PRINCESS PRIVATE EQUITY HOLDING LIMITED

INTERIM REPORT 2011

Unaudited financial statements for the period
from 1 January 2011 to 30 September 2011

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Partners Group
Passion for Private Markets

PRINCESS PRIVATE EQUITY HOLDING LIMITED

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 in the mid to long term.

The shares are traded on the Frankfurt Stock Exchange (in the form of co-ownership interests in a global bearer certificate) and on the main market of the London Stock Exchange.

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1 KEY FIGURES

IN EUR	30 SEPTEMBER 2011	31 DECEMBER 2010
Net asset value (NAV)	631'268'563	609'032'745
NAV per share	9.06	8.69
Closing price (Frankfurt)	5.88	6.35
Premium over NAV (Frankfurt)	-35.13%	-26.91%
Closing price (London)	5.80	6.25
Premium over NAV (London)	-36.01%	-28.06%
Cash and cash equivalents	26'930'378	49'148'524
Use of credit facility	0	32'500'000
Value of private equity investments	612'275'196	588'886'327
Undrawn commitments	156'745'466	210'394'209
Investment level	96.99%	96.69%
Overcommitment	21.82%	31.24%
Overcommitment incl. credit line	9.15%	20.57%

2 INVESTMENT MANAGER'S REPORT

Positive revaluations drive NAV growth

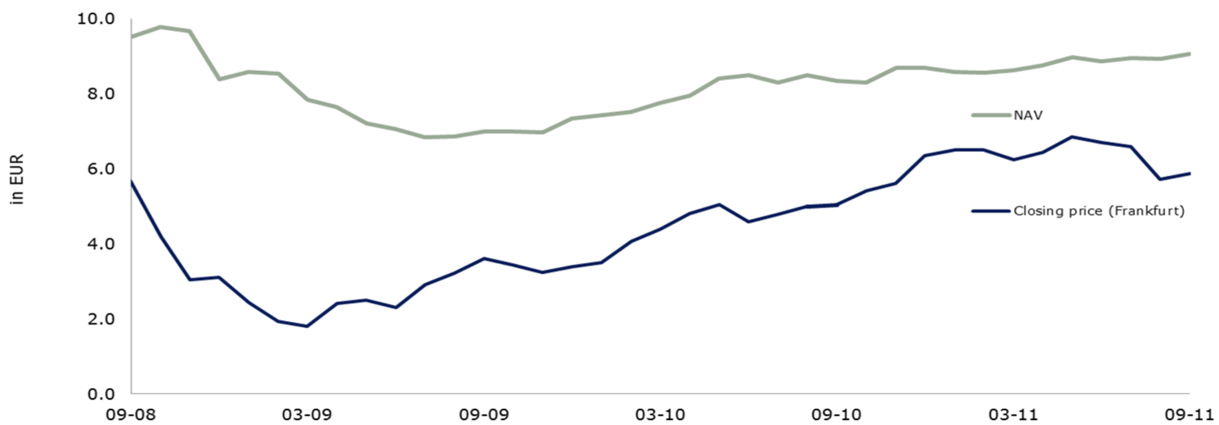
The net asset value (NAV) of Princess increased by 6.9% to EUR 9.06 per share over the first nine-months of 2011, adjusted for the interim dividend paid to investors in July this year. Despite volatile public markets over the third quarter, Princess continued to build upon its strong recent NAV track record, having delivered NAV growth of 18.4% in 2010.

Portfolio company revaluations made a 10.1% contribution to Princess' NAV over the nine-month review period, as operational improvement by portfolio companies and successful exits combined to drive performance higher. Indeed, several underlying portfolio companies increased in value over the period as constructive value creation initiatives continued to engender strong operational efficiencies within underlying portfolio company holdings. This performance was evidenced by the fact that Princess' 30 largest portfolio companies, representing approximately 27% of the NAV, posted weighted average year-on-year revenue and earnings (EBITDA) growth of 7.3% and 6.7% respectively.

Elsewhere, successful realizations made an added contribution to performance, as companies such as the German maker of outdoor clothing Jack Wolfskin, the UK credit card provider SAV Credit and the Swedish medical diagnostics company Phadia Group, were exited at significant premiums to their previous carrying values.

Falling public markets nonetheless took some of the shine off these positives, as did foreign exchange movements, with the latter shaving as much as 1.0% off Princess' NAV growth. Foreign exchange losses in the first half of the year were partially offset by gains in the third quarter, as the US dollar reversed its earlier weakness to strengthen against the euro. Overall, Princess' NAV was partly shielded

PRICE AND NAV DEVELOPMENT (LAST THREE YEARS)



from the full impact of these currency fluctuations owing to its currency hedging strategy.

Share price slightly decreases

After rising 87.3% in 2010, Princess' share price slightly decreased over the latest nine-month review period, as listed public markets declined, particularly during the third quarter. The Company's share price subsequently fell 4.4% to EUR 5.88 per share on the Frankfurt Stock Exchange (Xetra), adjusted for the interim dividend payment. Princess did however continue to outperform the LPX 50 Total Return Index (in euro terms) for listed private equity, which returned -22.4% over the corresponding period.

