

ANNUAL REPORT 2012

Audited consolidated financial statements for the period from 1 January 2012 to 31 December 2012

Christoph Rubeli Head Private Equity Directs, **Stefan Näf** Head Investment Solutions, **Sergio Jovele** Co-Head London, **Christian Ebert** Private Equity Investments

Partners Group
Passion for Private Markets

PRINCESS PRIVATE EQUITY HOLDING LIMITED

Princess Private Equity Holding Limited (Princess or the Company) is an investment holding company domiciled in Guernsey that invests in private equity and private debt. The portfolio includes direct, primary and secondary fund investments. Princess aims to provide shareholders with long-term capital growth as well as an attractive dividend yield in the mid to long term.

The shares are traded on the main market of the London Stock Exchange.

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1 KEY FIGURES

IN EUR	31 DECEMBER 2012	31 DECEMBER 2011
Net asset value (NAV)	583'142'838	612'826'424
NAV per share	8.40	8.81
Total dividend per share	0.49	0.45
Closing price	6.83	5.85
Discount to NAV	-18.69%	-33.58%
Cash and cash equivalents	65'724'027	19'338'535
Use of credit facility	0	0
Value of private equity investments	417'783'627	608'424'962
Unfunded commitments	228'204'095	143'865'439
Investment level	71.64%	99.28%
Net liquidity (incl. deferred receivables)	165'359'212	4'401'461
Overcommitment	10.78%	22.76%
Overcommitment incl. credit line	-2.94%	9.70%

2 CHAIRMAN'S REPORT

Dear valued investor

As Chairman of the Board of Princess Private Equity Holding Limited, I am pleased to present the Annual Report for 2012. I continue to have great confidence in the Princess portfolio and its Investment Manager, especially with the Company's ongoing enhancement of shareholder value in the face of persistent macroeconomic uncertainty.

2012 was a transitional year for Princess, with the acceleration in direct investment activity ultimately raising the portfolio's exposure to direct investments by 14 percentage points over the year to 36%. To complement this change in focus, the Company implemented a series of new corporate initiatives aimed at narrowing the stubbornly wide NAV discount. These initiatives included: the consolidation of all trading activities on the London Stock Exchange in an effort to boost liquidity for investors; the standardization of management fees at the lower level of 1.5%, to align the Company's costs with its new strategic focus on direct investments; and the increasing of dividend payments by 8.9% over last year, thus confirming its commitment to return capital to shareholders by offering a high dividend yield of 5-8% per annum. The Company also bought and cancelled shares during the year, as part of its ongoing share buyback program.

Princess' transition towards becoming a direct investment vehicle was supported by the sale of third-party fund positions on the secondary market. Though these secondary sales ultimately constrained Princess' NAV returns over the year, the circa EUR 170 million raised through secondary sales in 2012 should help Princess achieve an above 50% exposure to direct investments by the end of 2013. In aggregate, the market responded well to these strategic initiatives, with Princess' shares delivering a total return of 26.0% in 2012 and the discount narrowing to 18.7% from 33.6% as at the end of 2011.

Valuation developments within the portfolio positively impacted NAV performance in 2012. Constructive value creation initiatives continued to foster operational improvements in underlying portfolio companies, while Princess' mature portfolio also generated sizable distribution proceeds.

Princess' balance sheet remains strong, with high levels of net liquidity, and is therefore well poised to support, future dividend payments, share buybacks and further direct investments by the Company.

My fellow Directors and I would like to take this opportunity to thank you for the confidence you have shown in Princess. It is our sincere belief that the substantial progress made this year with the repositioning of Princess, should ensure that the Company is well-placed to continue enhancing value for its shareholders. We would also like to take this opportunity to thank Andreas Billmaier, who stepped down from the Board in November 2012, for his dedicated and constructive service to the Company.

Brian Human
Chairman

Guernsey, 5 March 2013

3 PRIVATE EQUITY MARKET ENVIRONMENT

Fiscal uncertainties in the US

Towards the end of the year, attention turned to the US where Republicans and Democrats only just managed to avert the fiscal cliff of large tax hikes and spending cuts amounting to USD 650 billion by reaching a last-minute deal. Even though the agreement forestalls the long-feared worst-case scenario of a recession-inducing fiscal shock, the deal leaves both short-term and long-term fiscal decisions to the new Congress in the next few months. Overall, fiscal austerity will be a medium-term drag on US growth.

By contrast, underlying headwinds of private sector de-leveraging are easing, as evidenced by improved credit conditions and an uptick in demand for credit. The housing sector should also start contributing to growth going forward. Last but certainly not least, the Federal Reserve (Fed) is likely to remain accommodative for a prolonged time. As a result, the flow of central bank excess liquidity is lifting asset prices globally, leading to asset inflation as house prices and equities steam upwards. Thus, while rising conventional inflation is not in imminent sight, inflation is seen accelerating for real assets. It remains to be seen if the Fed is able to reverse its accommodative policies in the future once the economy has achieved solid growth.

Eurozone remains mired in recession

In Europe, the economic reality remains unchanged. The near-term growth outlook for the Eurozone is bleak, with pronounced differences among countries. Several countries in peripheral Europe remain in deep recession as domestic demand continues to be impaired by fiscal austerity, while credit conditions are as tight as in 2008. At the same time, the core's resilience is being tested as weakening external demand weighs on exports and unemployment is on the rise.

Tackling both the short-term funding gap and the debt sustainability issue, Eurozone finance ministers reached an agreement with Greece to allow the release of the next tranche of Greece's second bailout program. Citing Europe's efforts to keep the country in the currency union, Standard & Poor's subsequently raised Greece's sovereign credit rating to B- with a stable outlook (from selective default).

Solid prospects in emerging markets

Emerging market economies recently hit a soft patch, raising concerns about their medium-term growth potential. Partners Group believes that emerging markets are experiencing a traditional cyclical slowdown impacted by monetary tightening coupled with sub-par growth in the advanced world. Nonetheless, Partners Group also expects that aggregate growth in the emerging markets may not return to the level seen over the past decade.

Fundamentals in emerging markets are generally today much more solid than in the past; independent central banks are able to absorb shocks more easily, liberalization policies support growth and productivity and rising incomes enable a shift towards domestic consumption. Emerging markets still enjoy an abundance of catch-up potential as capital stocks remain low and higher education enables countries to march up the value creation ladder, in the manufacturing as well as services sector. As such, the secular emerging market consumer story remains intact.

Public markets gained momentum in the second half of 2012

Amid uncertainty over the outcome of the negotiations on US fiscal policy, the S&P 500 lost 1.0% in the last quarter of 2012. The MSCI Emerging Markets Index increased by 5.3%, outperforming the MSCI World, which gained 2.9%.

Despite the mixed movements in the last quarter of the year, these indices all showed an upward trend in the second half of 2012, as uncertainties eased, especially in the Eurozone, and investors' concerns were partly allayed. Notwithstanding a brief correction early in the fourth quarter, the positive momentum was maintained through the end of the year and into 2013.

Subdued M&A activity in 2012

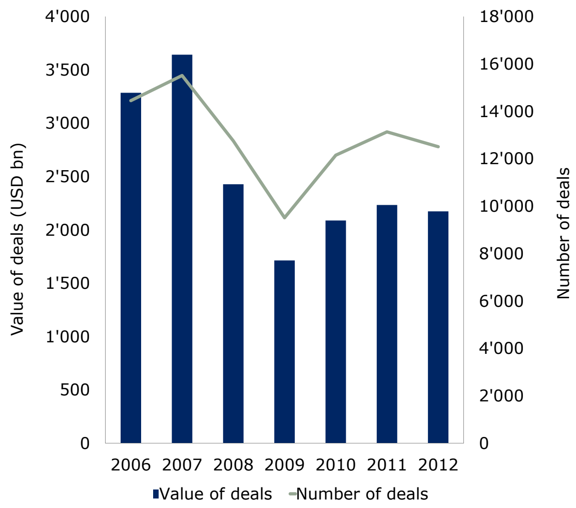
Global merger and acquisition (M&A) activity in 2012 recorded a slight decrease of 2.7% year-on-year to close at USD 2.2 trillion. In contrast, a flurry of activity in the last three months of the year helped produce the highest quarterly result since the same period in 2010 with USD 672.9 billion worth of deals, an increase of 39.5% quarter-on-quarter.

The US market saw activity decline 4.7% year-on-year in 2012. However, the region continued to dominate overall M&A activity with USD 768.9 billion worth of transactions, accounting for 35.4% of the global volume. The largest transactions announced during the year were the USD 35.5 billion acquisition of a 70% stake of telecommunications group Sprint Nextel by Japanese competitor Softbank Corporation, and the spin-offs being undertaken by Kraft Foods and ConocoPhillips valued at USD 26.3 billion and USD 20.8 billion, respectively.

Similarly, M&A activity in Europe in 2012 declined by 6.5% year-on-year to USD 678.7 billion despite a late surge in activity in the fourth quarter. M&A activity rebounded late in 2012 as investor uncertainty over the Eurozone situation, which was of foremost concern throughout the year, abated. Furthermore, the region saw the largest M&A transaction globally during the year, with the USD 45.6 billion merger of commodities group Glencore and mining company Xstrata.

The Asia-Pacific region was the relative bright spot in 2012, with a 2.5% year-on-year increase in M&A activity to USD 365.5 billion. The region benefitted from an absence of major crises as well as a generally low interest rate environment. The ongoing bidding war for Singapore conglomerate Fraser & Neave ranked as the top transaction, with China Telecom's USD 13.3 billion acquisition of its parent's 3G assets coming a close second.

GLOBAL M&A ACTIVITY



Source: mergermarket, Partners Group Research

Buoyant debt capital market

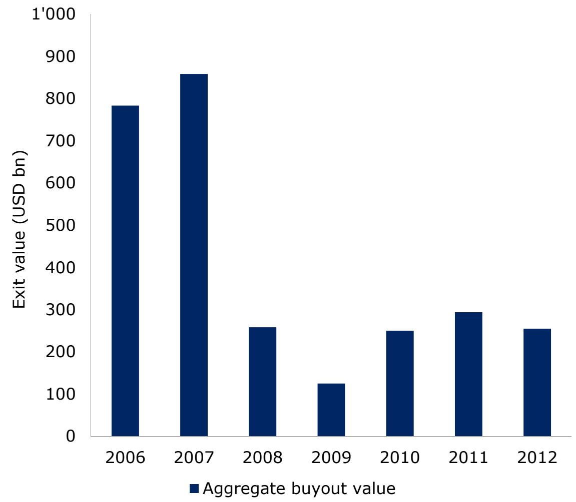
Global debt capital markets activity rose 10% year-on-year to USD 5.6 trillion in 2012, the strongest year for debt issuance since 2009. The strong numbers were due to issuers taking advantage of historic low levels of interest rates and buoyant demand as investors searched for assets that offered higher yields.

Similarly, the availability of cheap debt led to a record pace of dividend recapitalizations, as private equity-owned companies, especially in the US, tapped the debt market to return proceeds to investors. The pace of dividend recapitalizations in 2012 increased close to 80% year-on-year, according to figures from Dealogic. These developments have also fuelled the demand for collateralized loan obligations (CLOs), investment vehicles that buy up corporate loans and subsequently issue multiple tranches of debt to investors. The largest dividend recapitalization in 2012 was by technology consulting firm Booz Allen Hamilton, a portfolio company of The Carlyle Group, which tapped the leveraged loan market for USD 2.25 billion in July 2012.

Private equity buyout activity receded in 2012

Global private equity buyout activity marked its lowest full-year tally since 2010, amounting to USD 254.9 billion, a decline of 13.3% year-on-year, according to mergermarket. Despite the overall decline, buyout activity in the US saw a 1.8% year-on-year increase in 2012 to USD 117 billion, as the low interest rate environment and availability of credit-fuelled deal flow in this region which reached the highest level since 2007. On the other hand, Asia-Pacific buyout activity was the lowest since 2009, declining 30.7% year-on-year to USD 27.2 billion. The Europe buyout market saw a surge in activity in the last three months of the year, increasing 58.4% quarter-on-quarter to USD 24 billion, as the region rebounded from the low levels caused by the Eurozone crisis and difficult financing conditions. The largest buyout transaction globally in 2012 was the USD 7.2 billion acquisition of the exploration and production business of El Paso Corporation by an Apollo-led consortium. Other notable transactions were the GBP 3.2 billion acquisition of property developer Annington Homes by Terra Firma and the USD 4.9 billion buyout of DuPont Performance Coatings by The Carlyle Group.

PRIVATE EQUITY BUYOUT ACTIVITY

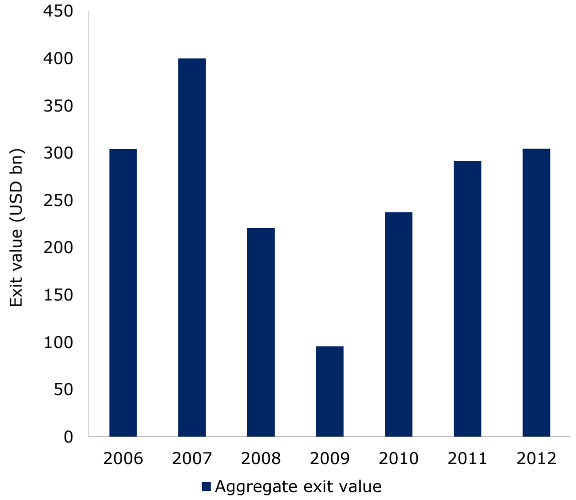


Source: mergermarket, Partners Group Research

Private equity exit activity at record post-crisis level

Overall, private equity exit activity reached USD 304.5 billion in 2012, an increase of 4.5% year-on-year and the highest annual value since 2007. Private equity portfolio companies attracted interest from trade and strategic acquirers, with trade sales increasing 3.2% to USD 222.3 billion. Secondary buyout activity was also relatively robust in 2012, registering volume of USD 82.2 billion, an increase of 8.1% year-on-year due to a faster pace of completion. Reflecting this, the largest private equity exit in 2012 was the USD 6.6 billion sale of Cequel Communications by a Charterhouse-led consortium to BC Partners and CPP Investment Board. Other significant private equity exits were the EUR 4.3 billion sale of pharmaceutical company Actavis Group by Novator Partners and the USD 5.0 billion exit of software solutions provider NDS Group by News Corp. and Permira.

PRIVATE EQUITY EXIT ACTIVITY VIA TRADE SALES AND SECONDARY BUYOUTS



Source: mergermarket, Partners Group Research

Disappointing IPO activity

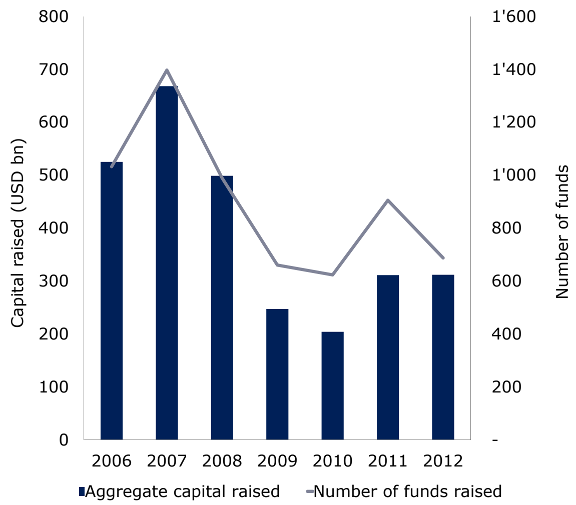
Global initial public offering (IPO) activity saw USD 117.4 billion raised in 2012, a decline of 28.8% compared to the prior year, according to Thomson Reuters. The year was filled with examples of withdrawn listings as volatile public markets made timing a critical factor, complicated the IPO pricing process and generally made the possibility of a successful listing difficult.

The US was the sole bright spot with an 18.0% increase in IPO proceeds to USD 40.9 billion in 2012, with Facebook's USD 16 billion listing being the major contributor. Excluding the Facebook IPO, proceeds in the US would have declined by more than 25% in 2012. Europe and Asia-Pacific both saw a more than 50% year-on-year drop in IPO proceeds in 2012. The absence of large offerings during the year, coupled with the USD 10 billion IPO of commodities firm Glencore in the prior year, contributed to the decline in Europe. Meanwhile, a more than 35% decrease in the number of listings led to the decline in proceeds for the Asia-Pacific region.

Stable but bifurcated fundraising environment

Fundraising activity remained broadly stable in 2012 with a total of USD 311.7 billion raised, essentially unchanged from 2011. The key theme was bifurcation, as investors favored specialized and focused funds with an established track record. For example, Advent International GPE VII, the latest mid-market buyout fund by Advent International, had a relatively short fundraising period of approximately eight months and closed at an increased hardcap of EUR 8.5 billion, the largest private equity fund to close in 2012. Looking ahead, more than 80% of investors are seeking to commit to new private equity managers or re-up with existing managers, according to Preqin.

FUNDRAISING ENVIRONMENT



Source: Preqin, Partners Group Research

Outlook

2012 saw a number of significant events on the political stage across the world, including the re-election of President Barack Obama in the US and the introduction of new leadership in China. Additionally, Eurozone leaders triumphed in their resolve and determination in preventing Greece from leaving the economic bloc. Furthermore, central banks were unequivocal in their accommodative monetary stance to spur growth.

The global economy, however, remains tepid with sub-par growth and high unemployment rates across advanced economies, together with the threat of a double-dip recession in Europe. Furthermore, major economies have yet to implement a workable solution to promote short-term growth and long-term fiscal sustainability. While the growth outlook for Europe is bleak for the near term, the US is better positioned with its housing sector offering firm evidence that it has turned the corner and that it could be an engine of growth alongside the booming energy sector. Nevertheless, political posturing over raising the fiscal debt limit in the US will likely create short-term volatility in early 2013.

The low interest rate environment is likely to remain in 2013. Leverage multiples have reportedly increased in 2012, offering evidence of a return of risk appetite coupled with the availability of financing to good credits. These bode well for buyout activity should the momentum in the M&A markets seen in the fourth quarter of 2012 be carried into 2013.

Meanwhile, equity markets are expected to stabilize after a volatile 2012 as supportive central bank policies are starting to take effect, together with better economic prospects for 2013. These could provide a longer window of opportunity for converting the large pipeline of IPO candidates into successful listings.

Sources: International Monetary Fund; mergermarket; Dealogic; Thomson Reuters; Preqin; Partners Group Research

4 INVESTMENT MANAGER'S REPORT

NAV performance slightly up in 2012

In 2012, Princess' audited net asset value (NAV) was slightly up at EUR 8.40 per share, adjusted for the total dividend of EUR 0.49 per share paid out over the year.

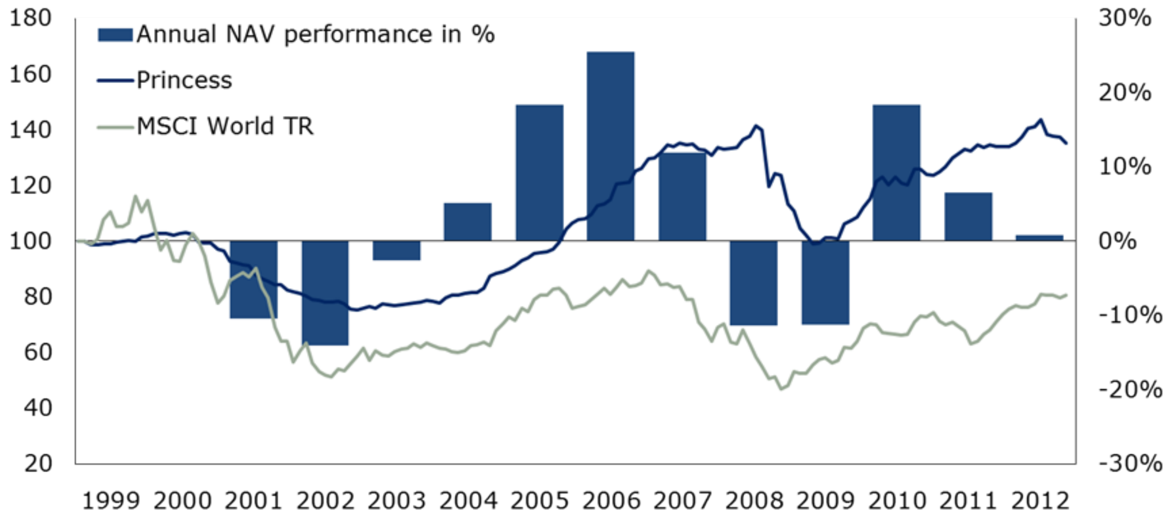
Valuation developments contributed as much as +3.2% to Princess' NAV in 2012, as constructive value creation initiatives by the Investment Manager and its partners continued to foster operational improvements in underlying portfolio companies. For instance, the last twelve months saw the 50 largest portfolio companies, representing approximately 34.6% of NAV, achieve a weighted average revenue and earnings (EBITDA) growth rate of 11.7% and 13.9%, respectively.

Realizations also had a positive impact on portfolio valuations in 2012, as Princess' mature portfolio exited a number of investments at significant valuation uplifts to book value. In 2012, Princess generated exit proceeds of EUR 139 million, or 22.7% of end-2011 NAV, with two notable contributors being the divestment of its stake in Bartec, a leading global provider of industrial safety technology, and the full realization of a direct investment in the nutritional products retailer General Nutrition Centers (GNC).

However, despite these positive valuation developments and strong realizations, Princess' NAV performance was constrained in 2012 by the discounted sale of a number of third-party fund positions on the secondary market. In aggregate, the secondary sales had a circa -3.0% impact on Princess' NAV, as the funds were disposed of at a discount to their carrying values.

The secondary sales nonetheless enhanced Princess' shareholder value over the year, as they helped to significantly accelerate the portfolio's phased transition towards becoming a pure direct investment vehicle, a key objective of the Company's 2010 strategic review.

NAV PERFORMANCE (SINCE INCEPTION)



The above chart is as of 31 December 2012

Strong share price performance reflects new corporate initiatives

Over the year, the market responded well to a number of new strategic initiatives by the Company, as evidenced by the 26.0% total return achieved by Princess' shares, based on its 2012 closing price of EUR 6.83 (2011: EUR 5.85). These initiatives included the increased focus on direct investments, the consolidation of the Company's listing on the London Stock Exchange, the simplification and reduction of Princess' management fee structure, and the sale of selected third-party funds on the secondary market. Rallying global stock markets provided further impetus for the strong showing of Princess' shares in 2012.

