

MONTHLY REPORT

as of 28 February 2013

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 London Stock Exchange.

Key facts

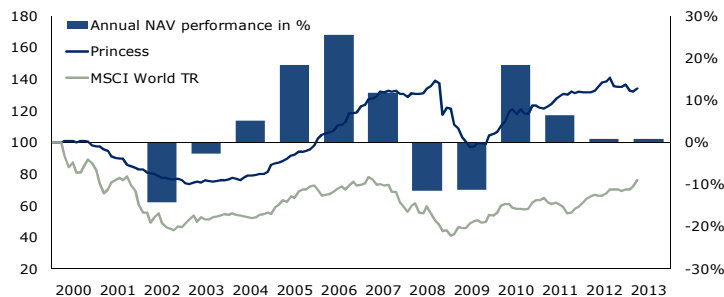
|                          |   |
|--------------------------|---|
|                          | London                                  |
| Trading symbol           | PEY                                     |
| Reuters                  | PEY.L                                   |
| Bloomberg                | PEY LN                                  |
| WKN                      | A0LBRL                                  |
| ISIN                     | GG00B28C2R28                            |
| Valor                    | 2 830 461                               |
| Formation of the Company | 12/05/1999                              |
| Base currency            | EUR                                     |
| Dividends 2012           | EUR 0.24 (22/06/12) EUR 0.25 (19/12/12) |

Key figures

|                                      | 28/02/2013 | 31/01/2013 | YTD   |
|--------------------------------------|------------|------------|-------|
| Net asset value (NAV)                | EUR 8.47   | EUR 8.34   |       |
| Net asset value (NAV) incl. dividend | EUR 10.34  | EUR 10.19  | 0.86% |
| Investment level                     | 68.38%     | 67.86%     |       |
| Gross Investment level               | 68.38%     | 67.86%     |       |
| Overcommitment                       | 6.78%      | 6.54%      |       |
| Overcommitment incl. credit line     | -6.82%     | -7.27%     |       |
| Closing price London                 | EUR 7.15   | EUR 7.14   | 4.69% |
| Discount                             | -15.57%    | -14.42%    |       |

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 %            | 2008   | 2009   | 2010  | 2011  | 2012  | 2013 YTD | 5 years | 5 year annualized return |
|-----------------|--------|--------|-------|-------|-------|----------|---------|--------------------------|
| Princess NAV*   | -11.3% | -11.3% | 18.4% | 6.6%  | 0.8%  | 0.9%     | 2.6%    | 0.5%                     |
| MSCI World TR** | -35.9% | 22.4%  | 17.9% | -2.6% | 13.7% | 7.9%     | 27.7%   | 5.0%                     |

\* Based on monthly valuations.

\*\* Source: Bloomberg NDDLWI Index in EUR.

Monthly commentary

The net asset value (NAV) of Princess Private Equity Holding Limited (Princess, or the Company) increased by 1.5% in February, to close the month at EUR 8.47 per share. Valuation developments had a positive (+0.8%) impact on Princess' NAV during the month, as underlying portfolio companies continued to benefit from operational improvements. Currency effects (+0.9%) on this occasion also positively impacted NAV performance, as the US dollar's 4.2% appreciation versus the euro in February helped to enhance returns from the portfolio's US dollar-denominated investments.

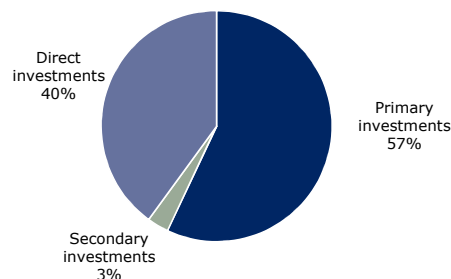
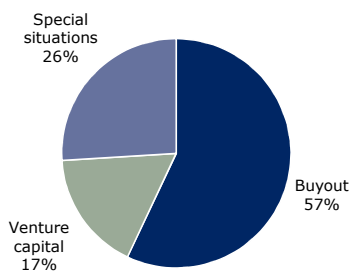
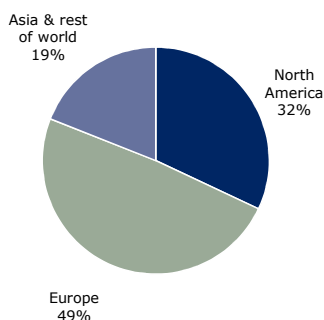
In line with the Company's strategic objective to transition to a solely direct portfolio, Princess made a new direct investment in Softonic in February, through its commitment to the Partners Group Direct Investments 2012 program. The investment is also firmly aligned to Partners Group's relative value assessment criteria, that targets direct private equity investments in mid-sized companies with strong or leading market positions. As of 28 February 2013, Princess' portfolio allocation to direct investments was 40%, up 4% from the start of the year.

The Company's net liquidity position further strengthened over the month, as distributions from exited portfolio companies (EUR 3.1 million) continued to outpace new third party fund investments (EUR 0.7 million). In February, the portfolio benefited from a partial exit of its investment in the Danish telecom operator TDC, and from a dividend pay-out by Sungard, a global software and technology services company with a presence in more than 70 countries.

Princess committed to a direct investment in Softonic in the course of February. The company operates a global multiplatform software guide that allows users to explore, download and manage software applications on multiple devices. Softonic, a world market leader in its segment, is expected to see strong growth driven by increasing demand for software applications. Besides launching the site in new languages over the coming years, the company will focus on increasing its presence in existing markets and on creating new products and services to help users discover and enjoy software for any platform or device.

Also in February, The Blackstone Group participated in a secondary share offering by Danish telecom operator TDC. Together with other private equity firms, Blackstone acquired TDC in 2005 for USD 15.3 billion, in what was then Europe's largest leveraged buyout. The consortium has been reducing its stake in TDC since 2010, but remains a major shareholder. Following strong demand, Blackstone and its co-investors increased the size of the February offering from 80 million shares to 120 million shares for a total value of approximately USD 850 million. Subsequent to the offering, the private equity firms continue to hold around 17.7% of TDC's share capital and voting rights.

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. As of 6 December 2012, the Company delisted from the Frankfurt Stock Exchange, and now only trades on the London Stock Exchange, where each ordinary registered share represents one voting right.

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 February 2013 zero shares were repurchased under the share buyback program. As of 28 February 2013, there were 69'450'385 shares outstanding, and the net asset value (NAV) was thus calculated based on a total of 69'450'385 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 London Stock Exchange on the respective date  |
| 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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