Although the value of Princess' portfolio companies in aggregate continued to increase over the review period, waning public market sentiment ultimately proved the main driver of its share price. Subsequently, the discount to NAV widened to 35.1% as of the end of September 2011. The Investment Manager believes that such a large discount, though slightly better than its peers, reflects neither the high quality of the Princess portfolio, its high dividend yield nor the active steps taken by the Board in recent quarters to address the discount.

Strategic shift towards direct investments

Princess made a total of EUR 60.7 million in new investments during the nine-month review period, slightly up from the EUR 59.5 million in new investments reported for the same period last year. The Company also continued to make progress with the redirection of its investment focus towards direct investments by completing four direct transactions worth EUR 16.6 million. The remaining EUR 44.1 million in new investments was the result of drawdowns made by existing fund commitments. It is expected that new direct investments will account for virtually all investment activity in two to three years' time, given that Princess' existing fund commitments are nearing the end of their investment periods.

In the first quarter of 2011, Princess completed a EUR 5.6 million direct mezzanine investment in Newcastle Coal Infrastructure Group, the Australian coal export terminal operator. This was followed in the second quarter by a EUR 3.8 million buyout investment in a leading European apparel retailer, and a EUR 2.7 million mid-cap buyout investment in BARBRI, a provider of bar exam preparation services in the United States. In the third quarter, the Company also completed a EUR 4.5 million direct mezzanine investment into Securitas Direct.

The mezzanine facility opportunistically replaced a planned subordinated high-yield bond issuance, as the high-yield bond market virtually seized up over the third quarter. Headquartered in Sweden, Securitas Direct is a provider of monitored alarm solutions for residential and small business customers. The firm has shown strong year-on-year growth during the past few years and has a leading market share in its key home markets.

Princess profits from exiting maturing investments

Distribution proceeds increased significantly over the period, as Princess' mature portfolio and favorable exit conditions in the first half of 2011 combined to generate a high level of successful realizations. Accordingly, distribution proceeds from exited portfolio companies rose to EUR 80.2 million over the nine month review period, from EUR 61.3 million for the corresponding period last year. The realization of the investment in Jack Wolfskin, the German maker of outdoor clothing, at a consideration of EUR 700 million, was a notable exit during the period. This sale generated a more than tenfold return on the original investment in Jack Wolfskin and a distribution of EUR 7.0 million for Princess in August. In addition, the Swedish medical diagnostics company Phadia Group was sold to Thermo Fisher Scientific for EUR 2.5 billion. The investment in Phadia, which develops blood-testing systems to support the clinical diagnosis and monitoring of allergies, was realized at a 3.4x return on its initial investment and generated a distribution of EUR 1.5 million for Princess in September.

Net liquidity remains healthy

Princess' net liquidity position strengthened during the review period, as distributions from successful realizations (EUR 80.2 million) exceeded capital calls from existing fund commitments (EUR 44.1 million) and new direct investments (EUR 16.6 million) by EUR 19.6 million. Aside from exit proceeds, the Company also received EUR 21.2 million from the secondary sales program that took place in the first quarter of 2011.

Princess therefore holds sufficient liquidity on its balance sheet to permit new direct investments and the on-going return of capital to shareholders. Princess had an investment level of 97.0% and net liquidity of EUR 19.0 million (3.0% of NAV) as of the end of September 2011.

In July, the Company also agreed a new EUR 80 million multi-currency credit facility, arranged by Lloyds Bank Corporate Markets. This replaced Princess' existing facility which was due to expire in September 2012. The new facility was structured as a senior revolving facility with a three year term, and was secured on more favourable terms to the previous credit facility. The credit line, which has not been drawn upon, will be used to address short term funding needs.

Unfunded commitments down by more than 25%

Unfunded commitments in the Princess portfolio decreased by around 26% in the first nine months of 2011 to EUR 156.7 million, down from EUR 210.4 million as of the end of 2010. Around 24% or EUR 36.9 million of the Company's unfunded commitments stem from funds that have a vintage year 2000 and older, and are also unlikely to call down any more capital as they should have already completed their investment periods. The Investment Manager expects unfunded commitments virtually to disappear over the next two to three years, as fund holdings are nearing the end of their investment periods and no new fund commitments are being made under the policy of focusing on direct transactions.

Key milestones achieved

In May, the Company declared an interim dividend of EUR 0.22 per share. This translates to an annualized dividend yield of 5.1% based on the NAV per share as of 31 March 2011, or an annualized dividend yield of 7.5% based on the closing price of EUR 5.88 on the Frankfurt Stock Exchange as at the end of this reporting period. Going forward, the Company intends to pay dividends semi-annually following the publication of its 31 March and 30 September quarterly reports. The intention is also for Princess to pay an annual aggregate dividend of 5% to 8% of NAV per share. The Investment Manager is confident that the strong dividend yield on offer will enhance the attractiveness of Princess to new and existing investors alike.