As a result of the significant re-rating of Princess in the market, the Company's price to NAV discount narrowed sharply to 18.7% as of 31 December 2012, from 33.6% as at the end of last year.

Pick-up in direct investment activity

In 2012, Princess made EUR 80.1 million in new investments, of which over 50% was allocated to new direct deals.

As part of its phased transition towards becoming a pure direct investment vehicle, Princess, in 2012, invested in 13 direct mezzanine deals with an average target IRR of 20% and equity cushion at entry of 46%. Key investments included Securitas Direct, BSN medical and Mercury Pharma. Princess also invested in four direct private equity transactions at an average entry multiple of 8.5x EBITDA. These deals were Trimco, Global Blue, Strategic Partners and Grupo SBF. The increase in direct investment activity helped Princess boost its exposure to direct investments by 14 percentage points over the year, from 22% to 36% of the portfolio.

Going forward, Princess plans to further increase its allocation to direct investments, focusing on opportunities in the small-to-mid-cap sector, where the Investment Manager believes valuations to be more attractive than in the large-cap segment of the market. The expectation is that by the end of 2013, the Princess portfolio will be over 50% allocated towards direct investments.

Secondary sales to fuel investment activity

In August 2012, Princess signed a binding agreement to sell a portfolio of 17 large-cap European and North American buyout fund positions to a third-party buyer, at a discount of 4.95% based on the 31 December 2011 NAV. Expected proceeds from the sale (EUR 162.4 million) will be paid in instalments over the next three years, with the first tranche already fully received as of 1 January 2013. This staggered payment structure was designed for two specific purposes. The first was to help Princess execute the secondary sale at a small discount, while the second was to provide Princess with the necessary dry powder to complete attractive direct investments, diversified across future vintage years.

In December, Princess entered into another agreement with a single buyer to sell 19 tail-end funds (predominantly venture), which were deemed to offer only limited upside potential. Net proceeds from the sale are expected to be in the region of EUR 11 million, and should provide further fire power for Princess to make targeted direct investments. This second transaction is expected to be completed in the first quarter of 2013.

Fee reduction and Frankfurt de-listing

In line with the Company's new focus on direct investments, Princess' Board agreed with the Investment Manager to introduce a standard management fee of 1.5% per annum across the Company's entire portfolio, effective from 1 January 2013. This should result in reduced operating expenses over time. Furthermore, the Board announced a consolidation of the Company's listing on the London Stock Exchange. The rationale was that this will consolidate all secondary market trading through a single and therefore more liquid quotation in London, while further raising the profile of Princess among analysts and investors in the listed private equity market. Accordingly, Princess' shares ceased to trade on the Frankfurt Stock Exchange from 6 December 2012. The transition occurred smoothly with no adverse impact on Princess' share price.

High dividend yield still on offer

In 2012, Princess paid investors a total dividend of EUR 0.49 per share, or EUR 34.0 million overall. This translated to an annualized dividend yield of 5.6% based on the NAV per share as of 30 September 2012, and of 7.2% based on the closing price of EUR 6.83 on the London Stock Exchange at the end of the year. Going forward, Princess intends to pay dividends semi-annually, with an aggregate of 5-8% per annum of NAV per share. The Board is confident that the strong dividend yield on offer will further enhance the attractiveness of Princess to new and existing investors alike.

Net liquidity position strengthened

Excluding secondary sale proceeds, the Company's net liquidity position continued to strengthen over the year, with distributions from successful realizations exceeding new investments by EUR 59 million, compared to EUR 34 million for 2011. Princess also received further cash of EUR 54 million in 2012 from executed secondary sales. The Company's net liquidity was EUR 165.4 million (including the deferred receivable) at the end of 2012, with circa EUR 96 million attributable to deferred receivables from the August 2012 secondary sale.

An undrawn EUR 80 million multi-currency credit facility is also available to address short-term funding needs if required.

Mature portfolio boosts distribution activity

Distribution proceeds increased significantly in 2012, despite a sharp decline in global initial public offering (IPO) deal values and volumes. In aggregate, Princess received distribution proceeds from realized portfolio companies of EUR 139 million over the year, surpassing the EUR 115.4 million received in 2011. The successful exit of six of Princess' 15 largest holdings proved the driving force behind the strong distribution activity witnessed in 2012.

A key exit for Princess in 2012 was the full realization of its direct investment in nutritional products retailer GNC, which prior to being exited was Princess' largest portfolio investment. The exit from GNC represented a return of more than 4x the cost of Princess' original direct investment and an IRR above 35%. The direct investment generated overall proceeds of EUR 18.2 million for Princess, with an extra EUR 3.4 million coming from an additional indirect holding in GNC. Another notable direct investment successfully exited during the period was Bartec, the provider of explosion protection products and services for hazardous environments such as refineries, petrol stations and oil exploration platforms. Bartec was sold to Charterhouse Capital Partners at an attractive multiple, having almost doubled its EBITDA over the life of the investment.

Princess also exited German healthcare provider Ameos; US confectionary business Farley & Sathers Candy; Dutch cable operator Ziggo; ventilating systems provider Essman; and its direct investment in the specialist healthcare operator Lifeways Community Care. The latter achieved a 3.0x money multiple upon realization.

Unfunded commitments to third-party funds down 49%

Unfunded commitments to third-party funds decreased by 49% in 2012 to EUR 73.5 million, from EUR 143.9 million as of the end of 2011. This reduction was helped by the release of EUR 27.1 million in unfunded commitments owing to the August 2012 secondary sale. Around EUR 28.8 million, or 40% of the portfolio's unfunded commitments from third-parties, originate from funds with vintage years 2000 or older, and as such are unlikely to be called.

Looking forward, unfunded commitments to third-party funds are expected to virtually disappear over the next 2-3 years as the underlying funds approach the end of their respective investment periods.

As part of its direct investment strategy, Princess also has unfunded commitments of EUR 154.7 million to two direct pooling vehicles, being Partners Group Direct Investments 2012 and Partners Group Direct Mezzanine 2011. These unfunded commitement are also expected to decrease at a steady pace over the next few years as capital is deployed on new investments.

Outlook

The Investment Manager expects Princess to deliver positive NAV growth in 2013, with successful realizations from its mature portfolio and positive operating results from underlying company holdings providing a boost to performance. With adequate liquidity for new investments, Princess is also expected to achieve an allocation to direct investments of over 50% by the end of 2013.

However, while several potential investments are expected to be screened over the first half of 2013, a cautious, relative value approach to investing is likely to be maintained, as the global macroeconomic outlook remains uncertain. As such the Investment Manager will be focussing on small-to-mid-cap opportunities that offer stability, high margins, non-cyclicality and pricing power.

Despite the ongoing global uncertainty, investors in Princess should receive some assurance from the Company's robust liquidity position, strong balance sheet, the prospect of more distributions from its mature portfolio and the support of the undrawn credit facility.

To conclude, the Investment Manager remains confident that the attractive dividend yield on offer and the considerable progress made thus far with the strategic repositioning of Princess towards more direct investments will further enhance its value for shareholders.

PORTFOLIO ALLOCATION

Increased allocation to direct investments

At 61%, the largest allocation in the Company’s portfolio as of the end of 2012 was to primary investments, down from 75% as of the end of the previous year. The allocation to direct investments increased to 36% as of year-end 2012, from 22% in 2011 and 17% in 2010. The allocation to secondary investments stayed at 3% over the year.

Small and mid-cap investments now account for 73% of all buyouts

The allocation of the portfolio to the buyout sector fell to 56% from 66% in the previous year. Small- and mid-cap investments accounted for 73% of all buyouts, while large and mega-large-cap investments accounted for the remaining 27%. The allocation to special situations investments rose by 7 percentage points in 2012 to 26% of the portfolio. Finally, the share of venture capital investments in the portfolio increased to 18% at the end of 2012 from 15% at the end of 2011.

Asian investments favored in the medium term

The geographical exposure of the Princess portfolio by value at the end of 2012 was split between North America (35% against 55% in 2011), Europe (46% against 34% in 2011) and Asia & Rest of World (19% against 11% in 2011). Following the 2010 strategic review, which called for the repositioning of the portfolio, it has been the intention to increase Princess' exposure to Asia and Rest of World in the medium term. Deals such as Global Blue and Trimco supported this initiative.

Highly diversified portfolio by industry sectors

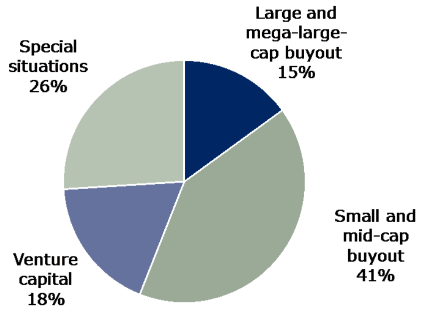
The Princess portfolio is broadly diversified across a wide range of industries. The highest sector allocations were consumer discretionary (25%), industrials (25%), healthcare (13%), information technology (9%) and financials (14%), and together these represented more than four-fifths of Princess' portfolio as of the end of 2012.

Well-balanced split by investment year

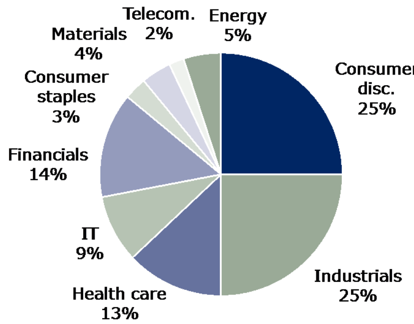
The maturity of the Princess portfolio is further underpinned by a healthy level of diversification across investment years. Around 41% of Princess' current investments were made in 2007 or earlier. These portfolio companies have been developed in the past years in readiness for exiting over the next few years. Around 48% of the Company's more recent investments were made over the past four years and typically at lower entry valuations.

5 PORTFOLIO COMPOSITION

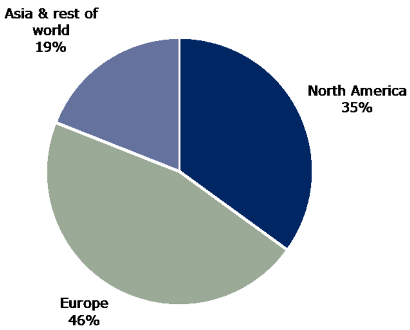
INVESTMENTS BY FINANCING STAGE



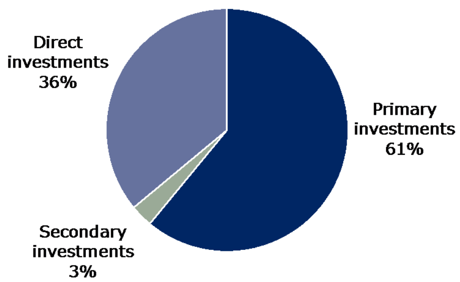
INVESTMENTS BY INDUSTRY SECTOR



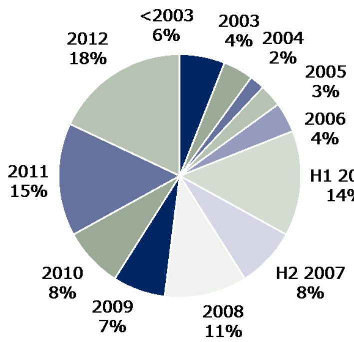
INVESTMENTS BY GEOGRAPHIC REGION



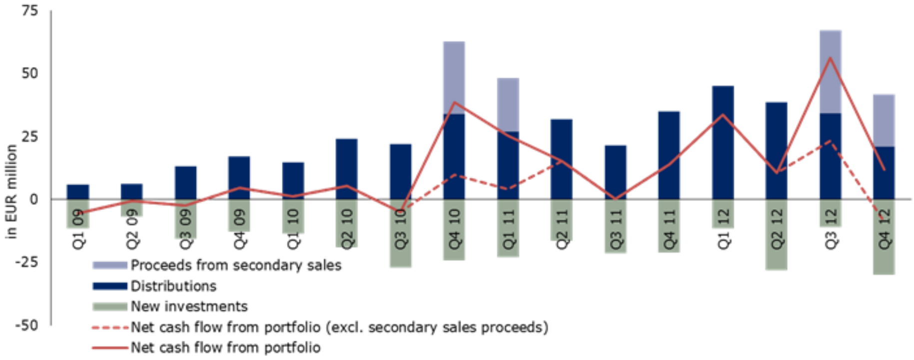
INVESTMENTS BY INVESTMENT TYPE



INVESTMENTS BY INVESTMENT YEAR

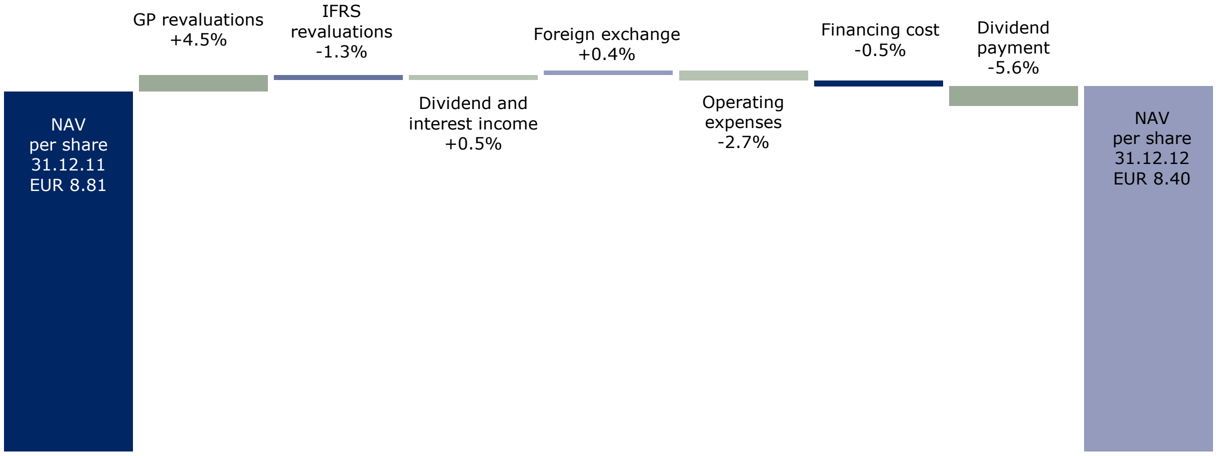


DEVELOPMENT OF NET CASH FLOWS



Q4 2012	FY 2012
+21.0m from secondary sale	+53.8m from secondary sale
+20.9m in distributions	+139.0m in distributions
-29.9m in new investments	-80.1m in new investments

NAV PERFORMANCE ATTRIBUTION IN 2012



VALUATION METRICS OF 50 LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Top 10	Top 20	Top 50
EV/EBITDA	8.9x	9.0x	9.1x
Net debt/EBITDA	4.1x	4.1x	4.1x
Leverage	44.5%	46.1%	46.2%
Average EV	EUR 1.7bn	EUR 1.6bn	EUR 1.7bn
% of NAV	17.0%	24.5%	34.6%

"Investments" refers to the value of investments.

*As of 31 December 2012 and based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report; the 50 largest portfolio companies exclude fully realized investments and distressed debt investments; Debt / EBITDA ratio based on net debt.

The above allocations are provided for additional investor information only and do not necessarily constitute nor are necessarily managed as separate reportable segments by the Investment Manager, the Investment Advisor and Company.

6 PORTFOLIO TRANSACTIONS

In 2012, Princess made EUR 80.1 million in new investments. By contrast, the Company received EUR 139 million in proceeds from exited investments, excluding secondary sale proceeds. This was well up on the EUR 115.4 million it received in 2011. Accordingly net cash flow from the portfolio excluding proceeds from the recent secondary sale totaled EUR 59 million.

INVESTMENTS

Trimco

At the end of April, the Company closed the small-cap direct investment into Trimco International Holdings Limited (Trimco), the Asia based global provider of apparel labeling solutions. Founded in 1979, and headquartered in Hong Kong, the management has successfully enlarged Trimco's operational footprint over the last few years with the establishment of subsidiaries in China, India, Thailand and Singapore. To further internationalize the company's footprint, an add-on acquisition in a UK-headquartered international label solution provider with a presence in the UK, Turkey, Romania and other important garment manufacturing hubs was completed shortly after the transaction closed.

Global Blue

In July, Princess acquired a stake in Global Blue, a provider of travel-related financial services headquartered in Switzerland. Global Blue's tax-free shopping business offers refund services through a partnership network of more than 270'000 retail merchants worldwide and refund counters at major airports.

Strategic Partners

In August, Princess made a direct investment in Strategic Partners, a leader in the manufacturing and marketing of medical uniforms, medical footwear and school uniforms in the US. Strategic Partners is a dominant player in its industry, supplying non-cyclical products for which growth in demand is supported by an increasing number of medical professionals. Going forward, Strategic Partners will leverage on Partners Group's global industry network to further develop its ongoing business initiatives.

Grupo SBF

Princess made a direct investment in Grupo SBF, the leading sporting goods retailer in Brazil, in December. Grupo SBF manages more than 200 stores throughout the country, as well as online channels, under brands such as Centauro, By Tennis, Nike Store and Almax. It is uniquely positioned to benefit from the expanding middle class in Brazil and from the upcoming sporting events taking place in the country, including the 2014 FIFA World Cup and the 2016 Summer Olympics. Princess and its investment partners seek to assist the company’s growth by expanding existing store sales and e-commerce turnover as well as via the roll-out of new stores.

CCM Pharma

Princess in December provided mezzanine debt financing for the UK headquartered specialty pharmaceuticals companies, Mercury Pharma and Amdipharm, which have been acquired by the buyout group, Cinven. Mercury Pharma and Amdipharm are each specialty healthcare firms involved in the marketing and sales of niche prescription off-patent drugs. The two companies will be merged and rebranded as CCM Pharma. Together the companies offer a broad and well diversified portfolio of mature pharmaceutical products. The credit quality for the transaction is reinforced by its leading position in its core niche markets, its geographical diversification as well as strong cash flow generation.

EXITS

General Nutrition Centers

In the first quarter of 2012, Princess fully realized its direct investment in GNC Holdings Inc. (GNC), the specialty retailer of health products, and prior to said exit, Princess' largest portfolio company holding. The sale of GNC represented a return of more than 4x the cost of Princess' original direct investment and an IRR above 35%. The realization of the direct investment generated overall proceeds of EUR 18.2 million in February and March 2012. In addition, Princess received a EUR 3.4 million distribution from its additional indirect holdings in GNC.

Lifeways Community Care

In June, UK healthcare operator Lifeways Community Care (Lifeways) was sold to OMERS Private Equity in a secondary management buyout worth approximately GBP 210 million. With approximately 6'300 trained staff, the company currently supports and cares for more than 3'400 people. Since the investment in 2007, Lifeways has grown significantly both organically and via eleven add on acquisitions. Prior to this exit, Lifeways was Princess' third largest portfolio company holding.

Bartec

In September, Princess divested 100% of its shares in Bartec, a leading global provider of industrial safety technology. Since its acquisition in 2008, Bartec has experienced strong growth and almost doubled EBITDA as a direct result of operational value creation initiatives. These included leveraging Partners Group's global network to develop client relationships, identifying acquisition targets and strengthening Bartec's market position in the Middle East. The investment in Bartec was exited at an attractive cost multiple.

