

MONTHLY REPORT

as per 30 November 2010

Princess Private Equity Holding Limited (Princess) is an investment holding company domiciled in Guernsey that invests in private market investments. Investments include primary and secondary fund investments, direct investments and listed private equity. Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield in the mid- to long-term. The shares are traded on the Frankfurt Stock Exchange (in the form of co-ownership interests in a global bearer certificate) and on the London Stock Exchange.

Key facts

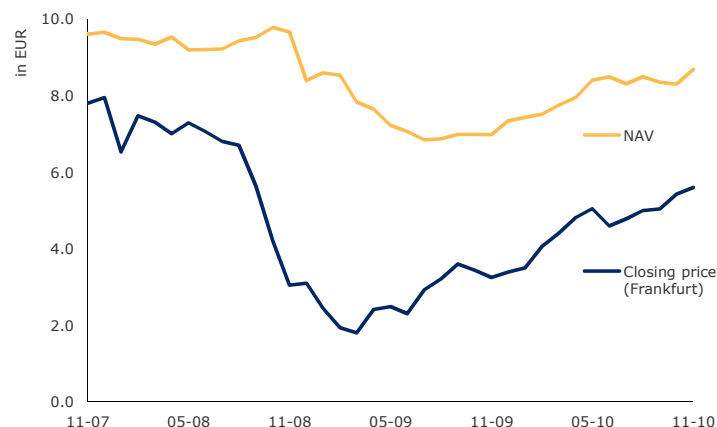
	Frankfurt	London
Trading symbol	PEY1	PEY
Reuters	PEYGz.DE/PEYGz.F	PEY.L
Bloomberg	PEY1 GY	PEY LN
WKN	A0LBRM	A0LBRL
ISIN	DE000A0LBRM2	GG00B28C2R28
Valor	2 830 461	2 830 461
Formation of the Company	12.05.1999	
Base currency	EUR	
Dividends 2008	EUR 0.30 (20/06/2008)	

Key figures

	30.11.2010	31.10.2010	YTD
Net asset value (NAV)	EUR 8.68	EUR 8.30	
Net asset value (NAV) incl. dividend	EUR 9.53	EUR 9.12	18.34%
Investment level	102.54%	100.81%	
Gross Investment level	97.34%	95.02%	
Overcommitment	40.94%	40.59%	
Overcommitment incl. credit line	30.26%	29.42%	
Closing price Frankfurt	EUR 5.60	EUR 5.42	65.19%
Premium	-35.50%	-34.71%	
Closing price London	EUR 5.56	EUR 5.50	67.98%
Premium	-35.96%	-33.75%	

Where applicable, returns are calculated according to the standard BVI-method of the Bundesverband Investment and Asset Management and may be subject to decimal rounding.

NAV and price development



Monthly commentary

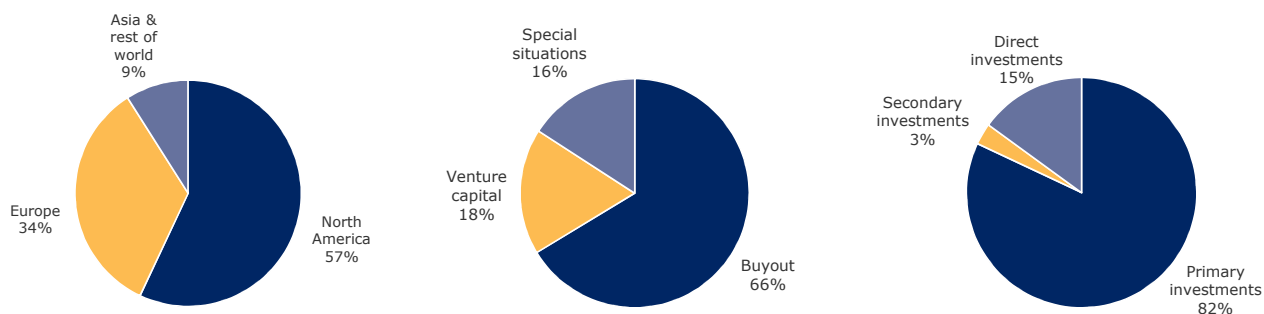
The net asset value (NAV) of Princess showed a strong positive performance in November, closing the month at EUR 8.68 per share. This is an increase of 4.58% compared to the October NAV and leads to a NAV development of +18.34% since the end of 2009. The companies in the Princess portfolio continued to show improvements in operating performance during the month and contributed +1.33% to the NAV. Due to the rebound of the US dollar against the euro, foreign exchange movements also had a positive effect on the NAV of +3.44%. During the past month, Princess partially reset the USD put option hedging contract with a new strike of USD 1.36 and maturity in November 2011, generating net cash proceeds of EUR 12 million.

Princess has also made further progress with regards to the announced repositioning and recently signed purchase and sale agreements for four buyout funds. This first tranche of the secondary sales program will generate cash proceeds of approximately EUR 27 million and release Princess of EUR 12 million in unfunded commitments. Settlement of the transactions is expected within the coming weeks. In addition to the valuation adjustments for two buyout funds in the NAV as of 31 October 2010, Princess made further mark-to-market adjustments for the other two funds of the first tranche in November. This valuation adjustment had a positive impact of 0.11% on the November NAV as these two funds were sold above the last Princess carrying value according to its IFRS valuation principles. Overall, the sale of the first tranche resulted in a total contribution of -0.21% compared to the NAV as of 30 November 2010. The second tranche of the secondary sales program, with expected cash proceeds of EUR 20-25 million, is currently expected to close in the next four to six weeks. The Company intends to release further details on the secondary sales program in its monthly report as of 31 December 2010.