Over the past three quarters Princess reached significant milestones in its efforts to address the share price discount to NAV in the medium to long term. The Company initiated the strategic reposition of its portfolio towards direct investments by closing four new direct deals. Also, the Company completed a secondary sales program, raising EUR 50.1 million from the disposal of nine buyout funds in the fourth quarter of 2010 and the first quarter of 2011. It also initiated on a share buyback program which thus far this year has seen Princess repurchase shares worth EUR 2.6 million.

Outlook

With uncertainty about European sovereign debt contagion and the threat of a renewed global economic slowdown weighing on investor sentiment, there is a possibility that these developments could adversely impact NAVs in the private equity industry in coming quarters. Nonetheless, the Investment Manager expects further successful realizations and positive operating results by Princess' underlying portfolio companies to continue supporting favorable NAV developments within the Princess portfolio.

The quality of Princess' balance sheet, the prospect of more distributions from its mature portfolio and the support of the undrawn credit facility all ensure that Princess is well positioned to fund new investments. Nevertheless, the Investment Manager has adopted an even more cautionary tone with respect to both new investments and realization expectations, as the trajectory for global growth, particularly amongst more advanced economies, is expected to develop at a below trend pace over the medium term. While the Investment Manager will continue to screen new direct investments on a global basis, as in previous quarters, the emphasis will remain on pricing discipline or buying at the right price. This involves avoiding stretched valuations, particularly in the large cap sector, in favour of more attractively priced mid-to-small cap deals such as BARBRI. Also, while the IPO market is set to offer fewer opportunities to realize investments over the coming quarters, the Investment Manager remains positive about distributions, as trade sales and secondary buyouts are likely to remain viable exit alternatives for Princess' mature portfolio.

To conclude, the Investment Manager remains confident that the attractive dividend yield on offer, the strong balance sheet position and the considerable progress made thus far with the strategic repositioning of Princess towards more direct investments will further enhance its value for shareholders.

3 PRIVATE EQUITY MARKET ENVIRONMENT

Global economic growth weakens

Downside risks to the world economy increased during the third quarter, with the financial turbulence in the euro zone and a low economic growth scenario facing the advanced economies remaining largely unresolved.

In the United States, the world's largest economy, several obstacles are constraining growth. Weakened consumer and business confidence as a result of the credit rating downgrade that followed the protracted resolution of the debt ceiling debate, coupled with a weak housing market and persistently high unemployment, are making sustainable economic growth difficult to achieve. Nonetheless, at the end of the quarter macroeconomic indicators have pointed to a tentative improvement in conditions. Retail sales, manufacturing activity and even job growth have all surprised on the upside. This may reduce the risk of a double-dip recession in the United States.

Meanwhile, the sovereign debt crisis of Europe's peripheral economies weighed on global financial markets in the third quarter, as the risk of contagion remained pronounced. The region's financial system has been under significant pressure, as certain European banks hold significant sovereign debt exposures that require larger haircuts than had been assumed. This may result in another round of capital-raising for European banks.

The structural problems facing crisis-hit advanced countries are likely to result in weaker growth for these economies. According to the International Monetary Fund (IMF), real gross domestic product (GDP) in the advanced economies is forecast to grow at a pace of just 1.6% in 2011, down from 3.1% in 2010.

In the emerging economies, domestic demand-driven inflationary risks remain, while weakness in the advanced economies poses an external threat. Central banks in emerging economies are on alert for a slowdown in the global economy and have been adopting a more neutral policy stance. In some cases, monetary policy has been eased, for instance, in August Brazil lowered its benchmark rate by 50 basis points to 12%.

Reflecting these uncertainties, the IMF has recently revised down its projections, estimating that global growth will moderate to 4.0% for 2011 - compared to its earlier estimate of 4.3% in June 2011 - and a slowdown from the 5.1% growth achieved in 2010.

M&A activity eased in the third quarter

Following a very strong second quarter for corporate finance transactions, the value of announced merger and acquisition (M&A) deals in the third quarter reached USD 516 billion, according to data from Bloomberg. This represents a decline of 20.4% from the second quarter and is 12.4% less than the same quarter last year, reflecting heightened uncertainty surrounding the global economy, increased volatility in the financial markets and fading corporate confidence. Across geographical regions, the results were mixed. M&A activity was up 10.7% and 4.3% year-on-year, respectively, in the United States and Asia, while European M&A fell 34.6% owing to the sovereign debt crisis. M&A activity in Latin America contracted by more than half.

The fundamental factors for strong and healthy deal-making are still in place: strong corporate balance sheets, ample funding (at least for investment-grade companies) and the need to deliver growth in a challenging macro environment. These factors drove deal-making in the previous quarter and will do so again when stability returns to the markets.

Private equity investment activity slows down

Private equity investment activity weakened in value terms during the quarter, mirroring the decline in overall M&A activity. While the number of private equity-backed M&A deals nearly doubled from the same quarter last year (to 1'500 deals), the combined value fell by 20.0% to USD 74 billion, according to Bloomberg data.

In the United States, private equity-related transactions were essentially flat on a year-on-year basis, totaling USD 38 billion. Deal-making activity was constrained by the weakened US economy and the heightened volatility in the financial markets. On the other hand, high-quality assets continued to be fairly sought after by investors, which provided a level of support to deal flow. For instance, Kinetic Concepts was sold to a consortium comprising Apax Partners, CPP Investment Board and the Public Sector Pension Investment Board in a USD 6.3 billion buyout.