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7 PORTFOLIO OVERVIEW

for the period ended 31 December 2012 (in EUR)

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
1	Global Blue	Direct	Europe	Buyout	2012
2	Partners Group Global Real Estate 2008 LP	Primary	Europe	Real estate	2008
3	ICG European Fund 2006, L.P.	Primary	Europe	Special situations	2006
4	Grupo SBF	Direct	Latin America	Venture capital	2012
5	Avista Capital Partners (Offshore), L.P.	Primary	North America	Buyout	2005
6	Terra Firma Capital Partners III, L.P.	Primary	Europe	Buyout	2006
7	Quadriga Capital Private Equity Fund III, L.P.	Primary	Northern Europe	Buyout	2006
8	Sterling Investment Partners II, L.P.	Primary	North America	Buyout	2005
9	August Equity Partners II A, L.P.	Primary	Western Europe	Buyout	2007
10	Education publisher	Direct	North America	Buyout	2007
11	Fermo (Trimco International)	Direct	Asia-Pacific	Buyout	2012
12	Anonymized European Buyout Fund 7	Primary	Europe	Buyout	2007
13	Ares Corporate Opportunities Fund III, L.P.	Primary	North America	Special situations	2008
14	INVESCO Venture Partnership Fund II-A, L.P.	Primary	North America	Venture capital	2000
15	INVESCO U.S. Buyout Partnership Fund II, L.P.	Primary	North America	Buyout	2000
16	Ares Corporate Opportunities Fund II, L.P.	Primary	North America	Special situations	2006
17	Securitas Direct - Debt 2011	Direct	Northern Europe	Special situations	2011
18	Newcastle Coal Infrastructure Group (2nd Stage)	Direct	Australasia	Special situations	2010
19	Plantasjen ASA	Direct	Northern Europe	Special situations	2007
20	INVESCO Venture Partnership Fund II, L.P.	Primary	North America	Venture capital	1999
21	Universal Hospital Services, Inc.	Direct	North America	Buyout	2007
22	AHT Cooling Systems GmbH	Direct	Western Europe	Special situations	2007
23	Fermo (Trimco International)	Direct	Greater China	Buyout	2012
24	GMT Communications Partners II, L.P.	Primary	Europe	Venture capital	2000
25	3i Eurofund Vb	Primary	Europe	Buyout	2006
26	Action	Direct	Western Europe	Buyout	2011
27	Fenway Partners Capital Fund II, L.P.	Primary	North America	Buyout	1998
28	Strategic Partners, Inc.	Direct	North America	Buyout	2012
29	MatlinPatterson Global Opportunities Partners III	Primary	North America	Special situations	2007
30	GMT Communications Partners III, L.P.	Primary	Europe	Buyout	2006
31	Pitango Venture Capital Fund III	Primary	Rest of World	Venture capital	2000
32	Candover 2005 Fund, L.P.	Primary	Europe	Buyout	2005
33	Information service company	Direct	North America	Buyout	2007
34	Food company 1	Direct	North America	Buyout	2007

Since inception

#	Investment	Committed	Invested	Net asset value in %
1	Global Blue	21'340'761	21'340'761	5.3%
2	Partners Group Global Real Estate 2008 LP	20'000'000	15'570'009	4.3%
3	ICG European Fund 2006, L.P.	15'000'000	15'223'739	3.2%
4	Grupo SBF	11'726'974	11'726'974	2.7%
5	Avista Capital Partners (Offshore), L.P.	14'046'741	17'085'314	2.6%
6	Terra Firma Capital Partners III, L.P.	20'000'000	18'621'394	2.3%
7	Quadriga Capital Private Equity Fund III, L.P.	10'000'000	9'858'895	2.3%
8	Sterling Investment Partners II, L.P.	7'492'614	7'328'016	1.8%
9	August Equity Partners II A, L.P.	8'488'336	n.a.	1.7%
10	Education publisher	7'356'811	7'356'811	1.7%
11	Fermo (Trimco International)	n.a.	n.a.	n.a.
12	Anonymized European Buyout Fund 7	10'000'000	6'300'251	1.6%
13	Ares Corporate Opportunities Fund III, L.P.	8'232'445	8'546'382	1.5%
14	INVESCO Venture Partnership Fund II-A, L.P.	33'502'217	32'115'665	1.5%
15	INVESCO U.S. Buyout Partnership Fund II, L.P.	28'484'792	26'608'454	1.5%
16	Ares Corporate Opportunities Fund II, L.P.	14'170'976	15'233'104	1.5%
17	Securitas Direct - Debt 2011	5'981'661	6'141'661	1.5%
18	Newcastle Coal Infrastructure Group (2nd Stage)	n.a.	n.a.	n.a.
19	Plantasjen ASA	3'363'816	3'363'816	1.4%
20	INVESCO Venture Partnership Fund II, L.P.	58'771'779	54'930'788	1.4%
21	Universal Hospital Services, Inc.	3'642'548	3'642'548	1.3%
22	AHT Cooling Systems GmbH	4'023'847	n.a.	1.3%
23	Fermo (Trimco International)	n.a.	n.a.	n.a.
24	GMT Communications Partners II, L.P.	14'000'000	15'313'252	1.2%
25	3i Eurofund Vb	10'000'000	9'512'766	1.2%
26	Action	3'405'530	3'412'275	1.2%
27	Fenway Partners Capital Fund II, L.P.	29'007'426	31'631'626	1.1%
28	Strategic Partners, Inc.	5'286'303	5'286'303	1.1%
29	MatlinPatterson Global Opportunities Partners III	7'169'731	7'835'814	1.1%
30	GMT Communications Partners III, L.P.	10'000'000	9'254'989	1.0%
31	Pitango Venture Capital Fund III	11'559'197	11'559'197	1.0%
32	Candover 2005 Fund, L.P.	10'000'000	10'216'818	1.0%
33	Information service company	4'545'447	4'546'736	1.0%
34	Food company 1	2'369'456	2'369'456	1.0%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
35	AWAS Aviation Holding	Direct	Western Europe	Buyout	2006
36	Aksia Capital III, L.P.	Secondary	Southern Europe	Buyout	2005
37	The Peninsula Fund IV, L.P.	Primary	North America	Special situations	2005
38	Palamon European Equity 'C', L.P.	Primary	Europe	Buyout	1999
39	Advent Latin American Private Equity Fund IV, L.P.	Primary	Latin America	Buyout	2007
40	Carmel Software Fund (Cayman), L.P.	Primary	Rest of World	Venture capital	2000
41	Levine Leichtman Capital Partners II, L.P.	Primary	North America	Special situations	1998
42	Anonymized Emerging Markets Venture Fund 2	Primary	Rest of World	Venture capital	2008
43	OCM Mezzanine Fund II, L.P.	Primary	North America	Special situations	2005
44	Project Sun	Direct	Southern Europe	Buyout	2011
45	BarBri	Direct	North America	Buyout	2011
46	Draper Fisher Jurvetson Fund VII, L.P.	Primary	North America	Venture capital	2000
47	SV Life Sciences Fund IV, L.P.	Primary	North America	Venture capital	2006
48	AHT Cooling Systems GmbH	Direct	Western Europe	Buyout	2007
49	Project Icon	Direct	Western Europe	Buyout	2011
50	Advent International GPE VI, L.P.	Primary	Europe	Buyout	2008
51	Bausch & Lomb, Inc	Direct	North America	Buyout	2007
52	Essmann	Direct	Western Europe	Special situations	2007
53	Menlo Ventures IX, L.P.	Primary	US-West	Venture capital	2000
54	Columbia Capital Equity Partners III (Cayman), LP	Primary	North America	Venture capital	2000
55	Polish Enterprise Fund IV, L.P.	Primary	Central & Eastern Europe	Buyout	2000
56	Blackstone Communications Partners I, L.P.	Primary	North America	Buyout	2000
57	Direct marketing and sales company	Direct	Latin America	Buyout	2007
58	Southern Cross Latin America PE Fund III	Primary	Latin America	Buyout	2007
59	Penta CLO I S.A..	Primary	Europe	Special situations	2007
60	Partners Group SPP1 Limited	Secondary	North America	Special situations	1996
61	Lightspeed Venture Partners VI, L.P.	Primary	North America	Venture capital	2000
62	Summit Ventures VI, L.P.	Primary	North America	Venture capital	2000
63	Index Ventures Growth I (Jersey), L.P.	Primary	Europe	Venture capital	2008
64	Ventizz Capital Fund IV, L.P.	Primary	Northern Europe	Venture capital	2007
65	Navis Asia Fund V, L.P.	Primary	Asia-Pacific	Buyout	2007
66	Exxel Capital Partners VI, L.P.	Primary	Latin America	Buyout	2000
67	Anonymized European Buyout Fund 3	Primary	Northern Europe	Buyout	2008
68	Sierra Ventures VIII-A, L.P.	Primary	North America	Venture capital	2000
69	Schenck Process GmbH	Direct	Western Europe	Buyout	2007
70	American Securities Partners III, L.P.	Primary	North America	Buyout	2001
71	Alinda Infrastructure Parallel Fund II, L.P.	Primary	North America	Special situations	2008
72	Realogy Corporation	Direct	North America	Buyout	2007
73	SV Life Sciences Fund II, L.P.	Primary	Europe	Venture capital	1998

Since inception

#	Investment	Committed	Invested	Net asset value in %
35	AWAS Aviation Holding	5'970'444	5'970'444	1.0%
36	Aksia Capital III, L.P.	5'500'000	5'273'962	0.9%
37	The Peninsula Fund IV, L.P.	7'516'900	7'146'307	0.9%
38	Palamon European Equity 'C', L.P.	10'000'000	12'249'502	0.9%
39	Advent Latin American Private Equity Fund IV, L.P.	3'804'742	3'709'959	0.9%
40	Carmel Software Fund (Cayman), L.P.	9'254'930	9'503'599	0.9%
41	Levine Leichtman Capital Partners II, L.P.	30'547'178	35'633'016	0.8%
42	Anonymized Emerging Markets Venture Fund 2	4'467'557	2'933'258	0.8%
43	OCM Mezzanine Fund II, L.P.	11'364'570	12'706'849	0.8%
44	Project Sun	3'361'701	3'361'701	0.8%
45	BarBri	2'654'598	2'654'598	0.7%
46	Draper Fisher Jurvetson Fund VII, L.P.	4'422'273	4'422'273	0.7%
47	SV Life Sciences Fund IV, L.P.	3'662'243	3'391'745	0.6%
48	AHT Cooling Systems GmbH	1'110'431	n.a.	0.6%
49	Project Icon	3'800'000	3'800'000	0.6%
50	Advent International GPE VI, L.P.	2'180'674	2'057'927	0.6%
51	Bausch & Lomb, Inc	1'086'188	n.a.	n.a.
52	Essmann	2'705'065	n.a.	0.6%
53	Menlo Ventures IX, L.P.	8'655'044	8'655'044	0.5%
54	Columbia Capital Equity Partners III (Cayman), LP	9'496'629	10'138'368	0.5%
55	Polish Enterprise Fund IV, L.P.	4'784'667	4'927'017	0.5%
56	Blackstone Communications Partners I, L.P.	8'740'362	9'489'550	0.4%
57	Direct marketing and sales company	768'400	691'429	0.4%
58	Southern Cross Latin America PE Fund III	1'510'348	1'463'294	0.4%
59	Penta CLO I S.A..	2'850'000	2'850'000	0.4%
60	Partners Group SPP1 Limited	42'028'232	40'112'114	0.4%
61	Lightspeed Venture Partners VI, L.P.	7'221'299	6'720'384	0.4%
62	Summit Ventures VI, L.P.	4'215'279	4'265'404	0.4%
63	Index Ventures Growth I (Jersey), L.P.	1'991'952	1'878'674	0.4%
64	Ventizz Capital Fund IV, L.P.	1'991'952	2'048'517	0.4%
65	Navis Asia Fund V, L.P.	1'160'651	1'419'354	0.4%
66	Exxel Capital Partners VI, L.P.	4'584'641	5'152'964	0.3%
67	Anonymized European Buyout Fund 3	1'635'505	1'319'932	0.3%
68	Sierra Ventures VIII-A, L.P.	8'881'970	8'881'970	0.3%
69	Schenck Process GmbH	941'381	951'350	0.3%
70	American Securities Partners III, L.P.	4'316'660	4'152'795	0.3%
71	Alinda Infrastructure Parallel Fund II, L.P.	2'164'200	1'490'056	0.3%
72	Realogy Corporation	n.a.	n.a.	0.3%
73	SV Life Sciences Fund II, L.P.	21'016'008	22'282'898	0.3%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
74	Telecommunication company	Direct	North America	Buyout	2007
75	Vortex Corporate Development Fund, L.P.	Primary	US-South	Venture capital	2000
76	Quick Service Restaurant Holdings - Debt	Direct	Australasia	Special situations	2011
77	Clayton, Dubilier & Rice Fund VIII, L.P.	Primary	North America	Buyout	2008
78	Media and communications company	Direct	North America	Buyout	2008
79	Industri Kapital 2000, L.P.	Primary	Northern Europe	Buyout	1999
80	ConvaTec Inc	Direct	Western Europe	Buyout	2008
81	Russia Partners III, L.P.	Primary	CIS	Buyout	2007
82	Crimson Velocity Fund, L.P.	Primary	Asia-Pacific	Venture capital	2000
83	Fashion company	Direct	North America	Buyout	2007
84	ARK Holding Company Inc.	Direct	North America	Buyout	2007
85	Medical diagnostic company	Direct	North America	Buyout	2008
86	Avio Holding S.p.A	Direct	Southern Europe	Buyout	2006
87	Affinity Asia Pacific Fund III, L.P.	Primary	Asia-Pacific	Buyout	2007
88	Innisfree PFI Secondary Fund	Primary	Western Europe	Special situations	2007
89	AXA LBO Fund IV	Primary	Europe	Buyout	2007
90	European Equity Partners (III), L.P.	Primary	Europe	Venture capital	1999
91	GP Capital Partners IV, L.P.	Primary	Latin America	Buyout	2007
92	Graphite Capital Partners V, L.P.	Primary	Western Europe	Buyout	1999
93	CVC Capital Partners Asia Pacific III, L.P.	Primary	Asia-Pacific	Buyout	2007
94	Advent Latin American Private Equity Fund II, L.P.	Primary	Latin America	Buyout	2001
95	EQT Infrastructure (No.1) Limited Partnership	Primary	Western Europe	Special situations	2008
96	Patria - Brazilian Private Equity Fund III, L.P	Primary	Latin America	Buyout	2007
97	BSN medical 2012 - Debt	Direct	Western Europe	Special situations	2012
98	Abris CEE Mid-Market Fund, L.P.	Primary	Central & Eastern Europe	Buyout	2007
99	ICG EOS Loan Fund I Limited	Primary	Europe	Special situations	2010
100	Super A-Mart	Direct	Australasia	Buyout	2006
101	Baring Asia Private Equity Fund IV, L.P.	Primary	Asia-Pacific	Buyout	2007
102	Summit Partners Europe Private Equity Fund, L.P.	Primary	Europe	Venture capital	2008
103	Surgery Partners - Debt	Direct	North America	Special situations	2009
104	TPG Asia V, L.P.	Primary	Asia-Pacific	Buyout	2007
105	3PD - Debt	Direct	North America	Special situations	2011
106	HitecVision V, L.P.	Primary	Northern Europe	Buyout	2008
107	Perusa Partners 1, L.P.	Primary	Western Europe	Special situations	2008
108	Wellington Partners II, L.P.	Primary	Europe	Venture capital	2000
109	Hony Capital Fund 2008, L.P.	Primary	Greater China	Buyout	2008
110	Savers, Inc. - Debt	Direct	North America	Special situations	2012
111	Photonis - Debt	Direct	Western Europe	Special situations	2011
112	Bridgepoint Europe I 'D', L.P.	Primary	Europe	Buyout	1998

Since inception

#	Investment	Committed	Invested	Net asset value in %
74	Telecommunication company	1'491'010	1'491'039	0.3%
75	Vortex Corporate Development Fund, L.P.	2'947'958	2'838'852	0.3%
76	Quick Service Restaurant Holdings - Debt	n.a.	n.a.	n.a.
77	Clayton, Dubilier & Rice Fund VIII, L.P.	1'564'616	2'516'636	0.3%
78	Media and communications company	1'995'318	1'995'318	0.3%
79	Industri Kapital 2000, L.P.	10'000'000	10'931'148	0.3%
80	ConvaTec Inc	749'479	749'479	0.3%
81	Russia Partners III, L.P.	1'536'496	1'551'078	0.3%
82	Crimson Velocity Fund, L.P.	4'561'095	5'917'416	0.3%
83	Fashion company	1'075'830	1'075'830	0.3%
84	ARK Holding Company Inc.	1'078'771	1'078'771	0.2%
85	Medical diagnostic company	825'221	831'189	0.2%
86	Avio Holding S.p.A	465'286	468'052	n.a.
87	Affinity Asia Pacific Fund III, L.P.	1'052'974	871'965	0.2%
88	Innisfree PFI Secondary Fund	1'721'063	1'027'928	0.2%
89	AXA LBO Fund IV	1'090'337	1'155'053	0.2%
90	European Equity Partners (III), L.P.	3'000'000	3'060'600	0.2%
91	GP Capital Partners IV, L.P.	1'491'078	1'490'146	0.2%
92	Graphite Capital Partners V, L.P.	15'383'752	14'584'196	0.2%
93	CVC Capital Partners Asia Pacific III, L.P.	1'285'032	1'049'941	0.2%
94	Advent Latin American Private Equity Fund II, L.P.	4'238'336	4'238'336	0.2%
95	EQT Infrastructure (No.1) Limited Partnership	1'428'571	1'262'460	0.2%
96	Patria - Brazilian Private Equity Fund III, L.P	n.a.	n.a.	n.a.
97	BSN medical 2012 - Debt	982'373	982'373	0.2%
98	Abris CEE Mid-Market Fund, L.P.	817'753	820'309	0.2%
99	ICG EOS Loan Fund I Limited	776'444	776'444	0.2%
100	Super A-Mart	1'483'033	1'488'324	0.2%
101	Baring Asia Private Equity Fund IV, L.P.	1'074'049	1'047'867	0.2%
102	Summit Partners Europe Private Equity Fund, L.P.	1'991'952	936'217	0.2%
103	Surgery Partners - Debt	745'479	739'963	0.2%
104	TPG Asia V, L.P.	1'157'493	1'043'969	0.2%
105	3PD - Debt	808'477	796'425	0.2%
106	HitecVision V, L.P.	985'195	837'246	0.2%
107	Perusa Partners 1, L.P.	1'757'869	1'595'955	0.2%
108	Wellington Partners II, L.P.	4'000'000	4'007'000	0.2%
109	Hony Capital Fund 2008, L.P.	825'799	901'657	0.2%
110	Savers, Inc. - Debt	847'805	847'805	0.2%
111	Photonis - Debt	749'997	742'425	0.2%
112	Bridgepoint Europe I 'D', L.P.	31'007'172	30'281'543	0.2%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
113	Genesis Partners II LDC	Primary	Rest of World	Venture capital	1999
114	Permira Europe II, L.P.	Primary	Europe	Buyout	2000
115	APAX Excelsior VI, L.P.	Primary	North America	Venture capital	2000
116	Aurora Casket - Debt	Direct	North America	Special situations	2012
117	Nmas1 Private Equity Fund II, L.P.	Primary	Southern Europe	Buyout	2008
118	Standard Chartered IL&FS Asia Infra Growth Fund	Primary	Asia-Pacific	Special situations	2008
119	Vestar Capital Partners IV, L.P.	Primary	North America	Buyout	1999
120	The Nielsen Company	Direct	Western Europe	Buyout	2006
121	Sabre Industries - Debt	Direct	North America	Special situations	2012
122	Oasis Dental Care, Ltd.	Direct	Western Europe	Buyout	2009
123	Rutland Fund, The	Primary	Western Europe	Special situations	2000
124	Universal Services of America	Direct	North America	Special situations	2012
125	Pacific Equity Partners Fund IV, L.P.	Primary	Australasia	Buyout	2007
126	Advent Central & Eastern Europe IV, L.P.	Primary	Central & Eastern Europe	Buyout	2008
127	Austin Ventures VII, L.P.	Primary	US-South	Venture capital	1999
128	Project Opportunistic Direct Investments	Direct	North America	Buyout	2007
129	Sofinnova Capital VI FCPR	Primary	Western Europe	Venture capital	2008
130	US entertainment company	Direct	North America	Buyout	2008
131	Archer Capital Fund 4, L.P.	Primary	Australasia	Buyout	2007
132	Providence Equity Partners IV, L.P.	Primary	North America	Buyout	2000
133	CCM Pharma - Mezzanine	Direct	Western Europe	Special situations	2012
134	Cybernaut Growth Fund, L.P.	Secondary	Greater China	Venture capital	2005
135	TH Lee Putnam Parallel Ventures, L.P.	Primary	North America	Venture capital	1999
136	Ziggo B.V.	Direct	Western Europe	Buyout	2006
137	Wood Mackenzie	Direct	Western Europe	Special situations	2012
138	TCW/Crescent Mezzanine Partners III, L.P.	Primary	North America	Special situations	2001
139	GP Capital Partners V, L.P.	Primary	Latin America	Buyout	2008
140	EXCO Resources, Inc.	Direct	North America	Buyout	2007
141	Anonymized Asian Buyout Fund 3	Primary	Asia-Pacific	Buyout	2007
142	Enterprise Venture Fund I, L.P.	Primary	Central & Eastern Europe	Venture capital	2008
143	Battery Ventures VI, L.P.	Primary	North America	Venture capital	2000
144	Chase 1998 Pool Participation Fund, L.P.	Secondary	North America	Special situations	1998
145	Medical device company 1	Direct	North America	Buyout	2008
146	TA IX, L.P.	Primary	North America	Venture capital	2000
147	ECI 9, L.P.	Primary	Western Europe	Buyout	2009
148	Project Dome EU Buyout	Secondary	Northern Europe	Buyout	2006
149	Grupo Santillana	Direct	Latin America	Venture capital	2010
150	NXP Semiconductors N.V.	Direct	Western Europe	Buyout	2006
151	Apollo European Principal Finance Fund (Feeder)	Primary	Europe	Special situations	2008

Since inception

#	Investment	Committed	Invested	Net asset value in %
113	Genesis Partners II LDC	9'600'059	9'176'349	0.2%
114	Permira Europe II, L.P.	20'000'000	20'117'508	0.2%
115	APAX Excelsior VI, L.P.	4'686'764	4'552'347	0.2%
116	Aurora Casket - Debt	756'816	741'679	0.2%
117	Nmas1 Private Equity Fund II, L.P.	1'362'921	961'523	0.2%
118	Standard Chartered IL&FS Asia Infra Growth Fund	1'415'267	923'078	0.2%
119	Vestar Capital Partners IV, L.P.	4'531'485	4'432'854	0.2%
120	The Nielsen Company	383'948	384'241	0.1%
121	Sabre Industries - Debt	644'390	644'332	0.1%
122	Oasis Dental Care, Ltd.	402'677	402'677	0.1%
123	Rutland Fund, The	9'647'534	9'193'075	0.1%
124	Universal Services of America	645'665	628'276	0.1%
125	Pacific Equity Partners Fund IV, L.P.	779'067	582'368	0.1%
126	Advent Central & Eastern Europe IV, L.P.	1'063'840	738'813	0.1%
127	Austin Ventures VII, L.P.	5'030'577	4'863'267	0.1%
128	Project Opportunistic Direct Investments	140'562	140'562	0.1%
129	Sofinnova Capital VI FCPR	995'976	697'183	0.1%
130	US entertainment company	4'490'701	4'529'266	0.1%
131	Archer Capital Fund 4, L.P.	862'491	782'012	0.1%
132	Providence Equity Partners IV, L.P.	9'290'186	11'782'329	0.1%
133	CCM Pharma - Mezzanine	576'975	576'975	0.1%
134	Cybernaut Growth Fund, L.P.	453'375	367'096	0.1%
135	TH Lee Putnam Parallel Ventures, L.P.	9'559'170	9'829'996	0.1%
136	Ziggo B.V.	n.a.	n.a.	0.1%
137	Wood Mackenzie	526'952	526'952	0.1%
138	TCW/Crescent Mezzanine Partners III, L.P.	9'350'121	9'189'027	0.1%
139	GP Capital Partners V, L.P.	1'593'997	1'122'850	0.1%
140	EXCO Resources, Inc.	1'482'153	1'482'153	0.1%
141	Anonymized Asian Buyout Fund 3	1'208'292	658'585	0.1%
142	Enterprise Venture Fund I, L.P.	995'976	527'656	0.1%
143	Battery Ventures VI, L.P.	4'201'154	4'201'154	0.1%
144	Chase 1998 Pool Participation Fund, L.P.	19'809'690	24'100'864	0.1%
145	Medical device company 1	941'704	938'600	0.1%
146	TA IX, L.P.	8'982'113	8'754'810	0.1%
147	ECI 9, L.P.	978'326	475'173	0.1%
148	Project Dome EU Buyout	433'339	408'915	0.1%
149	Grupo Santillana	n.a.	n.a.	n.a.
150	NXP Semiconductors N.V.	588'096	588'096	0.1%
151	Apollo European Principal Finance Fund (Feeder)	692'566	791'571	0.1%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
152	Project GIH/Baring Asia	Primary	Middle East & North Africa	Buyout	2005
153	European Equity Partners (IV), L.P.	Primary	Europe	Venture capital	2004
154	First Reserve Fund XI, L.P.	Primary	North America	Special situations	2006
155	Univision Communications, Inc.	Direct	North America	Buyout	2007
156	Coller International Partners III NW1, L.P.	Secondary	Europe	Special situations	1994
157	ISIS IV LP	Secondary	Western Europe	Buyout	2007
158	Mercapital Spanish Private Equity Fund II, L.P.	Primary	Southern Europe	Buyout	2000
159	Esprit Capital I Fund, L.P.	Secondary	Europe	Venture capital	2000
160	Freescale Semiconductor, Inc.	Direct	North America	Buyout	2006
161	Morgenthaler Partners VII, L.P.	Primary	North America	Venture capital	2001
162	Service company	Direct	North America	Buyout	2007
163	Oaktree Principal Fund V (Cayman) Ltd.	Primary	North America	Special situations	2009
164	Cabot Credit Management Group	Direct	Western Europe	Buyout	2011
165	Indian communications company	Direct	India	Buyout	2008
166	Apollo Overseas Partners (Delaware) VII, L.P.	Secondary	North America	Buyout	2008
167	Food and beverage services operator	Direct	Western Europe	Buyout	2006
168	TPG Partners III, L.P.	Primary	North America	Buyout	2000
169	Quick Service Restaurant Holdings - Equity	Direct	Australasia	Special situations	2011
170	Advent Latin American Private Equity Fund V, L.P.	Primary	Latin America	Buyout	2009
171	DLJ SAP International, LLC	Primary	Latin America	Buyout	2007
172	IDG-Accel China Capital Fund	Primary	Greater China	Venture capital	2008
173	San Antonio Internacional Ltd	Direct	Latin America	Special situations	2010
174	5 Canada Square	Direct	Western Europe	Real estate	2010
175	Minimax Viking - Equity	Direct	Western Europe	Buyout	2006
176	Kaffee Partner AG	Direct	Western Europe	Buyout	2010
177	Behrman Capital IV, L.P.	Primary	North America	Buyout	2007
178	Photonis - Equity	Direct	Western Europe	Special situations	2011
179	ChrysCapital V, LLC	Primary	India	Venture capital	2007
180	Anonymized Asian Venture Fund 1	Primary	Greater China	Venture capital	2007
181	Intermediate Capital Asia Pacific Fund 2008, L.P.	Primary	Asia-Pacific	Special situations	2008
182	Strategic Value Global Opportunities Fund I-A, LP	Secondary	Europe	Special situations	2006
183	Anonymized US Buyout Fund 8	Primary	North America	Buyout	2007
184	Healthcare operator 2	Direct	Southern Europe	Buyout	2007
185	SBCVC Fund III, L.P.	Primary	Greater China	Venture capital	2008
186	Kofola S.A.	Direct	Central & Eastern Europe	Buyout	2008
187	Lone Star Fund VII, L.P.	Primary	North America	Real estate	2009
188	Electric supply manufacturer	Direct	North America	Buyout	2006
189	Indium III (Mauritius) Holdings Limited	Primary	India	Buyout	2007
190	3i India Infrastructure Fund D L.P.	Primary	India	Special situations	2007