In November, Princess received EUR 7.8 million in distributions from exited portfolio companies compared to EUR 7.8 million in drawdowns for new investments. Amongst others, Industri Kapital 2007 Fund drew down capital to fund the acquisition of a majority stake in Hansa Group. The Hansa Group is a market leader for sanitary fittings for bathrooms and kitchens in Germany, Switzerland and Austria and generated revenues of EUR 194 million in 2009.

Furthermore, SV Life Sciences IV sold its investment in Sadra Medical, a US-based healthcare company, to Boston Scientific Corporation. Founded in 2003, Sadra Medical is a developer of replacement heart valve devices used in the treatment of patients with severe aortic stenosis. Its sale to Boston Scientific generated an immediate payment of USD 225 million for its owners. They stand to receive up to a further USD 225 million if certain regulatory and revenue-based milestones are achieved by 2016.

PE investments by region, financing stage and type of investment



The accompanying notes form an integral part of this monthly report.

On a bondholders' meeting on 5 December 2006, bondholders approved to amend the terms and conditions of the Bonds by entering into a fifth supplemental trust deed with Law Debenture Trustees Limited (the Fourth Supplemental Trust Deed) giving the Company a mandatory conversion right. Accordingly the Company was granted the right (the Mandatory Conversion Right) to convert all of the Bonds into Co-ownership Interests. On 8 December 2006 each bond has been converted into 10 Ordinary shares deliverable in the form of Co-ownership Interests in a global bearer certificate issued by Clearstream, Frankfurt such that each Co-ownership Interest in a global bearer certificate carries rights corresponding to one Ordinary Share.

The conversion of 700'000 convertible bonds at a par value of USD 1'000 each at USD 100 per share resulted in the issuance of 7'000'000 Ordinary Shares. 10,000 shares were already issued and outstanding leading to a total amount of 7'010'000 issued and outstanding Ordinary shares. The Extraordinary Shareholder Meeting of the holders of ordinary shares in Princess Private Equity Holding Limited on 12 October 2007 agreed on a 1 to 10 share split according to which each ordinary share was subdivided into 10 ordinary shares. The share split became effective after close of trading on 12 October 2007.

The Net asset value (NAV) is calculated based on a total of 70,100,000 shares outstanding.

GLOSSARY

Buyout (BO)	Acquisition of a controlling stake in a company, typically with financial or managerial reorganization needs. Small/mid/large/mega large size buyout refers to the enterprise value of the acquired company. Whereas the bandwidths are set at (EUR or USD) <250m/250m-EUR 1bn/1bn-5bn/>5bn for small/mid/large/mega large size buyout respectively.
Closing price	Last price paid on the Frankfurt Stock Exchange or on the London Stock Exchange on the respective date
Frankfurt Stock Exchange (Frankfurt)	First listing on 13/12/2006. The shares deliverable in the form of co-ownership interests in a global bearer certificate are admitted to trading on the regulated market (Reglementierter Markt) with concurrent admission to trading on the segment of the regulated market with additional post-admission obligations (Prime Standard).
Gross Investment level	The value of private equity investments divided by the sum of NAV and drawn credit line
Investment level	The value of private equity investments divided by NAV
London Stock Exchange (London)	First listing on 01/11/2007. Shares are admitted to the Official List.
Net asset value (NAV)	The net asset value, as described in the Prospectus dated 12 October 2007, equals the total assets less liabilities due in one year of the company calculated in accordance with the International Financial Reporting Standard (IFRS).
Overcommitment	Unfunded commitments less net current assets divided by NAV
Overcommitment incl. credit line	Unfunded commitments less the sum of net current assets and total credit line divided by NAV
Premium	Price divided by NAV
Private equity (PE)	Investments in companies, which typically are not publicly traded and in which the investor may significantly influence the management, and other investments of similar character.
Special situations (SS)	Any form of investment that falls within the definition of private equity but cannot be attributed to venture capital or buyout as described above. Special situations includes mezzanine, turnaround, distressed and other investments.
Total Return	Total return is calculated according the standard BVI-method of the Bundesverband Investment and Asset Management.
Value of private equity investments	Private equity investments are being held at fair value as required under the Company's adopted accounting standards IFRS.
Venture capital (VC)	Financing for companies typically in their build-up phase. Seed Stage describes the period where product feasibility is confirmed; Early Stage involves the identification of the position in the market, the establishment of production lines and the development of marketing channels; Later Stage portrays the subsequent rapid expansion phase of a young company.

This Newsletter is produced based on information available on the last working day of the month.

CONTACT DETAILS

Princess Private Equity Holding Limited
 Tudor House
 P.O. Box 477
 St. Peter Port
 Guernsey, GY1 1BT
 Channel Islands
www.princess-privateequity.net

Investor Relations
 Phone: +44 (0)1481 730 946
 Fax: +44 (0)1481 730 947
 Email: princess@princess-privateequity.net

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