Private equity-led transactions in Europe amounted to USD 15 billion, a decline of 50.7% from the same quarter last year. The sovereign debt crisis in the euro zone led to deals being delayed as banks become more reluctant to provide debt financing, unless on more expensive terms. For example, Permira withdrew its planned USD 1.2 billion sale of ALL3MEDIA, while Schneider Electric had attracted private equity interest over its planned USD 1.4 billion sale of its US division, which has since been deferred.

In contrast, investment activity in Asia remains positive as the outlook for the region's economies is relatively stable. Private equity investments in Asia rose during the quarter to USD 11 billion. Higher domestic consumption, the opening-up of financial markets and greater economic diversification have allowed the emerging markets to be somewhat less dependent on the developed markets for growth.

Overall, there was a notable slowdown in large-cap deal flow. Activity in this segment weakened significantly towards the latter half of the quarter as market volatility increased and the European debt situation worsened. Large-cap deal activity in particular dropped sharply in Europe as banks became increasingly reluctant to provide debt financing for larger buyouts. Small- and mid-cap deals have been affected to a lesser extent by the tighter availability of debt financing, reflecting the more conservative leverage typically employed in smaller deals.

Exit activity loses momentum

The uncertainties surrounding the global economy and the volatile financial markets have led to potential exits being delayed or cancelled. According to Preqin, there were a total of 254 private equity exits valued at over USD 56 billion in the third quarter, down by more than a half from the USD 120 billion achieved in the second quarter.

While exit activity has slowed, it is important to note that it had reached record levels in the second quarter. The increase in exit flow had started in late 2010, with private equity firms capitalizing on the robust market conditions to exit deals completed during the 2007 boom. Nonetheless, several sizeable exits were completed by private equity firms in the third quarter. These included The Carlyle Group's USD 3.0 billion sale of Insight Communications to Time Warner Cable as well as General Atlantic and Hellman & Friedman's USD 3.0 billion sale of Emdeon, a US medical data services provider, to Blackstone Group.

Global initial public offering (IPO) activity slowed in the third quarter of 2011 as valuations for companies declined amid increased volatility in financial markets. According to Ernst & Young, there were a total of 284 IPOs raising USD 29 billion in the quarter, a drop of more than 50% in funds raised from the second quarter. Asia dominated global IPO activity, accounting for nearly half of all proceeds raised during the quarter, which reflects the relatively more stable markets in the region. Private equity-backed IPO activity declined in line with the overall IPO volumes. During the third quarter, private equity firms exited 21 companies via IPOs, raising USD 3 billion. This was more than a 50% decline in volume, while funds raised fell by more than 80% from the preceding quarter. Notwithstanding the volatile market conditions and weak IPO numbers, the largest private equity-backed IPO during the period was also a very successful one. Dunkin' Brands Group, the US-based franchisor of quick-service restaurants, which is held by The Carlyle Group, Bain Capital and Thomas H. Lee Partners, raised USD 423 million in a NASDAQ listing early in the third quarter. The shares were priced above the expected range, had a strong first-day gain and have broadly maintained this valuation since.

Secondary buyout activity moderated in line with the broader drop in exit activity. The long-term dynamics for secondary buyouts remain intact, with private equity firms being under increasing pressure to invest the capital that was raised before the financial crisis. According to Preqin, there were 87 secondary buyouts with a total value of USD 17 billion in the third quarter, the value of deals being one-third lower than in the preceding quarter. However, despite the sequential slowdown, the quarter still represents one of the strongest periods for secondary buyouts since the collapse of Lehman Brothers. One of the largest secondary buyouts during the quarter was The Carlyle Group's USD 2.6 billion sale of Com Hem, the largest cable television operator in Sweden, to BC Partners.

Private equity fundraising declines amid economic uncertainty

For the quarter ended 30 September, a total of 97 buyout funds raised nearly USD 45 billion, down from the USD 83 billion raised by 175 funds in the preceding quarter, according to data from Preqin. The various macro and market headwinds led to private equity investors adopting a selective approach while waiting for a clearer economic outlook. On the other hand, the average time spent to close funds (as of 30 September) was 17 months, down from the average of 20 months for 2010. Compared to the previous year, there is a positive upward momentum for fundraising activity in 2011.

Across geographical regions, funds focusing on North America raised the most capital in the third quarter, with 37 funds raising USD 23 billion. This was followed by funds targeting investments in Asia/Rest of World (ROW), which raised an aggregate USD 11 billion via 32 vehicles. Europe-focused funds raised a similar amount, with USD 11 billion collected across 28 funds.

Although the recent market uncertainty and declines in deal flow have had an impact on the investment plans of private equity investors in the near term, there has been little change in plans for investing over the next 12-18 months. There are currently more than 1'700 funds on the road, seeking to raise more than USD 700 billion, and the fundraising environment remains highly competitive.