Since inception

#	Investment	Committed	Invested	Net asset value in %
152	Project GIH/Baring Asia	652'906	657'175	0.1%
153	European Equity Partners (IV), L.P.	600'000	600'000	0.1%
154	First Reserve Fund XI, L.P.	492'854	556'720	0.1%
155	Univision Communications, Inc.	635'643	664'549	0.1%
156	Coller International Partners III NW1, L.P.	19'993'456	17'207'405	0.1%
157	ISIS IV LP	545'984	375'393	0.1%
158	Mercapital Spanish Private Equity Fund II, L.P.	7'000'000	7'122'224	0.1%
159	Esprit Capital I Fund, L.P.	1'458'999	1'537'005	0.1%
160	Freescale Semiconductor, Inc.	1'302'763	1'288'219	0.1%
161	Morgenthaler Partners VII, L.P.	2'692'716	2'692'716	0.1%
162	Service company	289'643	291'043	0.1%
163	Oaktree Principal Fund V (Cayman) Ltd.	498'647	365'640	0.1%
164	Cabot Credit Management Group	258'190	258'190	0.1%
165	Indian communications company	516'404	516'404	0.1%
166	Apollo Overseas Partners (Delaware) VII, L.P.	396'886	407'003	0.1%
167	Food and beverage services operator	1'752'139	1'752'139	0.1%
168	TPG Partners III, L.P.	3'791'983	3'553'527	0.1%
169	Quick Service Restaurant Holdings - Equity	n.a.	n.a.	n.a.
170	Advent Latin American Private Equity Fund V, L.P.	799'878	343'680	0.1%
171	DLJ SAP International, LLC	413'080	367'565	0.1%
172	IDG-Accel China Capital Fund	353'831	284'796	0.1%
173	San Antonio Internacional Ltd	335'410	335'410	0.1%
174	5 Canada Square	244'233	242'215	0.1%
175	Minimax Viking - Equity	n.a.	218'067	0.1%
176	Kaffee Partner AG	269'152	217'327	0.1%
177	Behrman Capital IV, L.P.	559'094	303'216	0.1%
178	Photonis - Equity	299'999	299'999	0.1%
179	ChrysCapital V, LLC	428'149	435'395	0.1%
180	Anonymized Asian Venture Fund 1	433'654	354'023	0.1%
181	Intermediate Capital Asia Pacific Fund 2008, L.P.	524'122	419'675	0.1%
182	Strategic Value Global Opportunities Fund I-A, LP	410'107	380'341	0.1%
183	Anonymized US Buyout Fund 8	1'478'454	334'360	0.1%
184	Healthcare operator 2	2'761'130	2'761'130	0.1%
185	SBCVC Fund III, L.P.	356'395	237'618	0.1%
186	Kofola S.A.	619'317	619'317	0.1%
187	Lone Star Fund VII, L.P.	389'005	315'274	0.1%
188	Electric supply manufacturer	287'961	288'207	0.1%
189	Indium III (Mauritius) Holdings Limited	292'097	280'951	0.1%
190	3i India Infrastructure Fund D L.P.	341'488	285'268	0.1%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
191	H.I.G. Bayside Debt & LBO Fund II, L.P.	Primary	North America	Special situations	2008
192	Helios Investors II, L.P.	Primary	Africa	Buyout	2009
193	3i Europartners IIIA, L.P.	Primary	Europe	Buyout	1999
194	Montagu IV LP	Primary	Europe	Buyout	2011
195	Doughty Hanson & Co. Fund III, L.P.	Secondary	Europe	Buyout	1997
196	Marlin Equity III, L.P.	Primary	North America	Special situations	2010
197	Advanced Technology Ventures VI, L.P.	Primary	North America	Venture capital	2000
198	Chronos Life Group	Direct	North America	Special situations	2010
199	Warburg Pincus Private Equity X, L.P.	Secondary	North America	Buyout	2007
200	DFJ Esprit Capital III, L.P.	Primary	Europe	Venture capital	2007
201	Jiuding China Growth Fund, L.P.	Primary	Greater China	Venture capital	2010
202	IDFC Private Equity (Mauritius) Fund III	Primary	India	Special situations	2008
203	Acteon Group, Ltd.	Direct	Western Europe	Buyout	2012
204	Centerbridge Capital Partners II, L.P.	Primary	North America	Special situations	2011
205	Morgan Stanley Dean Witter Venture Partners IV LP	Primary	North America	Venture capital	1999
206	Unison Capital Partners III (B), L.P.	Primary	Japan	Buyout	2008
207	STIC Korea Integrated-Tech New Growth PE Fund	Primary	South Korea	Venture capital	2009
208	NewMargin Growth Fund, L.P.	Primary	Greater China	Venture capital	2007
209	Coller International Partners III, L.P.	Primary	Europe	Special situations	1999
210	Comvest Investment Partners IV-A, L.P.	Primary	North America	Special situations	2010
211	Catterton Partners IV Offshore, L.P.	Primary	North America	Venture capital	1999
212	Software Developer	Direct	Central & Eastern Europe	Venture capital	2009
213	CDH Fund IV, L.P.	Primary	Greater China	Venture capital	2009
214	Project Phoenix	Direct	Western Europe	Real estate	2010
215	Searchlight Capital PV, L.P.	Primary	North America	Special situations	2010
216	Carlyle Asia Growth Partners IV, L.P.	Primary	Asia-Pacific	Venture capital	2008
217	Clessidra Capital Partners II	Primary	Southern Europe	Buyout	2008
218	Axcel III K / S 2	Secondary	Northern Europe	Buyout	2005
219	L'Equipe Monteur	Direct	Latin America	Buyout	2008
220	Lone Star Real Estate Fund II, L.P.	Primary	North America	Real estate	2009
221	Second Cinven Fund (No.2), L.P.	Secondary	Europe	Buyout	1998
222	Indium IV (Mauritius) Holdings Limited	Primary	India	Buyout	2009
223	Kelso Place Special Situations Fund L.P.	Primary	Western Europe	Special situations	2009
224	Doughty Hanson & Co. European Real Estate Fund	Primary	Europe	Real estate	1999
225	ET Solar Group Corp.	Direct	Greater China	Venture capital	2008
226	BSN medical 2012 - Equity	Direct	Western Europe	Special situations	2012
227	BCH	Direct	Greater China	Venture capital	2011
228	Project Dome Distressed	Secondary	North America	Buyout	2007
229	Southern Cross Latin America PE Fund IV	Primary	Latin America	Buyout	2010

Since inception

#	Investment	Committed	Invested	Net asset value in %
191	H.I.G. Bayside Debt & LBO Fund II, L.P.	508'444	266'303	0.1%
192	Helios Investors II, L.P.	471'200	283'054	0.1%
193	3i Europartners IIIA, L.P.	20'000'000	18'174'976	0.1%
194	Montagu IV LP	817'753	265'569	0.1%
195	Doughty Hanson & Co. Fund III, L.P.	6'594'885	6'640'475	0.1%
196	Marlin Equity III, L.P.	574'703	328'754	n.a.
197	Advanced Technology Ventures VI, L.P.	5'187'928	5'187'928	0.1%
198	Chronos Life Group	168'370	168'370	0.1%
199	Warburg Pincus Private Equity X, L.P.	232'138	228'981	0.1%
200	DFJ Esprit Capital III, L.P.	414'326	244'756	0.1%
201	Jiuding China Growth Fund, L.P.	n.a.	n.a.	n.a.
202	IDFC Private Equity (Mauritius) Fund III	354'066	248'372	0.1%
203	Acteon Group, Ltd.	228'030	228'030	0.1%
204	Centerbridge Capital Partners II, L.P.	510'163	230'310	0.0%
205	Morgan Stanley Dean Witter Venture Partners IV LP	4'916'690	5'529'166	0.0%
206	Unison Capital Partners III (B), L.P.	342'262	298'487	0.0%
207	STIC Korea Integrated-Tech New Growth PE Fund	276'660	242'575	0.0%
208	NewMargin Growth Fund, L.P.	230'062	205'613	n.a.
209	Coller International Partners III, L.P.	12'589'271	12'531'927	0.0%
210	Comvest Investment Partners IV-A, L.P.	507'606	235'360	0.0%
211	Catterton Partners IV Offshore, L.P.	15'527'938	17'071'346	0.0%
212	Software Developer	164'927	165'010	0.0%
213	CDH Fund IV, L.P.	253'772	190'456	0.0%
214	Project Phoenix	134'771	134'097	0.0%
215	Searchlight Capital PV, L.P.	768'567	223'195	0.0%
216	Carlyle Asia Growth Partners IV, L.P.	356'984	218'917	0.0%
217	Clessidra Capital Partners II	817'753	299'101	0.0%
218	Axcel III K / S 2	151'343	150'667	0.0%
219	L'Equipe Monteur	441'546	441'546	0.0%
220	Lone Star Real Estate Fund II, L.P.	381'999	173'908	0.0%
221	Second Cinven Fund (No.2), L.P.	8'323'495	8'168'492	0.0%
222	Indium IV (Mauritius) Holdings Limited	712'408	200'726	0.0%
223	Kelso Place Special Situations Fund L.P.	410'276	162'273	0.0%
224	Doughty Hanson & Co. European Real Estate Fund	5'456'242	6'475'116	0.0%
225	ET Solar Group Corp.	126'156	126'156	0.0%
226	BSN medical 2012 - Equity	147'356	147'737	0.0%
227	BCH	106'768	106'768	0.0%
228	Project Dome Distressed	228'575	156'083	0.0%
229	Southern Cross Latin America PE Fund IV	482'739	181'205	0.0%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
230	India Equity Partners Fund I, LLC	Secondary	India	Venture capital	2006
231	Quadriga Capital Private Equity Fund IV L.P.	Primary	Europe	Buyout	2012
232	Value Enhancement Partners Special Sit. Fund I	Primary	Western Europe	Special situations	2008
233	China Forestry Holdings Co. Ltd.	Direct	Greater China	Venture capital	2009
234	Baring Asia Private Equity Fund V, L.P.	Primary	Asia-Pacific	Buyout	2011
235	Hunter Boot Ltd	Direct	Western Europe	Buyout	2012
236	Casadoce Industria e Comercio de Alimentos S.A.	Direct	Latin America	Buyout	2010
237	Anonymized European Buyout Fund 13	Secondary	Western Europe	Buyout	2007
238	Starbev	Direct	Central & Eastern Europe	Buyout	2010
239	KKR China Growth Fund L.P.	Primary	Greater China	Venture capital	2010
240	Project Power Play	Direct	North America	Buyout	2011
241	Saehwa International Machinery Corporation	Direct	South Korea	Venture capital	2010
242	Anonymized Asian Buyout Fund 6	Secondary	Asia-Pacific	Buyout	2007
243	Valedo Partners Fund II AB	Primary	Northern Europe	Buyout	2011
244	Astorg V FCPR	Primary	Europe	Buyout	2011
245	Savers, Inc. - Equity	Direct	North America	Special situations	2012
246	Sabre Industries - Equity	Direct	North America	Special situations	2012
247	Capital Today China Growth Fund II, L.P.	Primary	Greater China	Venture capital	2009
248	Apollo Investment Fund VI, L.P.	Secondary	North America	Buyout	2006
249	SBCVC Fund II-Annex, L.P.	Primary	Greater China	Venture capital	2007
250	Navis Asia Fund VI, L.P.	Primary	Asia-Pacific	Buyout	2009
251	Citigroup Venture Int. Growth Partnership II, L.P.	Secondary	Asia-Pacific	Venture capital	2007
252	Food Company 3	Direct	Central & Eastern Europe	Buyout	2010
253	Aurora Casket - Equity	Direct	North America	Special situations	2012
254	Peepul Capital Fund III, LLC	Primary	India	Buyout	2010
255	Project Spring	Direct	North America	Special situations	2010
256	Segulah II, L.P.	Primary	Northern Europe	Buyout	1999
257	Coller International Partners III NW2, L.P.	Secondary	Europe	Special situations	1996
258	Meat producer	Direct	Southeast Asia	Buyout	2010
259	Carlyle Japan International Partners II, L.P.	Secondary	Japan	Buyout	2006
260	Citigroup Venture Capital Int Growth Prt Cayman LP	Secondary	Asia-Pacific	Buyout	2005
261	Blackstone Mezzanine Partners, L.P.	Primary	North America	Special situations	1999
262	Project Razor	Secondary	Asia-Pacific	Buyout	1999
263	AOT Bedding Super Holdings LLC	Direct	North America	Special situations	2005
264	Capvis Equity II, L.P.	Secondary	Northern Europe	Buyout	2003
265	CVC Capital Partners Asia Pacific II, L.P.	Secondary	Asia-Pacific	Buyout	2005
266	OCM Opportunities Fund III, L.P.	Primary	North America	Special situations	1999
267	TPG Partners VI, L.P.	Secondary	North America	Buyout	2008
268	Newbridge Asia III, L.P.	Primary	Asia-Pacific	Buyout	2000

Since inception

#	Investment	Committed	Invested	Net asset value in %
230	India Equity Partners Fund I, LLC	78'801	78'543	0.0%
231	Quadriga Capital Private Equity Fund IV L.P.	817'753	151'595	0.0%
232	Value Enhancement Partners Special Sit. Fund I	674'782	204'240	0.0%
233	China Forestry Holdings Co. Ltd.	166'619	166'619	0.0%
234	Baring Asia Private Equity Fund V, L.P.	424'749	158'192	0.0%
235	Hunter Boot Ltd	110'028	110'028	0.0%
236	Casadoce Industria e Comercio de Alimentos S.A.	163'729	105'470	0.0%
237	Anonymized European Buyout Fund 13	199'042	139'166	0.0%
238	Starbev	211'110	211'110	0.0%
239	KKR China Growth Fund L.P.	n.a.	n.a.	n.a.
240	Project Power Play	412'239	113'379	0.0%
241	Saehwa International Machinery Corporation	n.a.	n.a.	n.a.
242	Anonymized Asian Buyout Fund 6	123'891	97'245	0.0%
243	Valedo Partners Fund II AB	527'231	116'804	0.0%
244	Astorg V FCPR	735'977	125'118	0.0%
245	Savers, Inc. - Equity	102'310	102'324	0.0%
246	Sabre Industries - Equity	99'648	99'648	0.0%
247	Capital Today China Growth Fund II, L.P.	195'310	99'379	0.0%
248	Apollo Investment Fund VI, L.P.	83'483	77'266	0.0%
249	SBCVC Fund II-Annex, L.P.	116'047	80'803	0.0%
250	Navis Asia Fund VI, L.P.	174'261	86'417	0.0%
251	Citigroup Venture Int. Growth Partnership II, L.P.	n.a.	n.a.	n.a.
252	Food Company 3	77'881	77'881	0.0%
253	Aurora Casket - Equity	75'682	75'682	0.0%
254	Peepul Capital Fund III, LLC	517'177	n.a.	n.a.
255	Project Spring	n.a.	n.a.	n.a.
256	Segulah II, L.P.	9'393'797	8'756'426	0.0%
257	Coller International Partners III NW2, L.P.	24'369'139	23'179'371	0.0%
258	Meat producer	60'887	62'432	0.0%
259	Carlyle Japan International Partners II, L.P.	59'731	50'297	0.0%
260	Citigroup Venture Capital Int Growth Prt Cayman LP	n.a.	n.a.	n.a.
261	Blackstone Mezzanine Partners, L.P.	3'566'637	2'774'569	0.0%
262	Project Razor	93'248	92'531	0.0%
263	AOT Bedding Super Holdings LLC	75'419	75'419	0.0%
264	Capvis Equity II, L.P.	174'080	173'176	0.0%
265	CVC Capital Partners Asia Pacific II, L.P.	45'488	43'408	0.0%
266	OCM Opportunities Fund III, L.P.	4'371'426	4'404'203	0.0%
267	TPG Partners VI, L.P.	44'812	32'712	0.0%
268	Newbridge Asia III, L.P.	4'188'169	4'397'338	0.0%

#	Investment	Type of investment	Regional focus	Financing stage	Vintage year
269	Silver Lake Partners, L.P.	Primary	North America	Buyout	1999
270	Telecommunication company	Direct	North America	Special situations	2007
271	Carlyle Partners III, L.P.	Primary	North America	Buyout	1999
272	AIF Capital Asia IV, L.P.	Primary	Asia-Pacific	Buyout	2011
273	Worldview Technology Partners III, L.P.	Primary	Rest of World	Venture capital	1999
274	AsiaVest Opportunities Fund IV	Secondary	Greater China	Venture capital	2004
275	AP Investment Europe Limited	Primary	Europe	Special situations	2006
276	Collins Foods Group	Direct	Australasia	Special situations	2010
277	William Blair Capital Partners VI, L.P.	Secondary	North America	Buyout	1998
278	T3 Partners, L.P.	Primary	North America	Buyout	2000
279	Non-performing loan portfolio II	Direct	Western Europe	Special situations	2009
280	Distressed debt purchase	Direct	Western Europe	Special situations	2008
281	Nordic Capital IV, L.P.	Primary	Northern Europe	Buyout	2000
282	Surgery Partners - Equity	Direct	North America	Special situations	2009
283	Prism Venture Partners IV, L.P.	Primary	North America	Venture capital	2001
284	Apollo Investment Fund IV, L.P.	Secondary	North America	Buyout	1998
285	Affinity Asia Pacific Fund II, L.P.	Secondary	Asia-Pacific	Buyout	2003
286	Quadriga Capital Private Equity Fund II, L.P.	Primary	Northern Europe	Buyout	1999
287	Index Ventures I (Jersey), L.P.	Primary	Europe	Venture capital	1998
288	RoadLink Holdings, Inc.	Direct	North America	Buyout	2007
289	Waste Management Company	Direct	Western Europe	Buyout	2008
290	Industrial gas containment company	Direct	North America	Buyout	2007
291	Delsey Group	Direct	Western Europe	Buyout	2007
292	Diagnostic imaging company	Direct	Australasia	Buyout	2007
293	Sun Capital Partners IV (Preferred Interest), L.P.	Primary	North America	Special situations	2005
294	Apollo European Principal Finance Fund II, L.P.	Primary	Europe	Special situations	2012

The portfolio’s holdings are ranked by percentage of net asset value. Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. Please note that contributions may exceed total commitments due to foreign currency movements and that the figures do not include IFRS adjustments.

