

## PRINCESS PRIVATE EQUITY HOLDING LIMITED

Monthly report as of 31 December 2013

## Three new direct investments

- Princess' unaudited net asset value (NAV) increased by 1.1% to EUR 8.09 per share
- Princess deployed EUR 14.0 million to new direct investments and received EUR 9.4 million in distributions
- Growth due to positive portfolio developments (+1.8%) has been partially offset by adverse currency movements (-0.4%)

In line with Princess' strategy to transition its portfolio to a pure direct investment vehicle, Partners Group completed new direct investments in a Swiss based pharmaceutical company and a US based financial services provider in December.

The US financial services company provides mortgage and consumer loan processing services, mortgage settlement services, default solutions and loan performance analytics. Going forward, Partners Group is to support the company in making strategic add-on investments, strengthening its relationships with banks and mortgage originators and optimizing its product offering.

In addition Princess provided mezzanine financing in the acquisition of Well Intervention Services by EQT VI.

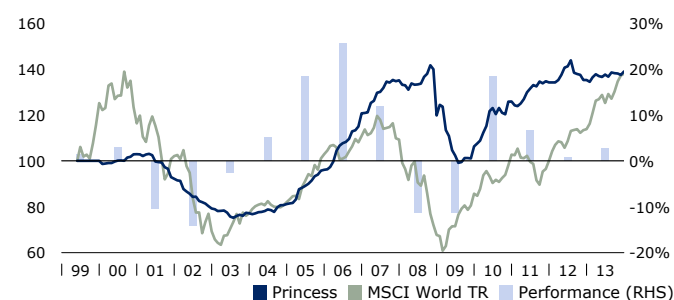
Deal flow remains strong with a number of investments agreed and expected to fund during the first quarter of 2014. In addition to the previously announced investments in an industrial company and Hofmann Menü Manufaktur, Princess also participated in the mezzanine debt refinancing of London headquartered European coffee house chain, Caffè Nero. Adjusting for all investments in closing as of Month end brings the pro-forma investment level to 80.8% while the pro-forma allocation to direct investments will increase to 44.0%.

Additionally, during December, Princess received distributions via a dividend recapitalization from its recent direct investment in an education publisher.

## Key figures

In EUR	31.12.2013	30.11.2013	YTD
NAV per share	8.09	8.00	
NAV per share incl. dividends	10.53	10.42	2.7%
Total fund size (in million)	560.11	554.60	
Investment level	70.7%	69.1%	
Deferred receivables	18.2%	18.5%	
Net liquidity	11.1%	12.4%	
Commitment ratio	5.9%	7.2%	
Gross commitment ratio	-3.1%	-1.8%	
Share price	6.30	6.42	-0.3%
Discount	-22.1%	-19.8%	

## Net performance since inception



In %	2009	2010	2011	2012	2013	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	-11.3	18.4	6.6	0.8	2.7	16.0	3.0	0.27
MSCI World TR	26.6	19.8	-2.6	13.7	21.2	103.7	15.3	1.23

## Largest ten portfolio investments

				% of NAV
1.	AWAS Aviation Holding	WEU	Financials	1.9
2.	Universal Services of America	NAM	Industrials	1.9
3.	Action	WEU	Consumer discretionary	1.7
4.	Fermo (Trimco International)	APC	n.a.	n.a.
5.	Pharmaceutical developer	WEU	Healthcare	1.2
6.	Securitas Direct	WEU	Industrials	1.1
7.	Global Blue	WEU	Financials	1.1
8.	Information service company	NAM	Industrials	1.1
9.	Plantasjen	WEU	Consumer discretionary	1.1
10.	AHT Cooling Systems	WEU	Industrials	0.9

## Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2009	3.9%	-0.6%	-8.3%	-2.3%	-5.6%	-2.2%	-3.1%	0.4%	1.8%	0.0%	-0.2%	5.2%	<b>-11.3%</b>
2010	1.2%	1.2%	3.2%	2.6%	5.6%	1.1%	-2.2%	2.2%	-1.7%	-0.6%	4.6%	0.1%	<b>18.4%</b>
2011	-1.3%	-0.3%	1.0%	1.5%	2.3%	1.2%	1.2%	-0.4%	1.6%	-0.6%	0.7%	-0.4%	<b>6.6%</b>
2012	0.0%	0.0%	0.8%	1.7%	2.3%	0.4%	1.9%	-3.8%	-0.4%	-0.3%	-1.6%	0.0%	<b>0.8%</b>
2013	-0.6%	1.5%	1.0%	-0.6%	-0.3%	0.8%	-0.7%	1.3%	-0.2%	-0.1%	-0.5%	1.1%	<b>2.7%</b>



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

The Board of Directors of Princess passed a resolution to implement a share buyback program on 13 December 2010. During December 2013, 69'000 shares were repurchased under the share buyback program. As of 31 December 2013, there were 69'249'835 shares outstanding, and the NAV was thus calculated based on a total of 69'249'835 shares outstanding.

Deferred receivables relate to a sale and purchase agreement with a single third party buyer to sell 17 partnership interests. The agreement was entered in September 2012 and payment will be settled in three instalments, with 1/3 of proceeds having been received upon transfer of the partnership interests. The remaining 2/3 of proceeds are due to be received 18 and 36 months thereafter.

### Information

- For further information please visit:  
[www.princess-privateequity.net](http://www.princess-privateequity.net)

### Investor Relations

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[princess@princess-privateequity.net](mailto:princess@princess-privateequity.net)

### Registered Office

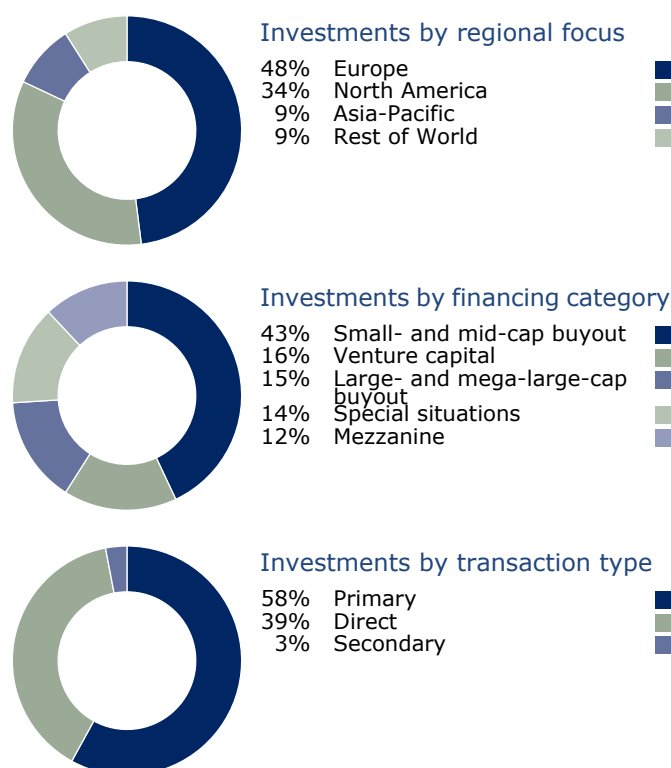
- Princess Private Equity Holding Limited  
Tudor House  
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### Key facts

Stock exchange	London
Reuters	PEY.L
Bloomberg	PEY LN
ISIN	GG00B28C2R28
Sedol	B28C2R2
Product life start date	12.05.1999
Currency	EUR
Dividend YTD	0.53

### Portfolio composition



**Key figures** Commitment ratio: Unfunded commitments less the sum of net current assets and deferred receivables divided by NAV (Gross commitment ratio includes undrawn balance on credit line). Deferred receivables: The value of deferred receivables divided by NAV. **Net performance since inception** Indexed to 100. Since inception of Princess Private Equity Holding Limited. Princess: based on monthly total return valuations. MSCI World TR: Bloomberg NDDUWI Index in EUR. Sharpe ratio: risk-free rate based on 3-month EURIBOR (Bloomberg: ECC0TR03 Index). **Largest ten direct investments** Based on net asset value. **Monthly net performance** Based on monthly total return valuations. **Portfolio composition** Based on total value of investments.

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