

## PRINCESS PRIVATE EQUITY HOLDING LIMITED

Monthly report as of 30 September 2013

## New investment completed

- Princess' net asset value (NAV) fell by 0.2% to EUR 8.32 per share
- Growth due to positive valuation adjustments (+0.5%) has been offset by adverse currency movements (-0.5%)
- Positive net cash flow of EUR 6.7 million during the month

In line with Princess' strategy to transition its portfolio to a pure direct investment vehicle, Partners Group completed a new direct investment in Universal Services of America (USA) during the reporting period. USA is a provider of diversified security services to some of the largest real estate management companies in the US. USA offers its clients manned guard services, janitorial services and security systems, with the majority of its revenues derived from the provision of guard services. Partners Group will partner with USA's management team to further expand the company's business, building on its strong reputation via key strategic acquisitions and business development with new and existing customers.

During the month, Princess' liquidity position benefited from positive net cash flows, as distributions (EUR 9.3 million) from the Company's mature portfolio continued to exceed new investments (EUR 2.6 million). The positive net cash flow of EUR 6.7 million further strengthened Princess' balance sheet and supports the second interim dividend which is expected to be declared in November (subject to board approval). Based on the last two semi-annual dividend payments of EUR 0.25 and EUR 0.26, Princess' shares yielded 7.7% as of 30 September 2013.

A notable distribution in September came from the portfolio company Action, a Netherlands-based non-food discount retailer, which successfully completed a EUR 275 million refinancing. The senior loan, which replaced a more expensive vendor loan, was partly used to fund a dividend to shareholders, including Princess. The debt offering was significantly oversubscribed, indicating the company's high credit quality. Prior to this transaction, Action had been able to deleverage significantly as a result of its high cash-flow conversion and strong financial performance.

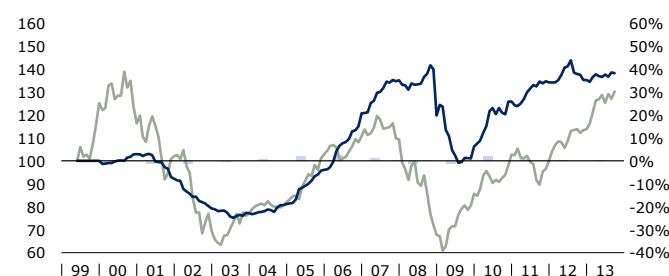
## Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-1.4%	-0.2%	-1.5%	2.1%	-0.4%	0.1%	0.3%	2.2%	1.0%	2.7%	-1.2%	-14.4%	<b>-11.3%</b>
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%				<b>2.2%</b>

## Key figures

In EUR	30.09.2013	31.08.2013	YTD
NAV per share	8.32	8.34	
NAV per share incl. dividends	10.48	10.50	2.2%
Total fund size (in million)	576.71	578.14	
Investment level	70.2%	71.4%	
Deferred receivables	17.8%	18.1%	
Net liquidity	12.0%	10.5%	
Commitment ratio	3.9%	5.6%	
Gross commitment ratio	-10.0%	-8.3%	
Share price	6.60	6.36	0.2%
Discount	-20.6%	-23.8%	

## Net performance since inception



In %	2008	2009	2010	2011	2012	2013	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	-11.3	-11.3	18.4	6.6	0.8	2.2	0.2	0.0	-0.11
MSCI World TR	-38.0	26.6	19.8	-2.6	13.7	14.4	51.6	8.7	0.55

## Top ten portfolio companies

% of NAV			
1. AHT Cooling Systems	WEU	Industrials	2.6
2. Universal Services of America	NAM	Industrials	1.9
3. Global Blue	WEU	Financials	1.8
4. Fermo (Trimco International)	APC	Industrials	1.7
5. AWAS Aviation Holding	WEU	Industrials	1.6
6. Information service company	USA	Industrials	1.6
7. Action	WEU	Consumer discretionary	1.2
8. Securitas Direct	WEU	Industrials	1.1
9. Plantasjen	WEU	Consumer discretionary	1.1
10. Softonic International	WEU	IT	1.0



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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 September 2013, 14'184 shares were repurchased under the share buyback program. As of 30 September 2013, there were 69'344'756 shares outstanding, and the NAV was thus calculated based on a total of 69'344'756 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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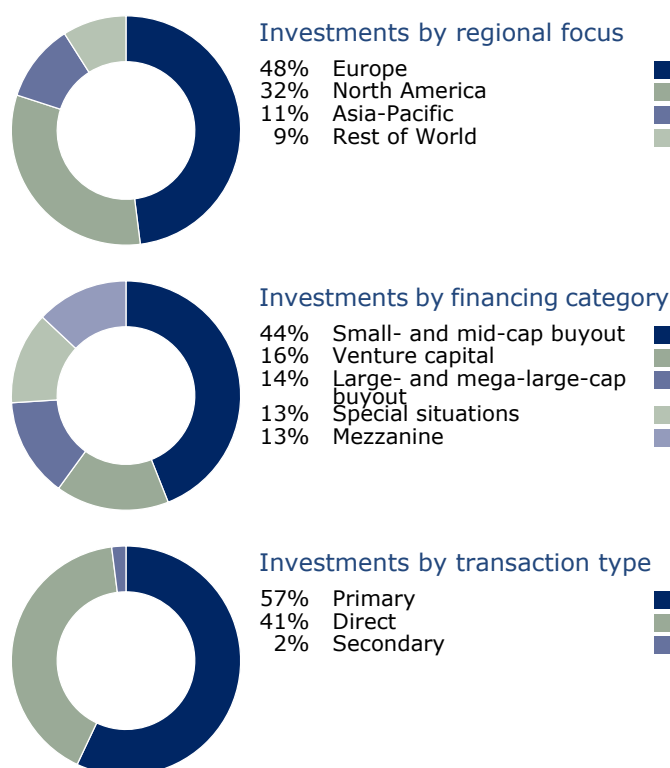
### Registered Office

→ Princess Private Equity Holding Limited  
Tudor House  
P.O. Box 477  
Guernsey, GY1 1BT

### 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	0.26

### 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: ECCOTR03 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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