Since inception

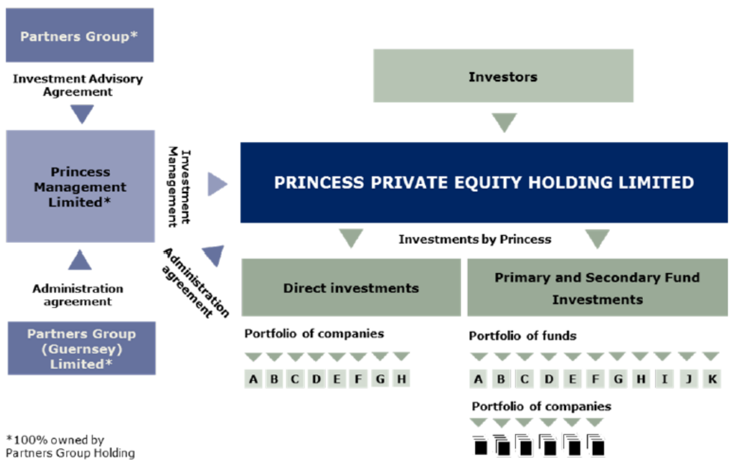
#	Investment	Committed	Invested	Net asset value in %
269	Silver Lake Partners, L.P.	29'394'000	28'089'046	0.0%
270	Telecommunication company	89'869	89'889	0.0%
271	Carlyle Partners III, L.P.	9'496'317	10'239'130	n.a.
272	AIF Capital Asia IV, L.P.	n.a.	n.a.	n.a.
273	Worldview Technology Partners III, L.P.	5'356'437	5'356'437	0.0%
274	AsiaVest Opportunities Fund IV	26'109	26'709	0.0%
275	AP Investment Europe Limited	5'000'000	5'000'000	0.0%
276	Collins Foods Group	168'360	165'646	0.0%
277	William Blair Capital Partners VI, L.P.	2'029'550	2'024'819	0.0%
278	T3 Partners, L.P.	6'914'751	5'682'385	0.0%
279	Non-performing loan portfolio II	91'165	88'101	0.0%
280	Distressed debt purchase	224'814	224'814	0.0%
281	Nordic Capital IV, L.P.	14'554'664	13'647'847	0.0%
282	Surgery Partners - Equity	1'576	1'576	0.0%
283	Prism Venture Partners IV, L.P.	1'732'347	1'730'697	0.0%
284	Apollo Investment Fund IV, L.P.	6'560	6'403	0.0%
285	Affinity Asia Pacific Fund II, L.P.	475'949	466'767	0.0%
286	Quadriga Capital Private Equity Fund II, L.P.	8'147'292	9'822'525	0.0%
287	Index Ventures I (Jersey), L.P.	10'250'073	10'446'518	0.0%
288	RoadLink Holdings, Inc.	n.a.	n.a.	n.a.
289	Waste Management Company	680'662	680'662	0.0%
290	Industrial gas containment company	777'010	777'010	0.0%
291	Delsey Group	556'962	556'962	0.0%
292	Diagnostic imaging company	49'685	49'034	0.0%
293	Sun Capital Partners IV (Preferred Interest), L.P.	10'275	5'159	0.0%
294	Apollo European Principal Finance Fund II, L.P.	255'783	0	0.0%

8 STRUCTURAL OVERVIEW

Princess Private Equity Holding Limited is a Guernsey-registered private equity holding company founded in May 1999 that invests in private market investments. In 1999 Princess raised USD 700 million through the issue of a convertible bond and invested the capital by way of commitments to private equity partnerships. The convertible bond was converted into shares in December 2006. Concurrently, the investment guidelines were amended and the reporting currency changed from the US dollar to euro. The Princess shares were introduced for trading on the Frankfurt Stock Exchange (trading symbol: PEY1) on 13 December 2006 and on the London Stock Exchange (trading symbol: PEY) on 1 November 2007. However, Princess ceased trading on the Frankfurt Stock Exchange on 6 December 2012 following a decision to consolidate all trading activity on the London Stock Exchange.

Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield. The Company's investments are managed on a discretionary basis by Princess Management Limited, a wholly-owned subsidiary of Partners Group Holding AG, registered in Guernsey. The Investment Manager is responsible for, inter alia, selecting, acquiring and disposing of investments and carrying out financing and cash management services.

The Investment Manager is permitted to delegate some or all of its obligations and has entered into an advisory agreement with Partners Group AG (the "Investment Advisor"), which is a global private markets investment management firm with over EUR 28 billion in investment programs under management in private equity, private debt, private real estate and private infrastructure. Through the advisory agreement, Princess benefits from the global presence, the size and experience of the investment team and relationships with many of the world's leading private equity firms.



9 FACTS AND FIGURES

Company	Princess Private Equity Holding Limited
Currency denomination	Euro
Designated sponsors	JPMorgan Cazenove
Dividends	Princess intends to pay a dividend of 5-8% p.a. on NAV
Incentive fee	No incentive fee on primary investments; 10% incentive fee per secondary investment; 15% incentive fee per direct investment; subject in each case to a 8% p.a. preferred return (with catch-up)
Incorporation	1999
Listing	London Stock Exchange
Management fee	1.5% p.a. plus additional 0.25% p.a. in respect of secondary investments and 0.5% p.a. in respect of direct investments up until 31 December 2012. Changed to 1.5% p.a. across the entire portfolio from 1 January 2013.
Securities	Fully paid-up ordinary registered shares
Structure	Guernsey Company, Authorized closed-ended fund in Guernsey
Trading information	WKN: A0LBRL ISIN: GG00B28C2R28 Trading symbol: PEY Bloomberg: PEY LN Reuters: PEY.L
Voting rights	Each ordinary registered share represents one voting right

10 BOARD OF DIRECTORS

Brian Human

Brian Human (Chairman) (British, born 1948) was Director of the Company since November 2003 and an independent Director since December 2007. He gained a Bachelor of Arts (Econ) degree from Rhodes University, South Africa and the IAC qualification from the UK's Securities and Investment Institute. Brian has been in the finance industry since graduating in 1971. He emigrated to England in 1973, joining first Midland Bank and then Grindlays Bank, which was acquired by the ANZ Bank in 1992 and then by Standard Chartered Bank in 2000. He has worked in Thailand, Hong Kong and Australia as well as England, Jersey and Guernsey. Prior to joining Princess in November 2003 he was head of risk management for Standard Chartered Bank (Jersey) Limited, and his previous posts include managing director of ANZ Grindlays Bank (Jersey) Limited, managing director of ANZ Bank Guernsey Limited, Senior Manager Credit ANZ Bank London, Senior Manager Business Banking ANZ Melbourne and general manager of Thailand-based General Finance and Securities Limited.

Richard Battey

Richard Battey (Chairman of the audit committee) (British, born 1952) is a resident of Guernsey. He is a Non-Executive Director of a number of investment companies and funds including AcenciA Debt Strategies Limited, Better Capital PCC Limited, Juridica Investments Limited, NB Global Floating Rate Income Fund Limited, Northwood Capital Enhanced European Fund Limited and Prospect Japan Fund Limited. He is a Chartered Accountant having qualified with Baker Sutton & Co. in London in 1977. Richard was formerly Chief Financial Officer of CanArgo Energy Corporation. Prior to that role he spent 27 years with the Schroder Group and worked first in London with J. Henry Schroder Wagg & Co. Limited and Schroder Investment Management and then in Guernsey, as a director of Schroders (C.I.) Limited from April 1994 to December 2004, where he served as Finance Director and Chief Operating Officer. He was a director of Schroder Group's Guernsey companies covering banking, investment management, trusts, insurance and private equity administration retiring from his last Schroder directorship in December 2008.

Henning von der Forst

Henning von der Forst (German, born 1955) is a member of the Executive Board of Directors and Chief Investment Officer of Nuernberger Insurance Group. He has been the Chairman of the Supervisory Board of Fürst Fugger Privatbank KG, Augsburg since 2011, and is a member of the Supervisory Board of various Nuernberger Group participations, real estate and investment companies. Prior to this, Henning worked as a marketing manager at SBCI Swiss Bank Corporation Investment Banking and as head of treasury and finance at VIAG Aktiengesellschaft (E.on today). He holds a master's degree in business administration from the University of Münster.

Fergus Dunlop

Fergus Dunlop (British, born 1958) is a Non-Executive Director of Resolution Limited, Schroder Oriental Income Limited, and Aqua Resources Fund Limited. Between 2002 and 2007 Mr Dunlop joint-owned and managed an advisory business in Munich for institutional investors. From 1997 to 2001 he worked in institutional sales with Mercury Asset Management (later Merrill Lynch, now BlackRock) in Frankfurt. From 1987 to 1997 he was with SGWarburg/Mercury in London, where he managed a joint venture with Munich Re. Fergus holds a master's degree in management from Oxford University.

Urs Wietlisbach

Urs Wietlisbach (Swiss, born 1961) is a founding Partner of Partners Group, a member of both the board of directors' business development and private equity investment committees, serves as an Executive Vice Chairman and is responsible for the firm's marketing strategy. He was initially responsible for the firm's partnership investment activities and instrumental in building Partners Group's private equity funds portfolio and a global industry network. Later, he also focused on business development responsibilities, first in Europe, and subsequently in the USA and the Asia-Pacific region. Prior to founding Partners Group, he was an Executive Director at Goldman Sachs & Co. where, after assignments in London and New York, he was appointed head of the firm's institutional clients business in Switzerland. Previously, he was a relationship manager for multinational corporate clients at Credit Suisse in New York and Zurich. He holds a master's degree in business administration from the University of St. Gallen (HSG).

11 DIRECTORS' REPORT

Directors

B. Human (Chairman)
R. Battey
F. Dunlop
H. von der Forst
U. Wietlisbach

Mr A. Billmaier resigned and was replaced by Mr H. von der Forst on 14 November 2012.

Secretary

Dexion Capital (Guernsey) Limited

Registered Office

Tudor House
St. Peter Port
Guernsey
GY1 1BT

The Directors present their report and audited consolidated financial statements for the period from 1 January to 31 December 2012.

Incorporation

Princess Private Equity Holding Limited (the "Company") and Princess Private Equity Subholding Limited (the "Subholding" and together with the Company the "Group") are limited liability companies incorporated and domiciled in Guernsey, Channel Islands.

Principal Activity

The principal activity of the Group is the holding of investments for the purpose of capital appreciation. The Investment Manager of the Company is Princess Management Limited (the " Investment Manager" or "Designated Manager") and the Investment Advisor is Partners Group AG (the "Investment Advisor"), a Swiss limited liability company. The majority of the Board is independent of the Investment Manager and the Investment Advisor.

Investment Objectives and Investment Policy

The Company's investment objective is to provide shareholders with long-term capital growth and an attractive dividend yield through investment in a diversified portfolio of private equity and private debt investments which may be classified as private market investments.

Under the Company's investment policy, as approved at the Annual General Meeting dated 12 May 2011, investments may include, inter alia:

- Fund investments: interests in private investment funds acquired from other investors (secondary investments) or through a commitment to a new fund (primary investments). Private investment funds may include vehicles focusing on buyouts, mezzanine funding, venture capital and special situations such as distressed or turnaround situations, private real estate, private infrastructure investments, PIPE (private investments in public equity) transactions and leveraged debt.
- Direct investments: interests in (typically unlisted) assets and operating companies (whether held directly or indirectly) and may include equity, debt or other kinds of securities.
- Listed private equity: interests in vehicles listed on a public stock exchange that in-

vest in private investment transactions or funds.

To achieve the investment objective, the Company intends to continue to pursue a relative value investment strategy designed to systematically identify and invest in private equity, private debt and listed private equity that the Investment Manager and the Investment Advisor believe offer superior value at a given point in time.

The Investment Manager has complete discretion as to asset allocation within the private investment market and may at any time determine that up to 100% of the Company's assets may be invested in any particular private market segment.

Review of Performance

An outline of the performance, investment activity and developments in the portfolio can be found in the audited consolidated statement of comprehensive income and statement of financial position.

Monitoring Performance

At each board meeting the Directors consider a number of performance indicators to assess the Company's success in achieving its investment objectives. These include:

- Price and NAV developments
- Net cash flow
- Capital calls and distributions
- IRR reports at the underlying fund level
- Unfunded commitments
- Risk management and adherence to investment guidelines
- Corporate governance issues

Principal Risks and Uncertainties

The main focus of the Company is to invest in private equity funds as well as directly in unquoted companies, which by their nature are mainly illiquid. These private equity funds themselves invest directly in unquoted companies together with leading private equity fund managers. The recent macro environment that the Company has operated in as well as views on the more immediate outlook are disclosed in some detail within the Private Equity Market Environment section and the Investment Manager's Report. In addition to those discussions on the principal risks and uncertainties faced by the Company, there are also relevant matters to note dealing with the uncertainties in respect of the valuation of unquoted investments as well as the cash flow modeling employed by the Company. The Directors refer you to notes 4 and 19 of the audited consolidated financial statements for further comment on certain other risks connected with the investments and financial assets / liabilities held by the Company and how they are managed.

Share Capital

The Company's issued and paid up share capital as at 31 December 2012 was 69'450'385 ordinary shares of EUR 0.001 each (31 December 2011: 69'579'214 ordinary shares of EUR 0.001 each).

There are no restrictions regarding the transfer of the Company's securities, no special rights with regard to control attached to the Company's securities, no agreements between holders of the Company's securities regarding their transfer known to the Company, and no agreements to which the Company is party that might be affected by a change of control following a takeover bid.

Shareholder Information

The net asset value and the net asset value per share are calculated (in Euro) every month at the last Business Day of each month by Partners Group (Guernsey) Limited acting as Administrator.

Calculations are made in accordance with International Financial Reporting Standards ("IFRS") which require the Company's direct investments and fund investments to be valued at fair value and are announced by the Company on its website and are submitted to a regulatory information service approved by the UK Listing Authority as soon as practicable after the end of the relevant period.

Dividends

A dividend of EUR 0.24 per share was paid on 22 June 2012 and a dividend of EUR 0.25 per share was paid on 19 December 2012. A dividend of EUR 0.22 per share was paid on 15 July 2011 and a dividend of EUR 0.23 per share was paid on 23 December 2011.

Results

The results for the period are shown in the audited consolidated statement of comprehensive income.

Directors, Directors' Interests and Directors' Remuneration Report

The Directors of Princess Private Equity Holding Limited are as shown above. The Directors had no beneficial interest in the Share Capital of the Company other than as shown below.

R. Battey: 5'000 shares
F. Dunlop: 4'000 shares
B. Human: 2'000 shares
U. Wietlisbach: 194'000 shares

Messrs. Billmaier, Wietlisbach and Battey were re-elected at the 2012 annual general meeting. Although Mr. Billmaier resigned and was replaced by Mr. von der Forst on 14 November 2012.

The sole Director of Princess Private Equity Subholding Limited, which held office during the period, was Princess Private Equity Holding Limited.

No contract or arrangement existed in the period in which any of the Directors, other than Mr. Wietlisbach, had a material interest.

Mr. Wietlisbach is a Director of and Shareholder in Partners Group Holding AG, the beneficial owner of both the Investment Manager and the Administrator.

No Director had a service contract with the Company other than Mr. Human who had a part time employment contract with the Company which ended in March 2008. Directors' remuneration is presented in the notes to these consolidated financial statements and is shown below. Mr. Wietlisbach does not receive a fee for the provision of his services as a director of the Board. Directors' remuneration split as follows in EUR:

(31.12.2012 / 31.12.2011)
R. Battey (46'000 / 46'000)
A. Billmaier (40'000 / 40'000)
F. Dunlop (40'000 / 40'000)
B. Human (50'000 / 50'000)
H. von der Forst (5'260 / 0)

Length of Service

Each of the Directors was first appointed to the Board on the dates shown below:

R. Battey: 28 May 2009
F. Dunlop: 28 May 2009
B. Human: 19 November 2003
H. von der Forst: 14 November 2012
U. Wietlisbach: 24 June 1999

Directors' and Officers' Liability Insurance

The Company maintains insurance in respect of directors' and officers' liability in relation to their acts on behalf of the Company. Suitable insurance is in place and due for renewal on 7 December 2013.

Investment Management Arrangements

Princess Management Limited, a wholly owned subsidiary of Partners Group Holding AG, is the Investment Manager to the Company. The Investment Manager is permitted to delegate some or all of its obligations and has entered into an Investment Advisory Agreement (the "Agreement") with Partners Group AG. Mr. Wietlisbach is a founding partner of Partners Group AG and currently serves as that firm's executive vice chairman. Details of the management fees are shown within the audited consolidated financial statements. The Agreement may be terminated after ten years with three year's notice. Termination will be without penalty or other additional payments save that the Company will pay management and performance fees due and additional expenses incurred. The Directors (other than Mr. Billmaier, who has resigned, and Mr. Wietlisbach are not independent of the Investment Manager) have determined that the continuing appointment of the Investment Manager on the terms of the Investment Management Agreement is in the interests of Shareholders as a whole, given the global reach, access to leading private equity houses and expertise of the Investment Manager and through the Investment Manager to the Investment Advisor.

Significant Events

At the Annual General Meeting held on 16 May 2012 the audited consolidated financial statements of the Company for the period ended 31 December 2011 together with the report of the directors and Independent Auditors were received and adopted. Also on that date, the Shareholders approved (a) the granting to Directors the ability to allot equity securities for cash or sell treasury shares for cash in connection with up to EUR 4'637'614 and (b) to give the Directors the general power to allot equity shares for cash or sell treasury shares for cash.

Also at that meeting, the Shareholders authorised the Company to make market acquisitions of ordinary shares up to a maximum number of 14.99% of the ordinary shares in issuance at the date of the meeting, and this authority was still valid as at 31 December 2012.

Substantial Interest

The European Union Transparency Directive came into force on 20 January 2007. The directive requires substantial shareholders to make relevant holding notifications to the Company and the UK Financial Services Authority. The Company must then disseminate this information to the wider market. Those shareholders who held above 3% of ordinary shares, as at the period end were:

- Abrams Capital LLC - 3.37%
- CVP / CAP Coop - 5.07%
- Deutsche Asset Management Investmentgesellschaft - 8.70%
- Red Rocks Capital LLC - 5.06%
- Societe Generale Option Europe - 5.31%
- Vega Invest Fund Plc - 8.56%
- Witan Investment Trust plc - 3.17%

Directors' Responsibilities

The Directors are responsible for preparing financial statements for each financial period which give a true and fair view, in accordance with applicable Guernsey law and International Financial Reporting Standards, of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

So far as the Board of Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The Directors of the Company have elected to prepare consolidated financial statements for Princess Private Equity Holding Limited for the period ended 31 December 2012 as the parent of the Group in accordance with Section 244(5) of The Companies (Guernsey) Law, 2008. They are not required to prepare individual accounts for Princess Private Equity Holding Limited in accordance with Section 243 of The Companies (Guernsey) Law 2008 for the financial period.

To the best of our knowledge and belief:

- The Annual Report includes information detailed in the Chairman's Report, the Investment Manager's Report, the Directors' Report and the notes to the Audited Consolidated Financial Statements, which includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that the Company faces as required by DTR 4.1.8 and DTR 4.1.11; and
- The consolidated financial statements, prepared in accordance with International Financial Reporting Standards give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the consolidated financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The maintenance and integrity of the Company's website is the responsibility of the Directors. The work carried out by the Independent Auditors does not involve consideration of these matters and accordingly, the Independent Auditors accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

After making enquiries and given the nature of the Company and Group and its investments, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements, and, after due consideration, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

Corporate Governance

The Company's statement on corporate governance can be found in the Corporate Governance Statement on pages 48 to 52 of these financial statements. The Corporate Governance Statement forms part of the Directors' Report and is incorporated into it by cross-reference.

Company Secretary

The secretary of the Company as at 31 December 2012 was Dexion Capital (Guernsey) Limited.

Independent Auditors

At a general meeting held on 16 May 2012, PricewaterhouseCoopers CI LLP were appointed Independent Auditors of the Company for the period ending 31 December 2012, and the Directors were authorised to fix their remuneration.

R. Battey
Director

F. Dunlop
Director

5 March 2013

12 CORPORATE GOVERNANCE STATEMENT

Corporate governance report

The Directors have determined to report against the Association of Investment Companies (the "AIC") Code of Corporate Governance ("AIC Code") and to follow AIC's Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code and AIC Guide are available on the AIC website www.theaic.co.uk. In assessing the Board's corporate governance practice for 2012, the Directors confirm that throughout the period the Company complied with the provisions of the AIC Guide.

In September 2012, the Financial Reporting Council issued an updated version of the UK Corporate Governance Code (the "UK Code"), which is effective for the Company for the period ended 31 December 2013. The Company has not early adopted any of the new provisions and therefore has complied with the relevant provisions of the UK Code as issued by the Financial Reporting Council in June 2010, except as set out below. The UK Code includes provisions relating to:

- The role of the Chief Executive
- Executive Directors' remuneration
- The need for an internal audit function

For the reasons set out in the AIC Guide, and in the preamble to the UK Code, the Board considers these provisions are not relevant to the position of the Company, being an overseas investment company with an appointed Investment Manager. There are no Executives with contractual obligations directly with the Company and thus the Executive Directors' remuneration rules do not apply. The Audit Committee and the Board of Directors regularly consider the risk and operational aspects of the Company. The Investment Manager has an appointed Compliance Officer. As there is delegation of operational activity to appointed service providers the Audit Committee and the Board have determined there is no requirement for a direct internal audit function.

The Guernsey Financial Services Commission has a standing Code of Corporate Governance for the Finance Sector that was issued in 2011 (the "Guernsey Code"). In the introduction to the Guernsey Code it states that "Companies which report against the UK Corporate Governance Code or the AIC Code are also deemed to comply with the Code". As a company listed on the London Stock Exchange the Company is subject to the Disclosure Rules and Transparency Rules and the UK Code but uses the AIC Code instead as it is a member of AIC and considers this appropriate for a member company. Therefore as an AIC member which is Guernsey domiciled which reports against the AIC Code, the Company is not required to report separately against the Guernsey Code.

Rules concerning the appointment and replacement of directors are contained in the Company's Articles of Incorporation and are discussed below.

FWB Listing (Frankfurt Stock Exchange)

On 15 August 2012, the Company announced its decision to cancel the listing of the Company's shares on the Frankfurt Stock Exchange and the necessary application was made to Deutsche Börse AG. The cancellation of the Company's shares to trade on the Frankfurt Stock Exchange on the regulated market (General Market) became effective on 5 December 2012.

The Board

The Board consists of five directors all of whom are non-executive. The independent Chairman of the Board is Mr. Human, who was appointed on 28 May 2009 and is responsible for leading meetings of the Board to ensure that they are efficient and effective. Mr. Human has no other significant business commitments which need to be disclosed and the Board is satisfied that he has sufficient time available to discharge fully his responsibilities as Chairman of the Company. On 14 November 2012, the Company announced that Mr. von der Forst was appointed as an independent director to replace Mr. Billmaier who resigned on this date. For the purposes of assessing compliance with the AIC Code, the Board considers all of the Directors (other than Mr. Wietlisbach and Mr. Billmaier during his tenure) as independent of the Investment Manager and the Investment Advisor and free from any business or other relationship that could materially interfere with the exercise of their independent judgment.