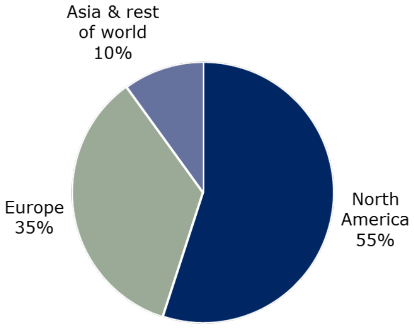
Outlook

Although macro events have impacted the global economy, measures are being taken to address these concerns. The concerted efforts of Europe's "Troika" to contain the sovereign debt crisis, along with the proposed job creation package in the United States, are aimed at reducing the risk of a double-dip scenario for the world economy. Emerging economies enjoy the relative luxury of having monetary tools available to combat a slowdown by way of relaxing policies that have been tightened over the past quarters.

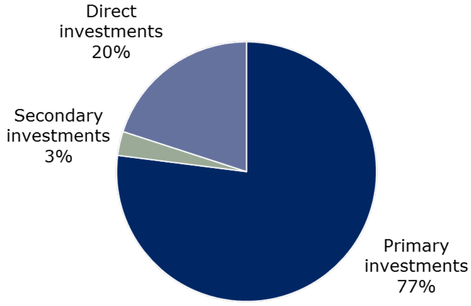
In the private equity market environment, the past sell-down in the financial markets will create new investment opportunities when markets stabilize. While IPO activity has been stifled due to market volatility, trade sales and secondary buyouts remain viable exit avenues, assuming financing is available. Supporting this view are corporate balance sheets flush with cash, low interest rates and private equity funds that are under pressure to deploy capital. On the whole, while conditions in the wider economies are challenging, high-quality assets continue to resonate with investors, especially in the small- and mid-cap deal segments where the use of leverage is less prominent.

