

Monthly report as of 30 September 2016

NAV increases by 1.8%

- Princess Private Equity Holding Limited's ("Princess") net asset value ("NAV") increased by 1.8% to EUR 10.16 per share
- Overall portfolio developments (+2.4%) were positive and currency movements (-0.2%) were slightly negative
- Princess received distributions of EUR 9.9 million from exited investments and invested EUR 24.2 million over the reporting period

In September 2016, Princess' NAV benefited from the quarterly revaluation of its direct investment portfolio. Portfolio companies VAT Group AG ("VAT"), Action and KinderCare Education ("KinderCare") were the three largest value drivers. The share price of quoted holding VAT recorded a positive development during September (+10.2% in CHF), closing the month at CHF 82.35 per share compared to CHF 45.00 when the company listed in April 2016. Another material contributor to Princess' performance was the valuation uplift of non-food discount retailer Action which continued its international expansion and now operates more than 750 stores in six countries. KinderCare, the largest for-profit provider of early childhood education and care services in the US, recorded an increase in EBITDA underpinned by robust student enrollment numbers and a reduction in general and administrative expenses.

Princess received EUR 9.9 million, including a EUR 3.8 million dividend from its investment in Trimco International ("Trimco"), a leading Asia-headquartered supplier of garment labels, tags and trimming products to blue chip global apparel companies. This represents Trimco's second dividend payment in two years, with the previous payment having taken place in September 2014. The most recent dividend was financed through a debt recapitalization, supported by the company's prospects from organic growth and additional synergies from the recent acquisition of A-Tex, a global provider of brand identity products including labels, hang-tags and packaging solutions. Partners Group continues to work closely with the management team to integrate A-Tex into Trimco's platform, which is expected to result in further operational synergies and bottom-line growth. Partners Group will also assist the company in the institutionalization of its senior management group and succession plan. The remaining distributions of EUR 6.1 million were predominantly from Princess' mature legacy fund portfolio.

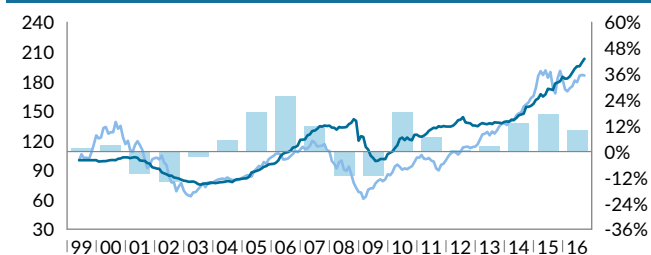
Princess invested a total of EUR 24.2 million during the month, including an investment of EUR 19.6 million in Foncia, the leading French provider of property management services. Founded over 40 years ago and headquartered in Paris, the company provides a range of services to property owners and tenants, including joint-property management, lease management as well as rental and transaction services. It operates a network of over 500 branches, employs more than 8'000 people and manages a portfolio of around 1.8 million properties across France, Belgium, Switzerland and Germany. Princess also deployed EUR 2.9 million to a private debt investment in a French enterprise software provider.

Princess will hold an investor conference call on 2 November 2016 at 10:00 GMT to update interested parties on recent portfolio developments. The information announced will refer to unaudited figures as of 30 September 2016. The dial-in details are now available on the company's website:

http://www.princess-privateequity.net/en/investor_relations/web_cast_live-events.php

Key figures			
In EUR	31.08.2016	30.09.2016	YTD
NAV per share	9.99	10.16	
NAV per share incl. dividends	15.12	15.39	9.9%
Total fund size (in million)	690.50	702.72	
Investment level	88.0%	87.9%	
Net liquidity	12.0%	12.1%	
Commitment ratio	3.2%	2.8%	
Gross commitment ratio	-4.1%	-4.3%	
Share price	7.94	8.28	8.9%
Discount	-20.5%	-18.5%	

NAV performance since inception (total return)



■ Princess ■ MSCI World TR ■ Performance (RHS)

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	9.9	50.8	8.6	1.70
MSCI World TR	-2.6	13.7	21.2	19.6	10.3	2.1	107.5	15.7	1.48

Largest ten direct investments

				% of NAV
1.	VAT Group AG	WEU	Industrials	8.5
2.	Action	WEU	Consumer discretionary	5.7
3.	Permotio International Learning SarL	WEU	Consumer discretionary	3.7
4.	Hofmann Menue Manufaktur	WEU	Consumer staples	3.4
5.	KinderCare Education	NAM	Consumer discretionary	3.3
6.	Dynacast	NAM	Materials	3.3
7.	Foncia	WEU	Financials	2.8
8.	Fermaca	ROW	Energy	2.8
9.	Trimco International	APC	Industrials	1.9
10.	Kerneos	WEU	Materials	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%	1.8%				9.9%

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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 2016, 0 shares were repurchased under the share buyback program. As of 30 September 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

Investor Relations

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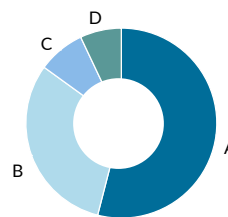
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Key facts

Stock exchange	London
Reuters	PEY.L
Bloomberg	PEY LN
ISIN	GG00B28C2R28
Sedol	B28C2R2
Product life start date	12.05.1999
Currency	EUR
Dividend YTD	0.27

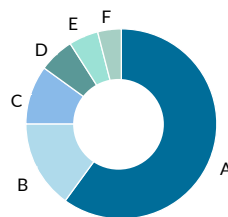
Portfolio composition

Investments by regional focus



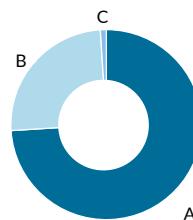
A	Europe	54%
B	North America	31%
C	Rest of World	8%
D	Asia-Pacific	7%

Investments by financing category



A	Small/Mid-cap	60%
B	Special situations	15%
C	Large/mega-large-cap	10%
D	Growth	6%
E	Mezzanine	5%
F	Venture capital	4%

Investments by transaction type



A	Direct	74%
B	Primary	25%
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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