Mr. Human was appointed Managing Director pursuant to a service contract dated 20 March 2007 until March 2008, during which time he was a part time employee of the Company. Mr. Human was formerly employed on a part time basis by Partners Group Global Opportunities Limited, a company which also retains the services of the Investment Advisor, but this employment ceased in December 2007 and the Board now regards Mr. Human as independent. Further, the Board considers Mr. Human independent at the time of his appointment as Chairman.

Neither Mr. Billmaier nor Mr. Wietlisbach were considered as independent during the reporting period as Mr. Billmaier serves on the Board of another company advised by Partners Group AG since December 2007, and Mr. Wietlisbach is a Director of and shareholder in Partners Group Holding AG, the beneficial owner of the Investment Manager and the Administrator.

The Board has a breadth of experience relevant to the Company and a balance of skills, experience and age and the Directors have not identified any gaps that require improvement at this time.

Directors are appointed for a fixed term of no more than three years. The appointment shall be renewed for a further period if both the respective Director and the Board believe that a renewal is in the interest of the Company.

The renewal shall always be subject to an assessment of the independence of the Director in question and their continued satisfactory performance. In view of the long-term nature of the Company's investments, the Board believes that a stable board composition is fundamental to run the Company properly. The Board has not stipulated a maximum term of any directorship. Directors retire by rotation, with Mr. Wietlisbach being subject to re-election on an annual basis. Therefore Mr. Wietlisbach together with Messrs Human and von der Forst will stand for re-election at the 2013 Annual General Meeting. The Board continues to be satisfied with their performance, with Mr. Wietlisbach being able to provide additional insight into the private markets industry and in particular both investor relations and investment activity.

Details relating to each Director's remuneration are disclosed in the Directors' report.

Directors' Duties and Responsibilities

The Board of Directors has overall responsibility for the Company's affairs and is responsible for the determination of the investment policy of the Company, resolving conflicts and for monitoring the overall portfolio of investments of the Company. To assist the Board in the day-to-day operations of the Company, arrangements have been put in place to delegate authority for performing certain of the day-to-day operations of the Company to the Investment Manager, the Investment Advisor and other third-party service providers, such as the Administrator and the Company Secretary. The Board receives full details of the Company's assets, liabilities and other relevant information in advance of Board meetings. The Board meets formally at least four times a year; however, the Investment Manager and Company Secretary stay in more regular contact with the Directors on a less formal basis. These formal and informal discussions allow the non-executive Directors to constructively challenge and assist in the development of strategy. Individual Directors have direct access to the Company Secretary and may, at the expense of the Company, seek independent professional advice on any matter that concerns them in the furtherance of their duties.

The Directors have adopted a schedule of matters reserved for the Board as part of the London Stock Exchange listing process. This includes strategic discussions, monitoring of the share price (and associated premium or discount), approval of accounts, approval of dividends and the monitoring, evaluation, appointment and removal of service providers. The consent of the Board is required if the Investment Manager wishes to borrow more than 20% of the value of the Company assets or take a control position, in an underlying investment (excluding investments in pooling vehicles).

The Board confirms that it has considered and authorised any conflicts or potential conflicts of interest in accordance with the Company's existing procedures.

Board Meetings

The Board considers agenda items laid out in the Notice and Agenda which are formally circulated to the Board in advance of any meeting as part of the board papers. The Directors may request any Agenda items to be added that they consider appropriate for Board discussion. In addition, each Director is required to inform the Board of any potential or actual conflict of interest prior to Board discussion. Board meetings are attended by representatives of the Investment Manager and the Investment Advisor. The Company's corporate brokers also attend to assist the Directors in understanding the views of major shareholders about the Company. Below is a summary of the Director attendance at Board meetings held in 2012, compared against those for which they were eligible:

- R. Battey (4/4)
- A. Billmaier (3/4)
- F. Dunlop (4/4)
- B. Human (4/4)
- H. von der Forst (1/1)
- U. Wietlisbach (3/4)

During the period various ad hoc meetings were held to deal with matters substantially of an administrative nature and these were attended by those Directors available at the time. Below is a summary of the Director attendance, compared against the total held:

- R. Battey (3/3)
- A. Billmaier (1/3)
- F. Dunlop (3/3)
- B. Human (0/3)
- H. von der Forst (0/0)
- U. Wietlisbach (2/3)

Committee of the Board

The Board has established an Audit & Management Engagement Committee. The Audit &

Management Engagement Committee meets at least four times a year and is responsible for ensuring that the financial performance of the Company is properly reported on and monitored and provides a forum through which the Company's external auditors may report to the Board. Furthermore it ensures that any reports issued by the Board are balanced and provide an understandable assessment of the Company's position and prospects. The Audit & Management Engagement Committee reviews the annual, half yearly and quarterly accounts, results, announcements, internal control systems and procedures and accounting policies of the Company, together with the recommendation to appoint Independent Auditors.

The Board recognises the importance of a sound risk management solution to safeguard Company's assets, protect the interests of the shareholders and meet its responsibilities as a listed company.

Therefore it considers on a quarterly basis the review undertaken by the Audit & Management Engagement Committee and in particular the risks and controls with regard to investment and strategic risk, regulatory risk, reputational risk, operational risk, financial risk and market abuse.

The Audit & Management Engagement Committee is responsible for ensuring appropriate internal controls are in place and monitors the risks and their potential impact on the Company.

The risk management framework includes a sound system of internal control that is designed to:

- identify and appraise all risks related to achieving the Company's objectives including all investment, regulatory, reputational, operational and financial risk; manage and control risk appropriately rather than eliminate it;
- ensure the appropriate internal controls are embedded within the business processes and form part of the Company's culture which emphasises clear management responsibility and accountabilities;
- respond quickly to evolving risks within the Company and the external business environment; and
- include procedures for reporting any control failings or weaknesses to the appropriate level of management together with the details of corrective action.

Although the Directors believe that the Company and the Group have a robust framework of internal control in place, this can only provide reasonable and not absolute assurance against material financial misstatement or loss and is designed to manage, not eliminate, risk.

Below is a summary of the Director attendance at Audit & Management Engagement Committee meetings held in 2012, compared against those for which they were eligible:

- R. Battey (5/5)
- A. Billmaier (4/5)
- F. Dunlop (5/5)
- H. von der Forst (0/1)
- B. Human (4/5)

With the exception of Mr. Wietlisbach, the Audit & Management Engagement Committee is composed of all the members of the Board, and has been chaired by Mr. Battey following his appointment on 28 May 2009. Although Mr. Human is Independent Chairman of the Company, he is also a member of the Audit & Management Engagement Committee. The Board considers that all independent Directors should sit on this Committee, to bring the widest range of experience to its deliberations.

The Audit & Management Engagement Committee has determined that the continuing appointment of the Investment Manager on the terms of the Investment Management Agreement is in the interests of Shareholders as a whole, given the global reach, access to leading private equity houses and expertise of the Investment Manager and through the Investment Manager to the Investment Advisor.

The Board undertakes an annual evaluation of its own performance and the performance of its committee and individual Directors, to ensure that they continue to act effectively and efficiently and to fulfil their respective duties, and to identify any training requirements. During this evaluation the Directors also reconfirmed that they continue to be able to allocate sufficient time to the Company in order to discharge their responsibilities. A full corporate governance review has been undertaken since the publication of the previous financial statements, which was facilitated by the Company Secretary. There were no matters of significance raised within the findings of the review and, as mentioned within this report, the non-independent directors are considered to be Mr. Wietlisbach and Mr. Billmaier, prior to his resignation.

The Board has undertaken an annual review of the effectiveness of the Company's and the Group's system of internal controls and the safeguarding of shareholders' investments and the Company's assets. There were no significant matters raised within the findings of the review.

The Directors acknowledge that the Administrator has appropriate systems, controls and processes that are used in the production of the consolidated financial statements and that these are re-evaluated at the end of the financial reporting period through the approval of the relevant financial statements.

Given the size and nature of the Company, it is not deemed necessary to form a separate remuneration or nomination committee. The Board, as a whole, will also consider new Board appointments.

Shareholder Communication

The Directors place great importance on shareholder communication while the Investment Manager and the Investment Advisor also carry out a programme of regular meetings with shareholders and potential investors. The Company publishes a monthly report with key financial data and issues affecting the portfolio, and publishes quarterly financial statements as well as unaudited semi-annual and audited annual accounts. Conference calls are arranged on a quarterly basis at which the Investment Advisor provides an in-depth review of developments in the portfolio and gives a market overview. In order to ensure that the Directors are aware of shareholders views and concerns, at least one independent Director attends these quarterly conference calls. In addition the brokers also present a summary of shareholders' sentiment at the quarterly board meetings. These initiatives in combination assist the board to develop a balanced understanding of the issues and concerns of major shareholders. In addition the Directors propose a separate resolution on each substantial issue tabled at the annual general meeting, including the approval of the financial statements, and publish on the Company's website, shortly after the Annual General Meeting, details of the valid proxies received, votes for and against and withheld in relation to each resolution. Regular news releases are also published

R. Battey
Director

F. Dunlop
Director

5 March 2013

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13 INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS PRIVATE EQUITY HOLDING LIMITED.

Report on the financial statements

We have audited the accompanying consolidated financial statements (the "financial statements") of Princess Private Equity Holding Limited ("the Group") which comprise the consolidated statement of financial position as of 31 December 2012, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of Guernsey Law. The directors are also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group as of 31 December 2012, and of the financial performance and the cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.

Report on other legal and regulatory requirements

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises the Key figures, the Chairman's report, the Private equity market environment, the Investment manager's report, the Portfolio composition, the Portfolio transactions, the Portfolio overview, the Structural overview, the Facts and figures, the Board of directors, the Directors' report and the Corporate governance statement.

In our opinion:

- the information given in the Directors' report is consistent with the financial statements and;
- the information given in the Corporate governance statement set out on pages 48 to 52 of the financial statements with respect to the internal control and risk management systems, is consistent with the financial statements.

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 262 of the Companies (Guernsey) Law, 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Matters on which we are required to report by exception

We have nothing to report in respect to the following matters which we are required to review under the Listing Rules:

- the directors' statement in relation to going concern; and
- the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review.

John Patrick Roche
For and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants and Recognised Auditor
Guernsey, Channel Islands
2013

14 AUDITED CONSOLIDATED FINANCIAL STATEMENTS

AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January 2012 to 31 December 2012

In thousands of EUR	**Notes**	**01.01.2012 31.12.2012**	**01.01.2011 31.12.2011**
Net income from financial assets at fair value through profit or loss		**21'332**	**74'420**
Private equity		*15'121*	*63'791*
Interest & dividend income	20	54	-
Revaluation	10,21	16'586	51'868
Net foreign exchange gains / (losses)	10,22	(1'519)	11'923
Private debt		*4'713*	*9'039*
Interest income (including PIK)	20	2'697	2'346
Revaluation	10,21	1'707	5'129
Net foreign exchange gains / (losses)	10,22	309	1'564
Private real estate		*1'126*	*1'455*
Revaluation	10,21	1'129	1'458
Net foreign exchange gains / (losses)	10,22	(3)	(3)
Private infrastructure		*372*	*135*
Revaluation	10,21	372	135
Net income from cash & cash equivalents and other income		**32**	**500**
Interest income	20	17	330
Net foreign exchange gains / (losses)	22	15	170
Total net income		**21'364**	**74'920**
Operating expenses		**(18'282)**	**(18'468)**
Management fees	23	(10'937)	(12'067)
Incentive fees	14,23	(2'271)	(4'471)
Administration fees	23	(307)	(306)
Other operating expenses		(3'063)	(1'449)
Other net foreign exchange gains / (losses)	22	(1'704)	(175)
Other financial activities		**2'068**	**(18'069)**
Setup expenses - credit facilities		(31)	(811)
Interest expense - credit facilities	20	(869)	(2'886)
Other finance cost		(2'283)	(24)
Net gains / (losses) from hedging activities	11,21	5'250	(14'414)
Other income		1	66
Surplus / (loss) for the financial period		**5'150**	**38'383**
Other comprehensive income for the period; net of tax		-	-

Total comprehensive income for the period	**5'150**	**38'383**
Weighted average number of shares outstanding	69'514'391.00	69'825'277.00
Basic surplus per share for the financial period	0.07	0.55
Diluted surplus per share for the financial period	0.07	0.55

The Euro earnings per share is calculated by dividing the surplus / (loss) for the financial period by the weighted average number of shares outstanding

AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

In thousands of EUR	**Notes**		**31.12.2012**		**31.12.2011**
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	10	330'260		523'201	
Private debt	10	63'462		65'728	
Private real estate	10	19'166		15'714	
Private infrastructure	10	4'895		3'782	
Deferred receivables on investments	15	95'797		-	
Non-current assets			**513'580**		**608'425**
Other short-term receivables		7'027		231	
Hedging assets	11	5'166		-	
Cash and cash equivalents	12	65'724		19'339	
Current assets			**77'917**		**19'570**
TOTAL ASSETS			**591'497**		**627'995**
EQUITY AND LIABILITIES					
Share capital	13	70		70	
Retained earnings		(16'386)		(21'536)	
Reserves	13	599'459		634'293	
Total Equity			**583'143**		**612'827**
Hedging liabilities	11	-		3'852	
Accruals and other short-term payables		8'354		11'316	
Liabilities falling due within one year			**8'354**		**15'168**
TOTAL EQUITY AND LIABILITIES			**591'497**		**627'995**

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January 2012 to 31 December 2012

In thousands of EUR	**Share capital**	**Reserves**	**Retained earnings**	**Total**
Equity at beginning of reporting period	70	634'293	(21'536)	612'827
Dividend paid during the period	-	(34'057)	-	(34'057)
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	-	(777)	-	(777)
Surplus / (loss) for the financial period	-	-	5'150	5'150
Equity at end of reporting period	**70**	**599'459**	**(16'386)**	**583'143**

for the period from 1 January 2011 to 31 December 2011

In thousands of EUR	**Share capital**	**Reserves**	**Retained earnings**	**Total**
Equity at beginning of reporting period	70	668'882	(59'919)	609'033
Dividend paid during the period	-	(31'401)	-	(31'401)
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	-	(3'188)	-	(3'188)
Surplus / (loss) for the financial period	-	-	38'383	38'383
Equity at end of reporting period	**70**	**634'293**	**(21'536)**	**612'827**

AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January 2012 to 31 December 2012

In thousands of EUR	**Notes**	**01.01.2012 31.12.2012**	**01.01.2011 31.12.2011**
Operating activities			
Surplus / (loss) for the financial period		5'150	38'383
Adjustments:			
Net foreign exchange (gains) / losses	22	2'902	(13'479)
Investment revaluation	21	(19'794)	(58'590)
Net (gain) / loss on interests	20	(1'866)	210
Net (gain) / loss on dividends	20	(33)	-
Revaluation on forward hedges	11	(7'075)	6'739
Revaluation on option hedges	11	1'825	7'674
(Increase) / decrease in receivables		(104'141)	1'354
Increase / (decrease) in payables		(3'118)	3'486
Realized revaluation on forward hedges	11	(3'768)	(1'062)
Option premiums paid	11	-	72
Purchase of private equity investments	10	(66'223)	(60'487)
Purchase of private debt investments	10	(10'641)	(16'605)
Purchase of private real estate investments	10	(2'326)	(2'899)
Purchase of private infrastructure investments	10	(959)	(1'704)
Distributions from and proceeds from sales of private equity investments	10	277'134	125'964
Distributions from and proceeds from sales of private debt investments	10	13'062	8'319
Distributions from and proceeds from sales of private real estate investments	10	-	946
Distributions from and proceeds from sales of private infrastructure investments	10	218	402
Interest & dividends received		1'726	1'272
Net cash from / (used in) operating activities		**82'073**	**39'995**
Financing activities			
Increase / (decrease) in credit facilities		-	(32'500)
Interest expense - credit facilities	20	(869)	(2'886)
Dividends paid	13	(34'057)	(31'401)
Share buyback and cancellation	13	(777)	(3'188)
Net cash from / (used in) financing activities		**(35'703)**	**(69'975)**
Net increase / (decrease) in cash and cash equivalents		**46'370**	**(29'980)**
Cash and cash equivalents at beginning of reporting period	**12**	**19'339**	**49'149**
Effects of foreign currency exchange rate changes on cash and cash equivalents	22	15	170

Cash and cash equivalents at end of reporting period	**12**	**65'724**	**19'339**

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1 January 2012 to 31 December 2012

1 ORGANIZATION AND BUSINESS ACTIVITY

Princess Private Equity Holding Limited (the "Company") is an investment holding company established on 12 May 1999. The Company's registered office is Tudor House, St. Peter Port, Guernsey, GY1 1BT. The Company is a Guernsey limited liability company that invests in a broadly diversified portfolio of private market investments through its wholly-owned subsidiary, Princess Private Equity Subholding Limited (the "Subsidiary"). The Subsidiary together with the Company form a group (the "Group").

The shares of the Company were listed on the Prime Standard of the Frankfurt Stock Exchange from 13 December 2006 until 5 December 2012 (date of delisting). The shares of the Company remain listed on the main market of the London Stock Exchange, where they have been listed since 1 November 2007.

On 19 September 2012 the Company announced the sale of a portfolio of mainly large cap buyout fund positions in the secondary market. The aim of the transaction is to accelerate the phased transition of the portfolio towards global direct investments.

2 BASIS OF PREPARATION

The consolidated financial statements comprise the financial statements of the Group. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and under the historical cost convention as modified by the revaluation of "financial assets and financial liabilities at fair value through profit or loss".

The preparation of consolidated financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The areas where assumptions, judgments and estimates are significant to the consolidated financial statements are disclosed in a subsequent note; "critical accounting estimates and judgments".

The Directors of the Company have elected to prepare consolidated financial statements for Princess Private Equity Holding Limited for the period ended 31 December 2012 as the parent of the Group in accordance with Section 244(5) of The Companies (Guernsey) Law, 2008. They are not required to prepare individual accounts for Princess Private Equity Holding Limited in accordance with Section 243 of The Companies (Guernsey) Law 2008 for the financial period.

3 PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently, except where otherwise noted in dealing with items which are considered material in relation to the Group's audited consolidated financial statements.

From 1 January 2012 the following new and existing revised IFRS and interpretations to existing standards were required to be adopted. The Group has consequently adopted all relevant and below mentioned standards since 1 January 2012.

IFRS 1 - First-time adoption of International Financial Reporting Standards
IFRS 7 - Financial instruments: disclosures - risk exposure from transferred financial assets

IAS 12 - Income taxes - deferred tax

The Directors of the Company have assessed the impact of these amendments and concluded that these new accounting standards and new interpretations do not affect the Group's results of operations or financial position.

The following standards, interpretations and amendments to published standards that are mandatory for future accounting periods, but where early adoption is permitted now, have not been duly adopted.

IFRS 7 (effective 1 January 2013) - Financial instruments: disclosures - Offsetting of financial assets and liabilities
IFRS 9 (effective 1 January 2015) - Financial instruments
IFRS 10 (effective 1 January 2013) - Consolidated financial statements
IFRS 11 (effective 1 January 2013) - Joint arrangements
IFRS 12 (effective 1 January 2013) - Disclosure of interests in other entities
IFRS 13 (effective 1 January 2013) - Fair value measurement

IAS 1 (effective 1 July 2012) - Presentation of financial statements
IAS 19 (effective 1 January 2013) - Employee benefits
IAS 27 (effective 1 January 2013) - Consolidated and separate financial statements
IAS 28 (effective 1 January 2013) - Investments in associates and joint ventures
IAS 32 (effective 1 January 2014) - Financial instruments: Presentation

The Directors of the Company are in the process of assessing the impact of these amendments and believe that these new accounting standards and interpretations will not significantly affect the Group's results of operations or financial position. The Directors of the Company do, however, believe that these standards may require amendments to financial reporting procedures applied in the preparation of the consolidated financial statements and are likely to have a notable impact on the level of disclosures in the consolidated financial statements.

Segmental reporting

IFRS 8 - Operating segments requires segments to be identified and presented following a 'management approach' under which segment information is presented on the same basis as that used for internal reporting and monitoring purposes. Operating segments are reported in a manner consistent with internal reporting of the Partners Group AG (the "Investment Advisor"), who have also been identified as the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, and is appointed by the Directors. Operating segments have been identified as: private equity, private debt, private real estate, private infrastructure and private resources. Only those segments applicable within the reporting periods have been reflected in these audited consolidated financial statements.

Consolidation

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies, and are consolidated. Subsidiaries are incorporated for the purpose of holding underlying investments on behalf of the Company. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are no longer consolidated from the date control ceases. The inclusion of the subsidiaries into the consolidated financial statements is based on consistent accounting and valuation methods for similar transactions and other occurences under similar circumstances.

Inter-company transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated.

A list of the Group's subsidiaries is set out in a subsequent note. The consolidation is performed using the purchase method. All Group companies have 31 December as the end of their reporting periods.

Net income from short-term investments and cash and cash equivalents

Income from bank deposits and interest income from short-term investments are included on an accruals basis. Gains and losses from short-term investments and gains and losses from cash and cash equivalents also include the increase in the value of bonds purchased at a discount. All realized and unrealized surpluses and losses are recognized in the audited consolidated statement of comprehensive income. Dividend income is recognized when the right to receive payment is established.

Expenditure

All items of expenditure are included in the audited consolidated financial statements on an accruals basis.

Foreign currency translation

(a) Functional and presentation currency

Items included in the audited financial statements of each of the Group's entities are measured using the currency of the economic environment in which the entity operates (the "Functional Currency") that most faithfully represents the economic effect of the underlying transactions, events and conditions. The audited consolidated financial statements are presented in Euros, which is the Company's Functional and the Group's presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are translated into the Functional Currency using the exchange rates prevailing at the dates of the transactions or valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the end of the reporting period exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the audited consolidated statement of comprehensive income.

Financial assets and financial liabilities at fair value through profit or loss

(a) Classification

The Group classifies its investments in private equity, private debt, private real estate, private infrastructure and private resources, and related derivatives, as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified as held for trading or designated by the Directors of the Company at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the short-term.

Where the Group has hedged the value of non-Functional Currency investments against the Functional Currency this does not qualify as hedge accounting as defined in IAS 39. Derivative financial instruments are classified as financial assets and liabilities held for trading. They are initially recognized in the audited consolidated statement of financial position at fair value and are subsequently remeasured to fair value. As a result, the unrealized changes in fair value are recognized in the audited consolidated statement of comprehensive income under the heading "Other financial activities". The fair values of various derivative instruments used for hedging purposes, if any, are disclosed in the notes.