4 PORTFOLIO COMPOSITION

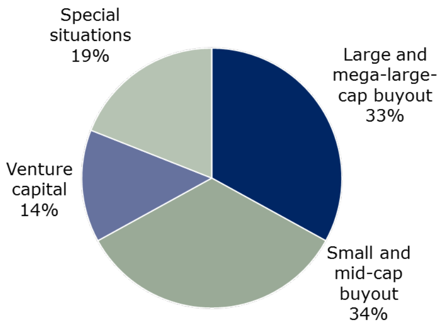
INVESTMENTS BY GEOGRAPHIC REGION



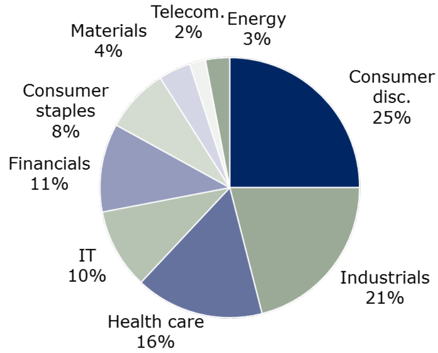
INVESTMENTS BY INVESTMENT TYPE



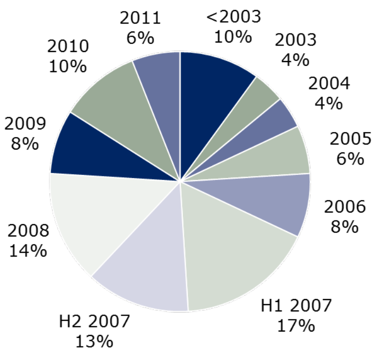
INVESTMENTS BY FINANCIAL STAGE



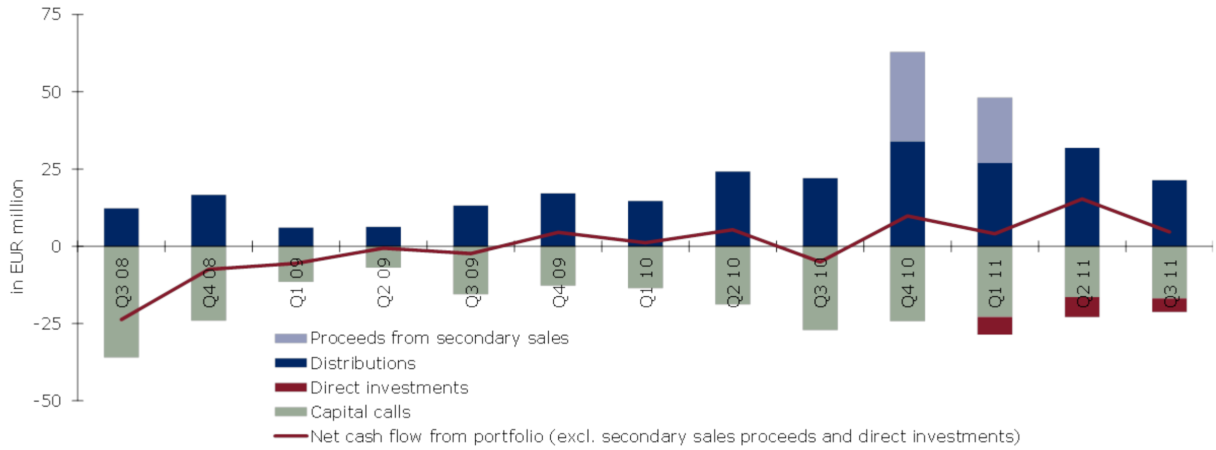
INVESTMENTS BY INDUSTRY SECTOR



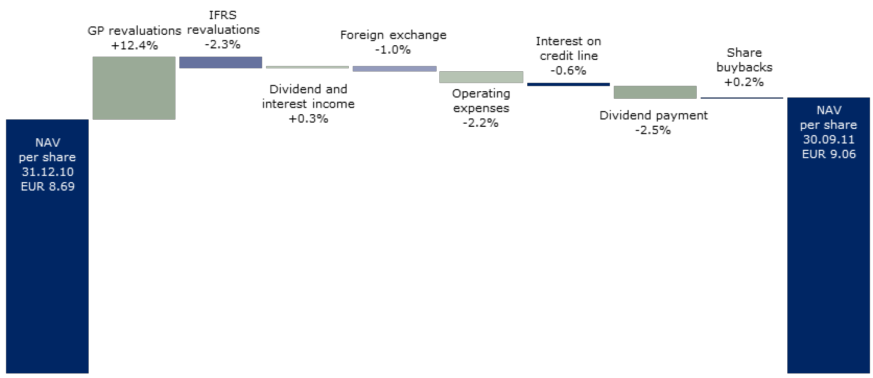
INVESTMENTS BY INVESTMENT YEAR



DEVELOPMENT OF NET CASH FLOWS



NAV PERFORMANCE ATTRIBUTION IN 2011



VALUATION METRICS OF 30 LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Top 10	Top 20	Top 30
EV/EBITDA	9.8x	9.4x	9.8x
Debt/EBITDA	4.3x	4.5x	4.7x
Leverage	43.4%	46.3%	47.6%
Average EV	EUR 3.2bn	EUR 3.3bn	EUR 3.5bn
% of NAV	14.7%	21.6%	26.8%

"Investments" refers to the value of investments.

*As of 30 September 2011 and based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report; the 30 largest portfolio companies exclude fully realized investments and distressed debt investments; Debt / EBITDA ratio based on net debt.

The above allocations are provided for additional investor information only and do not necessarily constitute nor are necessarily managed as separate reportable segments by the Investment Manager, the Investment Advisor and Company.

5 PORTFOLIO TRANSACTIONS

Princess made a total of EUR 60.7 million in new investments during the nine-month review period, and received distribution proceeds of EUR 80.2 million from exited portfolio investments. Unfunded commitments in the Princess portfolio decreased by around 26% in the first nine months of 2011 to EUR 156.7 million.

Selected investments

■ Newcastle Coal Infrastructure Group

In March, Princess completed a direct mezzanine investment into Newcastle Coal Infrastructure Group, an Australian coal export terminal located in the Port of Newcastle and currently being expanded to a capacity of 53 million tons per annum. The subordinated debt tranche worth EUR 5.6 million offers attractive terms with strong downside protection due to secure revenue streams which are based on long-term "ship or pay" agreements, wherein a buyer agrees to pay for contracted transportation capacity regardless of actually transported volumes.

■ BARBRI

In June, the Company made a direct equity investment in BARBRI, the largest provider of bar exam test preparation services in the world. BARBRI offers in-class and online review courses as well as supplemental products for those seeking to obtain the requisite license to practice law within individual states. BARBRI has been active in this market for over 40 years, and has a presence on almost all major law school campuses across all 50 US states and possesses the largest proprietary database of content amongst its competitors.

■ Securitas Direct

In September, Princess provided mezzanine financing to support the acquisition of Securitas Direct by Bain Capital and Hellman & Friedman. Securitas Direct is a European supplier of monitored alarm solutions for residential and small business customers. It has shown strong growth over the past three years, increasing its EBITDA by more than 50%, and has a leading position in its markets. The credit quality is reinforced by a subscription-based business model with a large portion of recurring revenue, supported by a broad client base of almost 1.4 million subscribers.

Selected exits

■ Jack Wolfskin

In July, Jack Wolfskin was sold to Blackstone Group by Quadriga Capital Private Equity Fund II and its co-investor for about EUR 700 million, which would result in a more than tenfold increase from the original purchase price. Quadriga had bought the German maker of outdoor clothing in 2005. Since the investment, Jack Wolfskin's revenue grew significantly to EUR 304 million in 2010 and the company experienced rapid international growth: after launching its first UK store in 2005, Jack Wolfskin expanded into China, and is also considering entry into the US market.

Phadia Group

In August, European private equity firm Cinven agreed to sell Swedish medical diagnostics company Phadia Group to Thermo Fisher Scientific for EUR 2.47 billion. Phadia develops blood-testing systems to support the clinical diagnosis and monitoring of allergies and autoimmune diseases. Cinven originally acquired the company in 2007 for EUR 1.29 billion and was able to expand Phadia's business to Asia and the US, significantly increase the workforce and double the company's revenue growth rate. With this transaction, Cinven achieved a 3.4x return on its initial investment.

