

Monthly report as of 31 December 2015

Princess' NAV up by 2.5% in December, bringing full year performance for 2015 to +17.5%

- Princess Private Equity Holding Limited's ("Princess") net asset value ("NAV") up by 2.5% to EUR 9.51 per share
- Overall portfolio developments (+3.6%) were positive for the month while currency movements were negative (-0.7%)
- Princess invested EUR 16.6 million and received distributions of EUR 14.4 million

In December, Princess' NAV benefited from the positive revaluation of a number of its direct investments. Amongst the largest value drivers were the investments in MultiPlan, VAT Vakuumentile and Action. VAT reported an improvement in its EBITDA margin driven by a change in product mix and the optimization of cost of goods sold through a global sourcing program. Additionally, Action, a discount retailer based in the Netherlands, was written up over the last quarter of 2015.

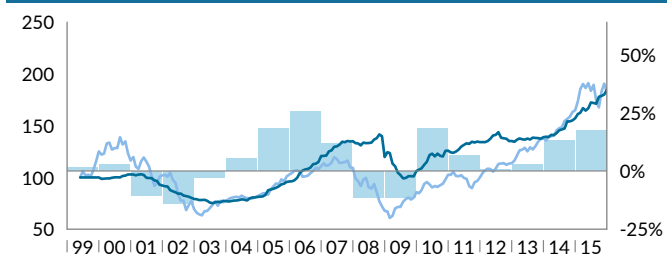
During the reporting period, Princess deployed EUR 16.6 million, including a EUR 8.0 million investment in Vermaat, the Dutch market leader in high-end catering and hospitality services, previously announced in the November monthly report. Furthermore, Princess invested EUR 3.1 million in Seabras-1, a project to construct the first direct subsea fiber optic cable between New York, USA and São Paulo, Brazil. This investment represents an opportunity to invest in the growing telecommunications sector as demand for broadband connection between the US and Brazil is expected to increase substantially. The Seabras-1 cable network is expected to commence operations in the first half of 2017 and has already sold substantial capacity. Partners Group is providing all of the equity financing for the project, which is being developed by Seaborn Networks, a US-based telecommunication infrastructure developer, at a total project cost of USD 500 million. Princess also deployed EUR 1.8 million to a private debt investment in Ascensus, a US-based provider of back-office services to the retirement and college savings sector.

Princess received distributions of EUR 14.4 million during December, including EUR 9.3 million from its mature, legacy funds portfolio. In addition, Princess received a EUR 3.0 million dividend payment from its investment in Global Blue, the world-leading VAT refund provider for international travelers. The dividend was funded through the refinancing of the company's credit facilities and returned over 0.5x cost. Princess also received EUR 1.5 million from the realization of its investment in Project Artemis, a Swedish healthcare provider. Princess provided the company with mezzanine finance in August 2013. Since then, Project Artemis' revenues and EBITDA have grown by more than 10%, due to higher occupancy rates and stable organic growth. The investment generated a multiple of 1.3x and a IRR of 13.2%.

Princess will hold an investor conference call on 4 February 2016, at 15:00 GMT to update interested parties on the recent developments of the Princess portfolio. The information announced will refer to unaudited figures as of 31 December 2015.

Key figures			
In EUR	30.11.2015	31.12.2015	YTD
NAV per share	9.27	9.51	
NAV per share incl. dividends	13.65	14.00	17.5%
Total fund size (in million)	641.06	657.39	
Investment level	93.7%	93.5%	
Net liquidity	6.3%	6.5%	
Commitment ratio	9.8%	13.5%	
Gross commitment ratio	2.0%	5.9%	
Share price	7.76	7.87	20.9%
Discount	-16.3%	-17.2%	

Net performance since inception



■ Princess ■ MSCI World TR ■ Performance (RHS)

In %	2011	2012	2013	2014	2015	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	6.6	0.8	2.7	13.2	17.5	46.7	8.0	1.55
MSCI World TR	-2.6	13.7	21.2	19.6	10.3	77.3	12.1	1.05

Largest ten direct investments

				% of NAV	
1.	MultiPlan, Inc.	NAM	Healthcare	8.0	
2.	VAT Vakuumentile AG	WEU	Industrials	7.1	
3.	Action	WEU	Consumer discretionary	4.1	
4.	Dynacast	NAM	Materials	3.8	
5.	Hofmann Menue Manufaktur	WEU	Consumer staples	3.1	
6.	Fermaca	ROW	Energy	2.8	
7.	KinderCare Education	NAM	Consumer discretionary	2.7	
8.	Trimco International	APC	Industrials	2.4	
9.	Pharmaceutical developer	WEU	Healthcare	1.7	
10.	Caffe Nero	WEU	Consumer staples	n.a.	

Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
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%	6.6%
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%	0.8%
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%	2.7%
2014	0.3%	-0.3%	1.6%	-0.2%	1.4%	1.9%	0.6%	0.5%	4.7%	0.0%	0.6%	1.3%	13.2%
2015	2.6%	0.8%	2.8%	-1.5%	1.4%	3.4%	-0.3%	-0.4%	3.9%	0.5%	0.7%	2.5%	17.5%

Monthly report as of 31 December 2015

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 2015, 0 shares were repurchased under the share buyback program. As of 31 December 2015, there were 69'151'168 shares outstanding, and the NAV was thus calculated based on a total of 69'151'168 shares outstanding.

Information

For further information please visit:
www.princess-privateequity.net

Investor Relations

Phone: +44 (0) 1481 711 690
 Fax: +44 (0) 1481 730 947
princess@princess-privateequity.net

Registered Office

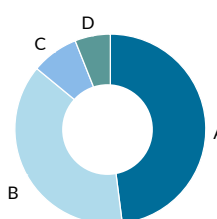
Princess Private Equity Holding Limited
 Tudor House
 P.O. Box 477
 Guernsey, GY1 1BT

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	0.54

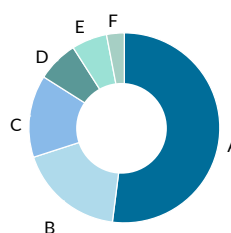
Portfolio composition

Investments by regional focus



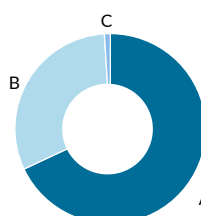
A	Europe	48%
B	North America	38%
C	Rest of World	8%
D	Asia-Pacific	6%

Investments by financing category



A	Small/Mid-cap	52%
B	Large/mega-large-cap	18%
C	Special situations	14%
D	Mezzanine	7%
E	Venture capital	6%
F	Growth	3%

Investments by transaction type



A	Direct	68%
B	Primary	31%
C	Secondary	1%



Key figures Commitment ratio: Unfunded commitments less the sum of net current assets divided by NAV (Gross commitment ratio includes undrawn balance on credit line). **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.

This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the product described herein. This report was prepared using financial information contained in the company's books and records as of the reporting date. This information is believed to be accurate but has not been audited by any third party. This report describes past performance, which may not be indicative of future results. The company does not accept any liability for actions taken on the basis of the information provided. Please consult the constituent documents for a more complete description of the terms.