Financial assets and financial liabilities at fair value through profit or loss at inception consist of interests which are acquired by the Group (including all related securities) in (typically unlisted) direct private equity investments ("Direct Investments") and all other types of investments, which comprise of investments in other investment vehicles ("Indirect Investments"). These are managed and their performance is evaluated on a fair value basis in accordance with the Group's documented investment strategy. The Group's policy is used by the Investment Manager and the Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

In setting the Group's investment policy the Directors have determined their intention to focus on making investments in entities that adopt an internationally recognized standard of accounting.

(b) Recognition and derecognition

All transactions relating to financial assets and financial liabilities at fair value through profit or loss are recognized on the settlement date or when all risks and rewards of ownership have been transferred.

Any distributions, including return of principal of investment, received from the underlying Direct and Indirect Investments are recognized when the Group's right to receive payment has been established.

Financial assets and financial liabilities at fair value through profit or loss are derecognized when the right to receive cash flows has expired or where substantially all risks and rewards of ownership have been transferred.

Cash and PIK interest relating to debt investments held at fair value through profit or loss are recognized on an accruals basis within interest income (including PIK) in the audited consolidated statement of comprehensive income when the Group's right to receive payment is established.

(c) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are presented in the audited consolidated statement of comprehensive income in the period in which they arise.

Distributions from Indirect Investments held at fair value through profit or loss are recognized in the audited consolidated statement of financial position when the Group's right to receive payment is established. Distributions received from Indirect Investments are recognized first as a repayment of the original capital contributed to the Indirect Investments which is substantially in keeping with the distribution arrangements prescribed by the constituent documents of the Indirect Investments. On repayment of any of the original capital contributed in full to the Indirect Investments, all subsequent distributions are recognized in the audited consolidated statement of comprehensive income within revaluation.

Any interest and dividend distributions derived from Direct Investments are recognized when the Group's right to receive payment is established and included within interest and dividend income in the audited consolidated statement of comprehensive income.

(d) Fair value estimation

The fair values of financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the bid price at the end of the reporting period.

In assessing the fair value of non-traded financial instruments, the Group uses a variety of methods such as time of last financing, earnings and multiple analysis, discounted cash flow method and third party valuation and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for specific similar instruments are used for long-term debt where appropriate. Other information, including latest financial reports, subsequent cash flows and internally performed monitoring of triggering events (such as exits and IPOs) as well as pricing movements in comparable investments together with techniques, such as, option pricing models and estimated discounted value of future cash flows, is used to determine fair value for the remaining financial instruments.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the audited consolidated statement of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents consist of cash at bank, term deposits and treasury bills with a maturity of three months or less. Cash and cash equivalents are stated at the carrying amount as this is a reasonable approximation of fair value. Bank overdrafts are included within liabilities falling due within one year in the audited consolidated statement of financial position.

Other short-term receivables

Other short-term receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets unless the maturities are more than 12 months after the end of the reporting period where they are classified as non-current assets. Other short-term receivables are stated at the carrying amount as this is a reasonable approximation of fair value.

Deferred receivables on investments

Deferred receivables on investments meet the definition of a financial asset as they are a contractual right for a specified amount at a specified date. Initially deferred receivables on investments which represent a financial asset are recognized at fair value. Subsequently these are measured at amortized cost using the effective interest method. They are classified as assets falling due within one year unless the maturities are more than 12 months after the end of the reporting period where they are classified as non-current assets. A deferred receivable on investments is derecognized when the obligation under the asset is received or discharged.

Accruals and other short-term payables

Accruals and other short-term payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. They are classified as liabilities falling due within one year unless the maturities are more than 12 months after the end of the reporting period where they are classified as liabilities falling due after one year. Other payables are stated at the carrying amount as this is a reasonable approximation of fair value.

Borrowings

Borrowings consist of credit facilities and loans received either from financial institutions or from related parties. Such borrowings are initially recognized at fair value and subsequently measured at amortized cost. Borrowings are derecognized when the obligation specified in the contract is discharged, cancelled or expired. In the audited consolidated statement of financial position borrowings are classified as liabilities falling due within one year unless the maturities are more than 12 months after the end of the reporting period where they are classified as liabilities falling due after one year.

Deferred payments

Deferred payments meet the definition of a financial liability as they are a contractual obligation for a specified amount at a specified date. Initially deferred payments which represent a financial liability are recognized at fair value. Subsequently these are measured at amortized cost using the effective interest method. They are classified as liabilities falling due within one year unless the maturities are more than 12 months after the end of the reporting period where they are classified as liabilities falling due after one year. A deferred payment is derecognized when the obligation under the liability is paid or discharged.

Equity

Shares are classified as equity. Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to the Company's equity holders.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

There is significant subjectivity in the valuation of Direct and Indirect Investments with very little transparent market activity to provide support for fair value levels at which willing buyers and sellers would transact. In addition there is subjectivity in the cash flow modeling due to the fact that the underlying investments, in many cases, require funding based on the future development of their investments. The estimates and judgments employed therein are therefore continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Unquoted investments in Direct and Indirect Investments

For the valuation of such investments the Investment Manager reviews the latest information provided by underlying investments and other business counterparties, which frequently does not coincide with the valuation date, and applies widely recognized valuation methods to such data such as time of last financing, earnings and multiple analysis, discounted cash flow method and third party valuation as well as market prices to estimate a fair value as at the end of the reporting period. As part of the fair valuation of such investments, the Investment Manager uses observable market and cash flow data to consider and determine the fair values of the underlying investments. Furthermore the Investment Manager considers the overall portfolio against observable data and general market developments to determine if the values attributed appear to be fair based on the current market environment. The Investment Manager makes reasonable efforts to obtain the latest available information from the underlying unquoted investments.

As part of the continuous evaluation of the fair value of the underlying unquoted investments, the fair value assessment procedures are determined by the Investment Manager independent of the Investment Advisor's investment committee. In addition, the Investment Manager is also responsible for ensuring that these procedures are adhered to during the assessment of the fair values.

Based on an assessment of relevant applicable indicators of fair value, the Group estimates the fair values as at the valuation date. Such indicators may include, but are not limited to:

- An underlying investment's most recent reporting information including a detailed analysis of underlying company performance and investment transactions with the Indirect Investments between the latest available reporting of the underlying investment and the end of the reporting period of the Group;

- Review of a direct investment's most recent accounting and cash flow reports and models, including data supplied by both the sponsor and the company and any additional available information between the date of these reports and the end of the reporting period of the Group;
- Review of recent transaction prices and merger and acquisition activity for similar direct investments;
- Review of the Indirect Investment's application of generally accepted accounting principles and the valuation method applied for its underlying investments such as discounted cash flow and multiple analysis, which are based on available information; and
- Review of current market environment and the impact of it on the direct and Indirect Investments.

The variety of valuation bases adopted, quality of management information provided by the underlying Indirect Investments and the lack of liquid markets for the investments held mean that there are inherent difficulties in determining the fair values of these investments that cannot be eliminated. There are significant estimates and assumptions that are used in establishing the fair value of financial assets and liabilities. As a result, the actual amounts realized on the sale of these instruments may differ from the fair values reflected in these financial statements and these differences may be significant as a result of the judgments applied.

Cash flow modeling

In addition to the review of historical data within the cash flow modeling, the Investment Manager also takes into account current portfolio data together with the expected development of the market environment based on observable market information and subjects this to simulations and stress-tests to consider certain scenarios which could occur and their potential impact on the Group and its investment commitment and funding strategy.

The results of such observations are included within the investment models to provide an insight into future expected cash flows and the liquidity requirements of the Group.

As at the end of the reporting period, the Group estimates the cash flow requirements based on an assessment of all applicable indicators, which may include but are not limited to the following:

- Historical statistical data: external and internal data serve as the statistical basis of the quantitative model;
- Current portfolio company information: the model is updated to take into account current data from the Group's Direct and Indirect Investments;
- Input from the Investment Advisor's investment professionals: qualitative and quantitative inputs from the general market environment and the specific portfolio in the model; and
- Monte-Carlo simulations and stress-tests: stochastic behavior of private market cash flows combined with valuations and tailor-made scenario analyses provide the basis for commitment decisions and quantitative risk management.

There is uncertainty in the estimates and judgment in the cash flow modeling assumptions concerning the future and as such the Investment Manager, on instruction from the Board of Directors, continuously compares these assumptions against actual developments and adjusts and reports the cash flow model accordingly, including the short term credit facility.

5 EXPENSES

Management fees

Under the Investment Management Agreement ("IMA") between the Company and Princess Management Limited ("the Investment Manager") the Company pays, in arrears, to the Investment Manager quarterly management fees. The quarterly management fees are calculated as 0.375% of the higher of the sum of Private Equity Net Assets which is the higher of (i) the net asset value of the Company and (ii) the value of the assets less any temporary investments of the Company, plus the amount of the unfunded commitment of the Company or the Net Assets of the Group at the end of the quarter.

In respect of secondary investments, the Company pays additional quarterly fees equal to 0.0625% of the Secondary Investment Value which is equal to the value of the secondary investments of the Company, plus the amount of the unfunded commitment to such secondary investments of the Company. In respect of Direct Investments, the Company pays additional quarterly fees equal to 0.125% of the Direct Investment Value which is equal to the value of the Direct Investments of the Company, plus the amount of the unfunded commitment to such Direct Investments of the Company.

Administration fees

The administration fees are paid quarterly in advance pursuant to the Administration Agreement between the Company and Partners Group (Guernsey) Limited (the "Administrator"). The quarterly administration fees are calculated as 0.0125% of the first USD 1 billion of Net Assets and 0.005% of the amount by which such Net Assets exceed USD 1 billion.

Incentive fees

In accordance with the IMA, the Investment Manager is entitled to receive a share of the realized profits of the Company, otherwise referred to as incentive fees ("Incentive Fees"). In accordance with the IMA, Incentive Fees are calculated on each reporting date, taking into account the required performance conditions and distribution arrangements of the Company.

Distributions of cash proceeds derived from each secondary investment are distributed to the Company or due to the Investment Manager as Incentive Fees in the following order of priority: (i) The Company shall receive distributions equal to its aggregate secondary investment contributions in respect of the relevant secondary investment plus an amount (the "Preferred Return") calculated at the rate of 8% per annum compounded annually on their contributions and distributions derived from the relevant secondary investment. (ii) Thereafter the Investment Manager shall receive Incentive Fees until such time as the Investment Manager has received 10% of the sum of the distributed Preferred Returns and the Incentive Fees made under this clause. (iii) Thereafter, 90% shall be distributed to the Company and 10% shall be allocated to the Investment Manager as additional Incentive Fees.

Distributions of cash proceeds derived from each Direct Investment are distributed to the Company or due to the Investment Manager as Incentive Fees in the following order of priority: (i) The Company shall receive distributions equal to its aggregate Direct Investment contributions in respect of the relevant Direct Investment plus an amount (the "Preferred Return") calculated at the rate of 8% per annum compounded annually on their contributions and distributions derived from the relevant Direct Investment. (ii) Thereafter the Investment Manager shall receive Incentive

Fees until such time as the Investment Manager has received 15% of the sum of the distributed Preferred Returns and the Incentive Fees made under this clause. (iii) Thereafter, 85% shall be distributed to the Company and 15% shall be allocated to the Investment Manager as additional Incentive Fees.

Incentive Fees are calculated on an annual basis based on the value of each direct and secondary investment as measured at the reporting date, whether or not such investments are made through a pooling vehicle. This calculation is performed separately for each direct and secondary investment.

The foreign currency exchange fluctuations are included in this calculation.

The change in Incentive Fees is accounted for on an accruals basis and is presented separately in the audited consolidated statement of comprehensive income.

During the reporting period EUR 4’947'752 in Incentive Fees were paid (2011: EUR 326'359).

6 TAXATION STATUS

The Company and the Subsidiary are exempt from taxation in Guernsey under The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and are each liable for the payment of an annual fixed rate of GBP 600 per annum for the granting of the exemption.

7 DIVIDENDS

The Board of Directors of Princess Private Equity Holding Limited declared a dividend of EUR 0.24 paid on 22 June 2012 and EUR 0.25 on 19 December 2012 on each Ordinary Share. The dividend paid on 22 June 2012 amounts to EUR 16.7m and on 19 December 2012 to EUR 17.4m (2011: 31.4m).

8 SHORT-TERM CREDIT FACILITIES

On 27 July 2011, the Company entered into a 3-year multi-currency revolving credit facility with Lloyds TSB Bank plc for EUR 80m.

In relation to the interest charged, on drawn amounts, this is calculated at a margin of 3.25% per annum above the applicable LIBOR rate or, in relation to any loan in EUR, EURIBOR. In addition there is a commitment fee of 1.05% per annum calculated on the daily undrawn amounts plus a once off arrangement fee of EUR 800’000 and a monitoring fee in the amount of EUR 25’000 per annum.

In the event that the facility will be provided by more than one lender then there will be an agency fee of EUR 40’000 per annum.

The facility, in relation to the Company, is secured, inter alia, by way of a pledge over the shares in Princess Private Equity Subholding Limited, a wholly owned subsidiary of the Company and a pledge over the bank accounts and the inter-company loans within the Group.

The Company must maintain a total net asset value of at least, EUR 350m, a cash reserve of at least EUR 3m and a total asset ratio (total debt plus current liabilities as a percentage of restricted net asset value) not greater than 25%.

The Company repaid and terminated its junior facility of EUR 32.5m on 18 August 2011 and terminated the senior facility with effect from the same date.

9 SEGMENT CALCULATION

Partners Group Holding AG (the "Investment Advisor") makes strategic allocations of assets between segments on behalf of the Group. The Group has determined the operating segments based on the internal reporting provided by the Investment Advisor to the Board of Directors on a regular basis.

The Investment Advisor considers that the investment portfolio of the Group may consist of up to five sub-portfolios, which are managed by specialist teams within the Investment Advisor. Only those segments applicable within the reporting period have been reflected in these audited consolidated financial statements and the notes below. There were no changes in the reportable segments during the period or transactions between reportable segments.

The Investment Advisor assesses the performance of the reportable segments based on the net income from and capital appreciation of the financial assets at fair value through profit or loss by segment, based on the fair value methodologies adopted by the Group. This measurement basis excludes any additional general income and expenses which are not allocated to segments but are managed by the Administrator on a central basis.

Total assets allocated to reportable segments are those financial instruments presented in the audited consolidated statement of financial position by segment, and the Group's other assets, receivables, liabilities and cash are not considered to be segment assets or liabilities and are managed centrally by the Administrator. Hedging gains and losses are attributable to hedging activities of the Group and managed on a central basis by the Investment Advisor and Administrator and the Group's management and performance fees paid are not considered to be segment expenses.

The segment information provided by the Investment Advisor with respect to reportable segments for the period is as follows:

In thousands of EUR	**01.01.2012 31.12.2012**	**01.01.2011 31.12.2011**
Private equity		
Interest & dividend income	54	-
Revaluation	16'586	51'868
Net foreign exchange gains / (losses)	(1'519)	11'923
Total net income private equity	**15'121**	**63'791**
Segment result private equity	**15'121**	**63'791**
Private debt		
Interest income (including PIK)	2'697	2'346
Revaluation	1'707	5'129
Net foreign exchange gains / (losses)	309	1'564
Total net income private debt	**4'713**	**9'039**
Segment result private debt	**4'713**	**9'039**

Private real estate		
Revaluation	1'129	1'458
Net foreign exchange gains / (losses)	(3)	(3)
Total net income private real estate	**1'126**	**1'455**
Segment result private real estate	**1'126**	**1'455**
Private infrastructure		
Revaluation	372	135
Total net income private infrastructure	**372**	**135**
Segment result private infrastructure	**372**	**135**
Non attributable		
Interest & dividend income	17	330
Net foreign exchange gains / (losses)	15	170
Total net income non attributable	**32**	**500**
Segment result non attributable	**(18'250)**	**(17'968)**
Other financial activities not allocated	2'068	(18'069)
Surplus / (loss) for the financial period	**5'150**	**38'383**

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

10.1 PRIVATE EQUITY

In thousands of EUR	**31.12.2012**	**31.12.2011**
Balance at beginning of period	523'201	524'887
Purchase of Direct and Indirect Investments	66'223	60'487
Distributions from and proceeds from sales of Direct and Indirect Investments	(277'134)	(125'964)
Reclassification of investments	2'903	-
Revaluation	16'586	51'868
Foreign exchange gains / (losses)	(1'519)	11'923
Balance at end of period	**330'260**	**523'201**

Based on the reassessment of the classification criteria for one investment, an amount of EUR 2'903'231 was reclassified from private debt to private equity during the period (2011: nil).

10.2 PRIVATE DEBT

In thousands of EUR	**31.12.2012**	**31.12.2011**
Balance at beginning of period	65'728	49'347
Purchase of Direct and Indirect Investments	10'641	16'605
Distributions from and proceeds from sales of Direct and Indirect Investments	(13'062)	(8'319)
Reclassification of investments	(2'903)	-
Accrued cash and PIK interest	1'282	1'402
Interest received	(240)	-
Revaluation	1'707	5'129
Foreign exchange gains / (losses)	309	1'564
Balance at end of period	**63'462**	**65'728**

Based on the reassessment of the classification criteria for one investment, an amount of EUR 2'903'231 was reclassified from private debt to private equity during the period (2011: nil).

10.3 PRIVATE INFRASTRUCTURE

In thousands of EUR	**31.12.2012**	**31.12.2011**
Balance at beginning of period	3'782	2'345
Purchase of Direct and Indirect Investments	959	1'704
Distributions from and proceeds from sales of Direct and Indirect Investments	(218)	(402)
Revaluation	372	135
Balance at end of period	**4'895**	**3'782**

10.4 PRIVATE REAL ESTATE

In thousands of EUR	**31.12.2012**	**31.12.2011**
Balance at beginning of period	15'714	12'306
Purchase of Direct and Indirect Investments	2'326	2'899
Distributions from and proceeds from sales of Direct and Indirect Investments	-	(946)
Revaluation	1'129	1'458
Foreign exchange gains / (losses)	(3)	(3)
Balance at end of period	**19'166**	**15'714**

11 FOREIGN EXCHANGE FORWARD / OPTION CONTRACTS

In thousands of EUR	**31.12.2012**	**31.12.2011**
Foreign exchange forward contracts		
Unrealized revaluation	10'843	(5'677)
Realized revaluation	(3'768)	(1'062)
Total revaluation forward contracts	**7'075**	**(6'739)**
Foreign exchange option contracts		
Unrealized revaluation	4'237	(12'659)
Realized revaluation	(6'062)	4'985
Total revaluation option contracts	**(1'825)**	**(7'674)**

The net fair value of forward exchange and option contracts at the balance sheet date amounted to EUR 5'165'775 with an outstanding volume of USD 191'000'000 (2011: EUR -3'852'468; volume USD 285'400'000). These contracts may be settled on a gross basis.

12 CASH AND CASH EQUIVALENTS

In thousands of EUR	**31.12.2012**	**31.12.2011**
Cash at banks	38'724	3'339
Cash equivalents	27'000	16'000
Total cash and cash equivalents	**65'724**	**19'339**

13 SHARE CAPITAL AND RESERVES

13.1 CAPITAL

In thousands of EUR	**31.12.2012**	**31.12.2011**
Authorized		
200'100'000 Ordinary shares of EUR 0.001 each	200	200
Total authorized shares	**200**	**200**
Issued and fully paid		
69'579'214 Ordinary shares of EUR 0.001 each out of the bond conversion	-	70
69'450'385 Ordinary shares of EUR 0.001 each out of the bond conversion	70	-
Total issued and fully paid shares	**70**	**70**

During the reporting period, the Company purchased and cancelled 128’829 of its own shares at an average price of EUR 6.04 (2011: 520'786 shares at an average price of EUR 6.12). Following these purchases and cancellation, the Company’s issued share capital consists of 69’450’385 shares (2011: 69'579'214 shares).

13.2 RESERVES

In thousands of EUR	**31.12.2012**	**31.12.2011**
Distributable reserves		
Distributable reserves at beginning of reporting period	634'293	668'882
Dividend payment	(34'057)	(31'401)
Share buyback and cancellation	(777)	(3'188)
Total distributable reserves at end of reporting period	**599'459**	**634'293**

At the annual general meeting held in May 2012, the shareholders renewed the authority granted to the Directors to purchase up to 14.99 per cent of the issued share capital of the Company. During the reporting period the Company continued to buyback shares, which are subsequently cancelled and the amount paid for these shares purchased during the reporting period is disclosed as "Share buyback and cancellation" in the above.

14 INCENTIVE FEES

In thousands of EUR	**31.12.2012**	**31.12.2011**
Balance at beginning of period	7'011	3'581
Change in incentive fees attributable to Investment Manager	2'271	4'471
Incentive fees paid/payable	(4'948)	(1'041)
Balance at end of period	**4'334**	**7'011**

15 PROJECT ALEXANDER

In September 2012, the Company entered into a sale and purchase agreement, relating to Project Alexander, with a single third party buyer (the "Buyer") to sell 17 limited partnership interests ("Investments") held by the Company.

The transaction is being settled in three installments. Between 30 September 2012 and the end of the reporting period, USD 44'329'489 and EUR 13'404'047 were received from the Buyer, which reflected 1/3 of the purchase price, adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011, in relation to 16 Investments.

The remaining 2/3 proceeds of USD 100’421’368 and EUR 21’697’649, in relation to these 16 Investments have been evenly split between 2 deferred payments which are due to be received on 31 March 2014 and 30 September 2015. These amounts have been discounted to their net present value and their carrying amount as at 31 December 2012 is EUR 95'797'046.

These amounts were initially recognized in the audited consolidated statement of financial position as financial assets at fair value and were then measured at amortized cost using the effective interest method and have been recognized as non-current receivables in the audited consolidated statement of financial position.

At 31 December 2012, the Company retains the ownership of 1 of these Investments, valued at USD 14’877’234 at that date, which is reflected in the financial assets at fair value through profit or loss in the audited consolidated statement of financial position. The investment is expected to transfer in January 2013, with 1/3 of the purchase price, adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011 due on the date of transfer and the remaining 2/3 being evenly split between 2 deferred payments which are due to be received 18 and 36 months later.