SAV Credit

In September, Palamon Capital Partners announced the sale of SAV Credit to Värde Partners in a transaction valued at GBP 472 million. The deal is subject to competition clearance. SAV is a credit card provider to consumers who have previously been rejected by traditional credit card companies. The firm manages around half a million accounts in the UK and has more than GBP 600 million in credit card assets. During Palamon's ownership, the company has successfully been transformed from a start-up company to the UK's market leader in the non-standard credit card segment. The sale is expected to deliver a double-digit rate of return over a nine-year period for Palamon.

6 LARGEST PORTFOLIO HOLDINGS

for the period ended 30 September 2011 (in EUR)

						Since inception
Investment	**Type of investment**	**Financing stage**	**Regional focus**	**Vintage year**	**Total commitments**	**Contributions**
AHT Cooling Systems GmbH	Direct	Special situations	Europe	2007	5'129'636	n.a.
AWAS Aviation Holding	Direct	Buyout	Europe	2006	5'970'444	5'970'444
BarBri	Direct	Buyout	North America	2011	2'654'598	2'654'598
Bartec GmbH	Direct	Buyout	Europe	2008	1'773'019	1'769'352
Bausch & Lomb, Inc	Direct	Buyout	North America	2007	1'086'188	n.a.
Direct marketing and sales company	Direct	Buyout	Rest of World	2007	n.a.	n.a.
Education publisher	Direct	Buyout	North America	2007	n.a.	n.a.
Essmann	Direct	Special situations	Europe	2007	2'705'065	n.a.
Food company 1	Direct	Buyout	North America	2007	2'369'456	2'369'456
General Nutrition Centers, Inc.	Direct	Buyout	North America	2007	6'159'644	6'159'644
Healthcare operator 1	Direct	Buyout	Europe	2006	588'178	588'178
Healthcare operator 4	Direct	Buyout	Europe	2007	n.a.	n.a.
Information service company	Direct	Buyout	North America	2007	4'545'447	4'546'736
Newcastle Coal Infrastructure Group	Direct	Special situations	Asia-Pacific	2010	n.a.	n.a.
Plantasjen ASA	Direct	Special situations	Europe	2007	3'363'816	3'363'816
Project Icon	Direct	Buyout	Europe	2011	3'800'000	3'800'000
Securitas Direct - Debt 2011	Direct	Special situations	Europe	2011	4'365'000	4'500'000
Telecommunication company	Direct	Buyout	North America	2007	n.a.	n.a.
Universal Hospital Services, Inc.	Direct	Buyout	North America	2007	3'642'548	3'642'548
US entertainment company	Direct	Buyout	North America	2008	n.a.	n.a.
3i Eurofund Vb	Primary	Buyout	Europe	2006	10'000'000	8'912'329
Advent Latin American Private Equity Fund IV, L.P.	Primary	Buyout	Rest of World	2007	3'796'126	3'278'636
Aksia Capital III, L.P.	Secondary	Buyout	Europe	2005	5'500'000	5'052'487
Anonymized European Buyout Fund 7	Primary	Buyout	Europe	2007	n.a.	n.a.
Anonymized European Buyout Fund 9	Primary	Buyout	Europe	2007	9'307'662	7'810'680
Anonymized US Buyout Fund 2	Primary	Buyout	North America	2007	n.a.	n.a.
APAX Europe VII - B, L.P.	Primary	Buyout	Europe	2007	4'487'230	3'567'348
Apax US VII, L.P.	Primary	Buyout	North America	2006	7'238'267	7'043'248
Apollo Overseas Partners VI, L.P.	Primary	Buyout	North America	2005	17'885'083	21'741'059
Apollo Overseas Partners VII, L.P.	Primary	Buyout	North America	2008	14'661'163	10'718'552
Ares Corporate Opportunities Fund II, L.P.	Primary	Special situations	North America	2006	14'156'119	14'669'469
Ares Corporate Opportunities Fund III, L.P.	Primary	Special situations	North America	2008	7'714'938	4'675'278
August Equity Partners II A, L.P.	Primary	Buyout	Europe	2007	8'399'807	n.a.
Avista Capital Partners (Offshore), L.P.	Primary	Buyout	North America	2005	14'032'652	16'325'058

