

MONTHLY REPORT

as of 31 March 2012

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

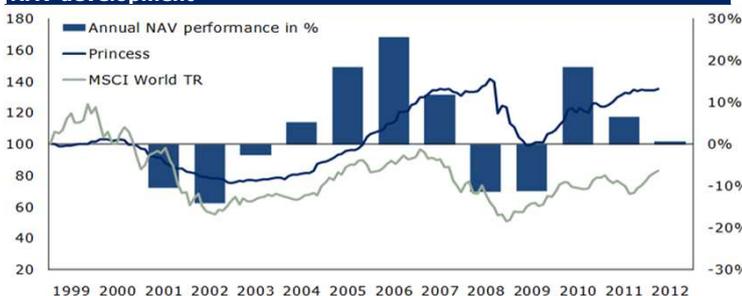
	Frankfurt	London
Trading symbol	PEY1	PEY
Reuters	PEYGz.DE/PEYGz.F	PEY.L
Bloomberg	PEY1 GY	PEY LN
WKN	AOLBRM	AOLBRL
ISIN	DE000AOLBRM2	GG00B28C2R28
Valor	2 830 461	2 830 461
Formation of the Company	12.05.1999	
Base currency	EUR	
Dividends 2011	EUR 0.22, 0.23 (15/07/11, 23/12/11)	

Key figures

	31.03.2012	29.02.2012	YTD
Net asset value (NAV)	EUR 8.87	EUR 8.81	
Net asset value (NAV) incl. dividend	EUR 10.25	EUR 10.17	0.73%
Investment level	93.97%	97.39%	
Gross Investment level	93.97%	97.39%	
Overcommitment	15.20%	19.47%	
Overcommitment incl. credit line	2.24%	6.42%	
Closing price Frankfurt	EUR 6.45	EUR 6.07	10.45%
Discount	-27.30%	-31.09%	
Closing price London	EUR 6.48	EUR 6.08	10.77%
Discount	-26.96%	-30.98%	

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 development



in %	2007	2008	2009	2010	2011	2012 YTD	5 years	5 year annualized return
Princess NAV*	11.9%	-11.3%	-11.3%	18.4%	6.6%	0.7%	7.9%	1.5%
MSCI World TR**	-5.3%	-35.9%	22.4%	17.9%	-2.6%	8.1%	-8.4%	-1.7%

* Based on monthly valuations.

** Source: Bloomberg NDDLWI Index in EUR.

Monthly commentary

The net asset value (NAV) of Princess Private Equity Holding Limited (Princess) increased by 0.7% in March, to close the month at EUR 8.87 per share. Valuation developments had a positive (+0.9%) impact on NAV growth during the period, as underlying portfolio companies continued to post healthy results and a number of investments were exited above their previous carrying values. Currency effects on this occasion had a negligible impact on NAV performance.

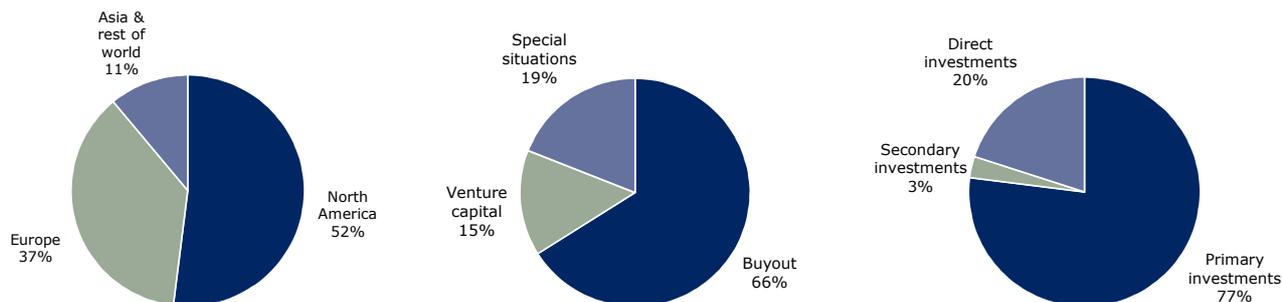
During the month, Princess fully realized its direct investment in GNC Holdings Inc. (GNC), the specialty retailer of health products, and prior to said exit, Princess' largest portfolio company holding. The sale of GNC represented a return of more than 4x the cost of Princess' original direct investment 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 1.7 million distribution from its additional indirect holdings in GNC.

On aggregate, the mature Princess portfolio generated strong distribution proceeds of EUR 28.2 million over the month, well in excess of the EUR 4.9 million in capital calls received. These positive cash flows continue to reinforce Princess' healthy balance sheet position.

In March, Intermediate Capital Group (ICG) and the founding shareholders sold British legal services company CPA Global to private equity firm Cinven. With approximately 1'500 employees, CPA Global is the leading provider of intellectual property management services worldwide. The sale triggered the repayment of the mezzanine loan provided by ICG European Fund 2006, as well as an exit of the equity stake held.

Also during the month, private equity firms Warburg Pincus IX (WP IX) and Fourth Cinven completed the listing of Ziggo, a Dutch cable company, on NYSE Euronext in Amsterdam. WP IX achieved a return multiple of 3.5x cost, and post IPO, Fourth Cinven and WP XI still retain a stake in the business. Following the investment by both private equity firms, Ziggo was able to successfully execute its initial business plan, which saw it take advantage of the growing demand for broadband and position itself as the leading triple-play service provider. As a result, Ziggo achieved strong financial results in 2011, with revenues and EBITDA both experiencing solid growth.

PE investments by region, financing stage and type of investment



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

PRINCESS PRIVATE EQUITY HOLDING LIMITED

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 Board of Directors of Princess Private Equity Holding Limited passed a resolution to implement a share buyback program on 13 December 2010. During March 2012 5'000 shares were repurchased under the share buyback program. As of 31 March 2012 there were 69'574'214 shares outstanding, and the net asset value (NAV) was thus calculated based on a total of 69'574'214 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.

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