

Monthly report as of 31 August 2016

NAV increases by 2.1%

- Princess Private Equity Holding Limited's ("Princess") net asset value ("NAV") increases by 2.1% to EUR 9.99 per share
- Overall portfolio developments (+2.3%) were positive while currency movements were neutral
- Princess received distributions of EUR 13.4 million from exited investments and invested EUR 3.6 million

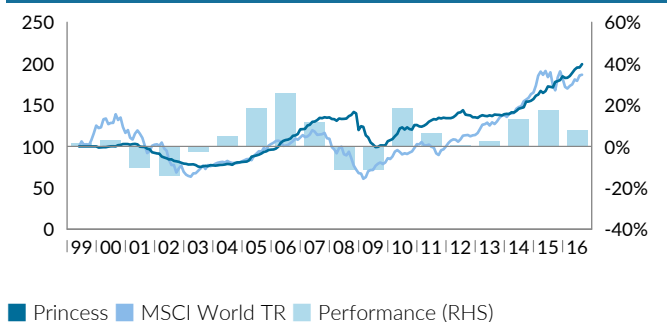
Portfolio companies VAT Group AG and Action were the two largest value drivers. Following its IPO in April 2016 at CHF 45.00 per share, VAT Group AG's share price continued to develop positively, closing the month at CHF 74.70 per share (+15.3% for August).

Princess received proceeds of EUR 5.3 million following the repayment of Partners Group's mezzanine debt financing to Essmann, a manufacturer of light domes, continuous roof lights, smoke and heat extractors as well as ventilation equipment. Founded in 1948 and based in Germany, the company employs approximately 900 people and also offers engineering consulting, maintenance and repair services to its clients. Since Partners Group invested in the company in May 2007, the investment has returned a multiple of 2.37x cost. The remaining proceeds of EUR 8.1 million came predominantly from the legacy third party fund portfolio.

Princess invested a total of EUR 3.6 million during the month, of which EUR 3.5 million was allocated to Polyconcept, a global supplier of promotional products. The company's key markets are North America and Europe where it provides a wide range of custom decorated goods such as drink-ware, electronics, stationery and premium apparel. Founded in 1973, Polyconcept has established a leading market position within the highly fragmented promotional products market. The company's revenues are well-diversified across customers, suppliers, price points and geographies. Looking ahead, the management team will continue to expand the business globally, building on their track record of success and tapping into new opportunities for growth.

Key figures			
In EUR	31.07.2016	31.08.2016	YTD
NAV per share	9.78	9.99	
NAV per share incl. dividends	14.81	15.12	8.0%
Total fund size (in million)	676.37	690.50	
Investment level	86.8%	88.0%	
Net liquidity	13.2%	12.0%	
Commitment ratio	3.2%	3.2%	
Gross commitment ratio	-4.1%	-4.1%	
Share price	7.71	7.94	4.5%
Discount	-21.2%	-20.5%	

NAV performance since inception (total return)



In %	2011	2012	2013	2014	2015	2016	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	6.6	0.8	2.7	13.2	17.5	8.0	50.6	8.5	1.69
MSCI World TR	-2.6	13.7	21.2	19.6	10.3	2.5	1038	15.3	1.42

Largest ten direct investments

				% of NAV
1.	VAT Group AG	WEU	Industrials	7.8
2.	Action	WEU	Consumer discretionary	5.3
3.	Permotio International Learning SarL	WEU	Consumer discretionary	3.6
4.	Dynacast	NAM	Materials	3.4
5.	Hofmann Menue Manufaktur	WEU	Consumer staples	3.3
6.	KinderCare Education	NAM	Consumer discretionary	3.0
7.	Fermaca	ROW	Energy	2.8
8.	Trimco International	APC	Industrials	2.4
9.	Pharmaceutical developer	WEU	Healthcare	1.8
10.	PCI Pharma Services	NAM	Healthcare	1.7

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%
2016	-1.1%	0.1%	1.2%	2.0%	2.1%	1.3%	-0.0%	2.1%					8.0%

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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 August 2016, 0 shares were repurchased under the share buyback program. As of 31 August 2016, 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

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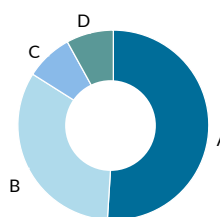
Princess Private Equity Holding Limited
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 Guernsey, GY1 1BT

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	0.27

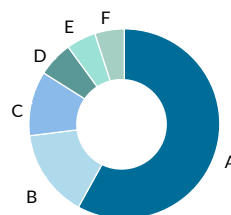
Portfolio composition

Investments by regional focus



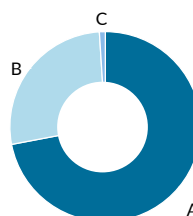
A	Europe	51%
B	North America	33%
C	Rest of World	8%
D	Asia-Pacific	8%

Investments by financing category



A	Small/Mid-cap	58%
B	Special situations	15%
C	Large/mega-large-cap	11%
D	Growth	6%
E	Mezzanine	5%
F	Venture capital	5%

Investments by transaction type



A	Direct	72%
B	Primary	27%
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). **NAV performance since inception (total return)** 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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