The Investments are derecognized from the Company's portfolio when substantially all risks and rewards associated with them have been transferred to the Buyers, being at the date that the general partner of the Investments formally recognizes the Buyer as the owner of the respective Investments. The Investments are disposed at values agreed between the Buyer and the Company, and these values will be adjusted by the calls and distributions executed by the Company until such time that the Investment transfers have been formally recognized by the general partner of the Investments. As a result, the Company, although required to reflect the Investment positions in its portfolio until such derecognition date is appropriate, is not subject to the fair value movements of the Investments from the effective date of the sale and purchase agreements with the Buyer.

As at 31 December 2012 the Company has derecognized 16 investments.

In thousands of EUR	**31.12.2012**	**31.12.2011**
Deferred receivables on investments	**95'797**	**-**

16 PROJECT PALO

In December 2012, the Company entered into a sale and purchase agreement, relating to Project Palo, with a single third party buyer (the "Purchaser") to sell 19 limited partnership interests ("Investments") held by the Group.

During December 2012, USD 7’380’788 was received from the Purchaser, relating to assets at an adjusted fair value per the Investment Advisor of USD 7’450’190, adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011, in relation to 11 Investments.

As at the end of the reporting period, the Company retains the ownership of 8 of these Investments, valued at USD 7’281’927 and is expected to receive USD 7’347’721 at that date, which is reflected in the financial assets at fair value through profit or loss in the audited consolidated statement of financial position. All parties are working on the transfer of the remaining investments and the above amounts will be adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011 up to the date of transfer.

These Investments will be derecognized from the Company's portfolio when substantially all risk and rewards of ownership have been transferred to the Purchaser, being at the date that the general partner of the Investments formally recognizes the Purchaser as the owner of the respective Investments. The Investments will be disposed at values agreed between the Purchaser and the Company, and these values will be adjusted by the calls and distributions executed by the Company until such time that the Investment transfers have been formally recognised by the general partner of the Investments. As a result, the Company, although required to reflect the Investment positions in its portfolio until such derecognition date is appropriate, is not subject to the fair value movements of the Investments from the effective date of the sale and purchase agreements with the Purchaser.

17 COMMITMENTS

In thousands of EUR	**31.12.2012**	**31.12.2011**
Unfunded commitments translated at the rate prevailing at the end of the reporting period	228'204	143'865

18 EARNINGS PER SHARE AND NET ASSETS PER SHARE

Basic earnings per share are calculated by dividing the surplus or loss for the financial period attributable to the shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares, if any. There were no dilutive effects on the Company's shares during 2012 and 2011.

The net asset value per share is calculated by dividing the net assets in the audited consolidated statement of financial position by the number of shares outstanding at the end of the reporting period.

In thousands of EUR	**31.12.2012**	**31.12.2011**
Net assets of the Group	583'143	612'827
Outstanding shares at the end of the reporting period	69'450'385.00	69'579'214.00
Net assets per share at period-end	**8.40**	**8.81**

19 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group may use derivative financial instruments such as foreign currency exchange forward or option contracts to hedge certain exposures.

19.1 FOREIGN CURRENCY EXCHANGE RISK

The Group holds net assets denominated in currencies other than its Functional Currency. The value of net assets denominated in other currencies will fluctuate due to changes in exchange rates. The main currency risk for the Group results from net assets held in other currencies where a change of exchange rates can have a material impact on the value of net assets. The Investment Manager's hedging committee meets on a quarterly basis to review the foreign currency exchange rate risk and decides on the use of derivative financial instruments such as foreign currency exchange forward and option contracts to hedge certain exposures. Furthermore, the Investment Advisor's risk management committee reviews the foreign currency exchange risk on a monthly basis and proposes changes to the actual hedging positions if necessary.

The annual volatility uses cross-currency rates from 1 January 2001 to the respective period end and based on the assumption that the non-Functional Currency fluctuates by the annual volatility, shows below the amount by which the value of those applicable net assets and the corresponding results would fluctuate either higher or lower.

The Group has used the volatility analysis since 1 January 2001 as this provides an analysis of long term trends.

In thousands of EUR	**31.12.2012**	**31.12.2011**
Net assets denominated in AUD	6'400	6'386
Net assets denominated in CHF	(57)	(32)
Net assets denominated in GBP	10'571	18'630
Net assets denominated in SEK	74	545
Net assets denominated in USD	131'977	136'052
Net assets denominated in NOK	6'357	5'368
Applicable annual volatility AUD	9.43%	9.40%
Applicable annual volatility CHF	6.21%	6.50%
Applicable annual volatility GBP	8.18%	8.40%
Applicable annual volatility SEK	6.03%	6.00%
Applicable annual volatility USD	10.75%	10.90%
Applicable annual volatility NOK	6.89%	7.10%
Fluctuation of net assets and corresponding results depending on above mentioned volatility	**16'095**	**17'407**

19.2 INTEREST RATE RISK

The Group may invest in interest-bearing mezzanine investments that are exposed to cash flow interest rate risk due to changes in market interest rates. The interest on mezzanine loans is partially based on LIBOR and EURIBOR rates. A decrease in the market interest rates can lead to a decrease in interest income of the Group. The overall interest rate risk is considered to be limited as only a small part of the portfolio depends on variable interest rates.

Cash and cash equivalents are only short-term and therefore interest rate exposure is limited. At 31 December 2012 and 2011, all term deposits invested had fixed interest rates.

As part of the Investment Manager's continuous monitoring of liquidity it analyzes the interest rates quoted against the general market to ensure that these are competitive and takes action as appropriate.

Other than as stated herein, the income and operating cash flows are substantially independent from changes in market interest rates.

A change of 25 basis points in interest rates at the reporting date would have resulted in either an increase or a (decrease) in surplus or loss by the amounts stated below. This analysis assumes that all other variables in particular foreign currency rates remain constant and is performed on the same basis for the previous period.

The table 'Variable Rate Instruments' presents the exposure of the Group to variable rate instruments at the end of each period presented. The tables 'Sensitivity Analysis Current Period' and 'Sensitivity Analysis Prior Period' present the sensitivity of the Group's variable rate instruments to movement in interest rates as at the end of each reporting period, respectively.

19.3 VARIABLE RATE INSTRUMENTS

In thousands of EUR	**31.12.2012**	**31.12.2011**
Mezzanine investments	25'473	25'053
Cash and cash equivalents	65'724	19'339
Total variable rate instruments	**91'197**	**44'392**

19.4 SENSITIVITY ANALYSIS CURRENT PERIOD

In thousands of EUR	**25bp increase**	**25bp decrease**
Impact on variable rate instruments	228	(228)

19.5 SENSITIVITY ANALYSIS PREVIOUS PERIOD

In thousands of EUR	**25bp increase**	**25bp decrease**
Impact on variable rate instruments	111	(111)

19.6 CREDIT RISK

Whilst the Group intends to diversify its portfolio of investments, the Group's investment activities may result in credit risk relating to investments in which the Group has direct or indirect (through underlying investments and investments in subsidiaries) exposure. A negative credit development or a default of an investment in which the Group has direct or indirect exposure will lead to a lower net asset value and to lower dividend and interest income from assets within the private debt operating segment or where the Group holds a direct interest.

It is expected that investments will include those made in private debt funds. Many of the private debt funds may be wholly unregulated investment vehicles. In addition, certain of the private debt funds may have limited or no operational history and have no proven track record in achieving their stated investment objective. The investment risk is managed by an investment strategy that diversifies the investments in terms of geography, financing stage, industry or time.

Derivative counterparties and cash transactions are limited to high credit quality financial institutions with a minimal rating of P-1 (Moody's). The Investment Manager ensures that surplus cash is invested in temporary investments. In addition, where the Group holds significant amounts of cash the Investment Manager may seek to diversify this exposure across multiple financial institutions.

In addition Partners Group AG regularly conducts a concentration risk analysis on the underlying investments and has concluded that no action needs to be taken.

The Group may also invest in mezzanine facilities of alternative investment backed underlying investments. These underlying investments' financial performance is monitored on a monthly basis and classified by an internal rating system, which consists of five categories; too early, with issues, on plan, above plan and outperformer. When assessing the investment the Investment Manager takes into account a number of factors including the financial position and actual versus expected performance. The term "too early" is used during the period just after the initial investment when there is insufficient information to assess the actual performance of the underlying investment. If an underlying investment's performance is classified as "with issues", the mezzanine facility will be closely and regularly monitored by Partners Group AG with regular communications being held with the manager of the underlying investment so that the actual value can be assessed and, if necessary, written down. The amount of any unrealized loss is disclosed herein and the change of credit quality, if any, is reflected in the fair value of the instrument.

The Group provides mezzanine facilities to private companies which are represented as debt instruments. No collateral is received from the underlying companies. The credit quality of these investments is based on the financial performance of the individual portfolio company. For those assets that are not past due, it is believed that the risk of default is small and the capital repayments and interest payments will be made in accordance with the agreed terms and conditions. No terms or conditions were renegotiated during the period.

As part of the quarterly fair value assessment Partners Group AG takes into consideration any breaches in covenants and any changes in general market conditions.

The table 'Rating of Mezzanine Investments' presents the classification of the Group's mezzanine investments in the categories described above at the end of each reporting period presented. The tables 'Duration of Credit Risk Current Period' and 'Duration of Credit Risk Prior Period' present the duration of credit risk of the Group as at the end of each reporting period, respectively.

19.7 RATING OF MEZZANINE INVESTMENTS

In thousands of EUR	**31.12.2012**	**31.12.2011**
Too early	-	4'673
With issues	2'476	3'316
On plan	17'424	17'064
Above plan	5'573	-
Outperformer	-	-
Total	**25'473**	**25'053**

As at the end of the reporting period, one mezzanine investment with a fair value of EUR 2'475'800 had incurred unrealized losses, save for the effect of foreign currency exchange rates.

19.8 DURATION OF CREDIT RISK CURRENT PERIOD

In thousands of EUR	**Not past due**	**Past due less than 1 year**	**Past due more than 1 year**
Hedging assets	5'166	-	-
Cash and cash equivalents	65'724	-	-
Other short-term receivables	7'027	-	-
Deferred receivables on investments	95'797	-	-
Mezzanine instruments	25'473	-	-

As at the end of the reporting period, the Group held cash and cash equivalents of EUR 13'723'800 with an international Swiss based banking group which at that date had a rating of A1 (Moody's), and EUR 25'000'227 with a Swiss based bank which at that date had a rating of Aaa (Moody's). Further cash and cash equivalents at the end of the reporting period of EUR 27'000'000 were held as short-term treasury bills issued by the countries of Belgium, France and The Netherlands.

As at the end of the reporting period, the Group held deferred receivables on investments of EUR 95'797'046 with a counterparty affiliated with an international Swiss based banking group which at that date had a rating of A1 (Moody's).

19.9 DURATION OF CREDIT RISK PREVIOUS PERIOD

In thousands of EUR	**Not past due**	**Past due less than 1 year**	**Past due more than 1 year**
Cash and cash equivalents	19'339	-	-
Other short-term receivables	231	-	-
Mezzanine instruments	25'053	-	-

19.10 LIQUIDITY RISK

Liquidity risk arises where the Group may not be able to meet the obligations as and when these fall due for settlement.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

As the unfunded commitments can be drawn at any time, the Group's over-commitment strategy could result in periods in which the Group has inadequate liquidity to fund its investments or to pay other amounts payable by the Group. The liquidity risk arising from the over-commitment strategy is managed through the use of quantitative models by the Investment Advisor's internal risk committee on a quarterly basis. If the risk committee concludes that there is a risk of insufficient liquidity to fund investments, actions are taken into consideration such as entering into a credit facility, reducing the amount of listed private equity, if any, or the selling of investments on the secondary market.

The Group's financial instruments include investments in unlisted securities, which are not traded in an organized public market and may generally be illiquid. As a result, the Group may not be able to quickly liquidate its investments in these instruments at an amount close to fair value in order to respond to its liquidity requirements or to specific events such as deterioration in their creditworthiness.

The table 'Overcommitment Strategy' presents the Group's exposure at the end of each period presented. The tables 'Liquidity Risk Current Period' and 'Liquidity Risk Prior Period' present the maturity bands of the Group's assets and liabilities at the end of each period, respectively.

19.11 OVERCOMMITMENT STRATEGY

In thousands of EUR	**31.12.2012**	**31.12.2011**
Unfunded commitments	(228'204)	(143'865)
Liabilities falling due within one year	(8'354)	(11'316)
Hedging Liabilities	-	(3'852)
Hedging assets	5'166	-
Current Assets	72'751	19'570
Total	**(158'641)**	**(139'463)**

19.12 LIQUIDITY RISK CURRENT PERIOD

In thousands of EUR	**Less than 3 months**	**3 to 12 months**	**More than 12 months**
Unfunded commitments	(228'204)	-	-
Liabilities falling due within one year	(4'020)	(4'334)	-
Hedging assets	5'166	-	-
Current Assets	72'751	-	-
Deferred receivables on investments	-	-	95'797
Undrawn credit facility	80'000	-	-
Total	**(74'307)**	**(4'334)**	**95'797**

19.13 LIQUIDITY RISK PREVIOUS PERIOD

In thousands of EUR	**Less than 3 months**	**3 to 12 months**	**More than 12 months**
Unfunded commitments	(143'865)	-	-
Liabilities falling due within one year	(4'305)	(7'011)	-
Hedging Liabilities	(3'852)	-	-
Current Assets	19'570	-	-
Undrawn credit facility	80'000	-	-
Total	**(52'452)**	**(7'011)**	**-**

19.14 CAPITAL RISK MANAGEMENT

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern and to maintain a strong capital base so as to retain investor, creditor and market confidence with regards to the investment objectives of the Group. The Group's capital is represented by the Equity of the Company. The Board of Directors also monitors the level of discount between the market price of its equity and the Group's net asset value per share in open market transactions.

As a result of the outstanding credit facility agreement, the Group is required to meet certain covenants as described in the Short-term credit facilities note. The Group monitors compliance with these externally imposed restrictions and during 2012 and 2011 there were no breaches with respect to these covenants.

19.15 MARKET PRICE RISK

Financial assets at fair value through profit or loss held directly or indirectly bear a risk of loss of capital. The Investment Manager moderates this through a careful selection of investments within specified limits. The Group's investments are monitored on a regular basis by the Investment Manager and are reviewed on a quarterly basis by the Board of Directors. The Group checks its performance against the Thomson Reuters' Private Equity Performance Index (that is calculated based on quarterly cash flows from the Europe, Middle East and Africa all private equity data in Euros and the United States all private equity data in US dollars that have both been given equal weighting) which it uses as its benchmark. The Group checks on a regular basis the weightings of the index, its composition, price development and volatility.

The annual volatility of the benchmark is shown for the period from 1 January 2001 to the relevant period end by using the quarterly data. Under the assumption that financial assets at fair value through profit or loss fluctuate with the annual volatility the value and the result of such assets, if any, would be impacted by the values shown which could be either higher or lower.

In thousands of EUR	**31.12.2012**	**31.12.2011**
Financial assets at fair value through profit or loss	417'783	608'425
Total assets subject to market risk	**417'783**	**608'425**
Annual expected volatility	8.46%	8.22%
Potential impact on statement of financial position and statement of comprehensive income	**35'344**	**50'013**

19.16 FAIR VALUE ESTIMATION

IFRS 7 - Financial instruments requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level of input that is significant to the fair value measurement in its entirety. For this purpose the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination to what constitutes "observable" requires significant judgment by the responsible entity. The responsible entity considers the observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below analyses within the fair value hierarchy the Group's financial assets measured at fair value at the end of the reporting period.

In the event that the Group holds any quoted investments including any shares received as a result of an IPO or listed private market investments these are valued based on quoted market prices in active markets and therefore classified in level 1.

The Directors have assessed that any derivatives used for hedging valued based on dealer quotes at the end of the reporting period are classified in level 2 as it believes that the Group could redeem the derivatives at the value stated.

Level 3 comprises unquoted investments where the Investment Manager reviews the latest information provided by underlying investments and other business partners, which may not coincide with the reporting date of the Group or the valuation date of the investments, and applies widely recognized valuation methods to value such investments as detailed in the note on critical accounting estimates and judgments.

The reconciliation of each class of financial instrument designated as level 3 is presented in the note on financial assets at fair value through profit or loss.

The tables 'Fair Value Estimation Current Period' and 'Fair Value Estimation Prior Period' present the Group's classification of investments in each of the three levels as described above.

19.17 FAIR VALUE ESTIMATION CURRENT PERIOD

In thousands of EUR	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Derivatives used for hedging	-	5'166	-	5'166
Financial assets at fair value through profit or loss - equity securities	480	-	353'841	354'321
Financial assets at fair value through profit or loss - debt investments	-	-	63'462	63'462
Total assets	**480**	**5'166**	**417'303**	**422'949**
Liabilities				
Total liabilities	**-**	**-**	**-**	**-**

19.18 FAIR VALUE ESTIMATION PREVIOUS PERIOD

In thousands of EUR	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Financial assets at fair value through profit or loss - equity securities	14'288	-	528'409	542'697
Financial assets at fair value through profit or loss - debt investments	-	-	65'728	65'728
Total assets	**14'288**	**-**	**594'137**	**608'425**
Liabilities				
Derivatives used for hedging	-	(3'852)	-	(3'852)
Total liabilities	**-**	**(3'852)**	**-**	**(3'852)**

During the period, certain investments with a fair value of EUR 479'522 were reclassified to level 1 from level 3 as a result of an initial public offering which has taken place during the year (2011: EUR 14'288'000). There were no other transfers between level 3 and levels 1 and 2 during any of the periods presented.

20 DIVIDEND AND INTEREST INCOME AND EXPENSE

In thousands of EUR	**31.12.2012**	**31.12.2011**
Interest income		
From financial assets at fair value through profit or loss	2'718	2'346
From cash and cash equivalents	17	330
Dividend income		
From financial assets at fair value through profit or loss	33	-
Total dividend and interest income	**2'768**	**2'676**
Interest expense		
Interest expense - credit facilities	(869)	(2'886)
Total interest expense	**(869)**	**(2'886)**
Net result from dividends and interest	**1'899**	**(210)**

21 REVALUATION AND REALIZED GAINS AND (LOSSES)

In thousands of EUR	**31.12.2012**	**31.12.2011**
On financial assets at fair value through profit or loss	19'794	58'590
On option and forward hedges	5'250	(14'414)
Total revaluation and realized gains and (losses)	**25'044**	**44'176**

22 FOREIGN EXCHANGE GAINS AND (LOSSES)

In thousands of EUR	**31.12.2012**	**31.12.2011**
On financial assets at fair value through profit or loss	(1'213)	13'484
On payables and receivables	(1'704)	(175)
On cash and cash equivalents	15	170
Total foreign exchange gains and (losses)	**(2'902)**	**13'479**

23 RELATED PARTY TRANSACTIONS

A related party to the Group, is an entity which has the ability to, directly or indirectly, control the Group, or vice versa, or to exercise significant influence over the Group in making financial and operating decisions or is a member of the key management team, including their immediate families, of the Group. Entities are also related where they are members of the same group. In this regard the following are considered related parties in the context of these financial statements; all entities owned and controlled by Partners Group Holding AG, all entities advised by Partners Group AG, and the Board of Directors and key management of each entity within the Group.

The following represents the transactions and balances of the Group with related parties:

23.1 TRANSACTIONS

In thousands of EUR	**31.12.2012**	**31.12.2011**
Management fee expenses:		
Princess Management Limited	10'937	12'067
Administration fee expenses:		
Partners Group (Guernsey) Limited	307	306
Service fee expenses:		
Princess Management Limited	250	143
Incentive fee expenses:		
Princess Management Limited	2'271	4'471
Incentive fee paid:		
Princess Management Limited	4'908	326
Reimbursement of fees due to investments:		
From affiliated entities	5'613	1'742
Setup and interest expenses on bridge loans and credit facilities provided through:		
Green Stone IC Limited	-	380
Partners Group CHF IC Limited	-	1'681
Directors fee expenses:	**178**	**177**
Invested amounts and distributions to/from Partners Group advised products (investment side), net.	**27'595**	**898**

Commitments made to funds or limited partnerships advised by Partners Group amounting to EUR 384'613'773 (2011: EUR 196'684'857).

23.2 PERIOD-END BALANCES

In thousands of EUR	**31.12.2012**	**31.12.2011**
Other short-term receivables:		
Partners Group Direct Invest 2012 (EUR), L.P. Inc.	855	-
Partners Group Direct Investments 2006, L.P.	1'575	-
Partners Group Direct Mezzanine 2011, L.P. Inc.	289	-
Accruals and other short-term payables:		
Princess Management Limited	(2'487)	-
Accrued incentive fee:		
Princess Management Limited	(4'334)	(7'011)
Commitments to Partners Group advised products (investment side)	**387'464**	**196'685**
Fair value of investments advised by Partners Group or related parties	**150'026**	**106'427**

24 NUMBER OF EMPLOYEES

As at 31 December 2012 and 2011 no persons were employed by the Group.

25 PENSION SCHEME

The Group does not operate a pension scheme.

26 GROUP ENTERPRISES- SIGNIFICANT SUBSIDIARIES

Princess Private Equity Subholding Limited
Incorporated in Guernsey
Ownership interest as at 31 December 2012 and 2011: 100%
Activity: Investment holding company

27 EVENTS AFTER THE REPORTING DATE

With effect from 01 January 2013 (the "Effective Date"), the terms of the quarterly management fee calculation and payments have changed. Starting from the Effective Date the Company will cease to pay additional quarterly management fees in respect of secondary and direct investments of 0.0625% and 0.125% to the Investment Manager respectively. The Company will continue to pay a quarterly management fee of 0.375% as defined in note 5 of these audited consolidated financial statements to the Investment Manager.

The Board of Directors is of the opinion that other than the event described above, no events took place between the end of the reporting period and the approval of these consolidated financial statements that would require disclosure in or adjustments to the amounts recognized in these audited consolidated financial statements.

28 APPROVAL OF THESE FINANCIAL STATEMENTS

The Director of the Company approved these consolidated financial statements on 5 March 2013.

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Trading Information

Listing	London Stock Exchange
ISIN	GG00B28C2R28
WKN	A0LBRL
Valor	2 830 461
Trading symbol	PEY
Bloomberg	PEY LN
Reuters	PEY.L
Designated sponsor	JPMorgan Cazenove

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