					Since inception	
Investment	Type of investment	Financing stage	Regional focus	Vintage year	Total commitments	Contributions
Blackstone Communications Partners I, L.P.	Primary	Buyout	North America	2000	8'736'324	9'435'367
Candover 2005 Fund, L.P.	Primary	Buyout	Europe	2005	10'000'000	9'864'162
Carmel Software Fund (Cayman), L.P.	Primary	Venture capital	Rest of World	2000	9'254'930	9'503'599
Catterton Partners IV Offshore, L.P.	Primary	Venture capital	North America	1999	15'549'275	17'071'346
Chancellor V, L.P.	Primary	Venture capital	North America	1999	19'093'541	17'311'014
Draper Fisher Jurvetson Fund VII, L.P.	Primary	Venture capital	North America	2000	4'422'273	4'422'273
Fenway Partners Capital Fund II, L.P.	Primary	Buyout	North America	1998	29'037'265	31'634'336
Fourth Cinven Fund, L.P.	Primary	Buyout	Europe	2006	7'500'000	5'665'277
GMT Communications Partners II, L.P.	Primary	Venture capital	Europe	2000	14'000'000	15'313'252
GMT Communications Partners III, L.P.	Primary	Buyout	Europe	2006	10'000'000	8'603'372
Green Equity Investors Side V, L.P.	Primary	Buyout	North America	2007	9'232'911	6'815'379
ICG European Fund 2006, L.P.	Primary	Special situations	Europe	2006	15'000'000	15'139'493
Industri Kapital 2007 Fund, L.P.	Primary	Buyout	Europe	2007	15'000'000	12'699'087
INVESCO U.S. Buyout Partnership Fund II, L.P.	Primary	Buyout	North America	2000	28'458'043	26'608'454
INVESCO Venture Partnership Fund II, L.P.	Primary	Venture capital	North America	1999	58'735'929	54'930'788
INVESCO Venture Partnership Fund II-A, L.P.	Primary	Venture capital	North America	2000	33'482'828	32'115'665
Kohlberg Investors IV, L.P.	Primary	Buyout	North America	2000	9'393'046	8'629'501
Kohlberg TE Investors VI, L.P.	Primary	Buyout	North America	2007	8'950'765	7'449'650
Levine Leichtman Capital Partners II, L.P.	Primary	Special situations	North America	1998	30'567'188	35'633'016
MatlinPatterson Global Opportunities Partners III	Primary	Special situations	North America	2007	7'150'714	7'398'694
Mercapital Spanish Private Equity Fund II, L.P.	Primary	Buyout	Europe	2000	7'000'000	7'122'224
Nordic Capital VI, L.P.	Primary	Buyout	Europe	2005	7'500'000	7'829'824
OCM Mezzanine Fund II, L.P.	Primary	Special situations	North America	2005	11'384'276	12'706'849
Palamon European Equity 'C', L.P.	Primary	Buyout	Europe	1999	10'000'000	12'227'536
Partners Group Global Real Estate 2008 LP	Primary	Real estate	Europe	2008	20'000'000	12'219'755
Pitango Venture Capital Fund III	Primary	Venture capital	Rest of World	2000	11'559'197	11'559'197
Providence Equity Partners VI, L.P.	Primary	Buyout	North America	2007	18'469'553	17'336'509
Quadriga Capital Private Equity Fund II, L.P.	Primary	Buyout	Europe	1999	8'173'977	9'553'518
Quadriga Capital Private Equity Fund III, L.P.	Primary	Buyout	Europe	2006	10'000'000	9'041'820
Sierra Ventures VIII-A, L.P.	Primary	Venture capital	North America	2000	8'881'970	8'881'970
Sterling Investment Partners II, L.P.	Primary	Buyout	North America	2005	7'424'970	5'723'164
Terra Firma Capital Partners III, L.P.	Primary	Buyout	Europe	2006	20'000'000	14'738'739
The Peninsula Fund IV, L.P.	Primary	Special situations	North America	2005	7'507'664	6'536'455
Thomas H. Lee Parallel Fund VI, L.P.	Primary	Buyout	North America	2006	18'341'556	13'960'778
Warburg Pincus Private Equity IX, L.P	Primary	Buyout	North America	2005	11'358'827	11'358'827

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						Since inception
Investment	Type of investment	Financing stage	Regional focus	Vintage year	Total commitments	Contributions
Warburg Pincus Private Equity X, L.P.	Primary	Buyout	North America	2007	14'485'731	11'601'987

Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. Please note that contributions may exceed total commitments due to foreign currency movements. The overview shows the 20 largest direct investments and the 50 largest partnerships based on NAV.

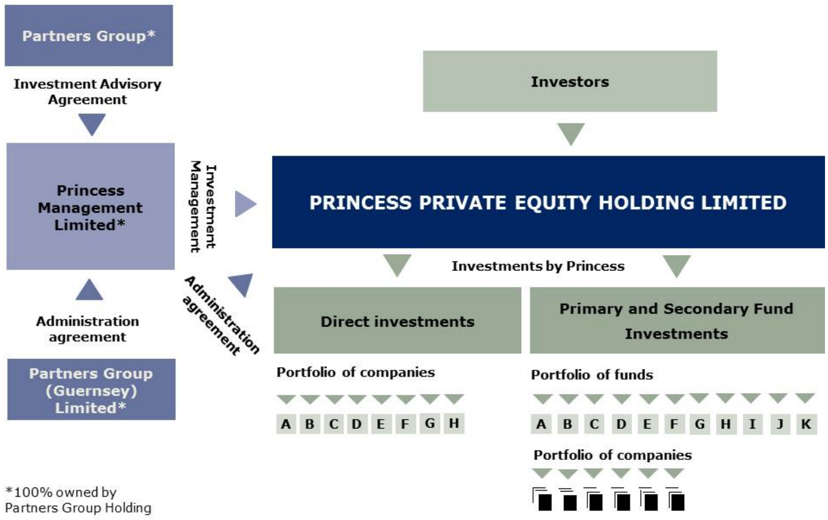
7 STRUCTURAL OVERVIEW

Princess Private Equity Holding Limited is a Guernsey-registered private equity holding company founded in May 1999 that invests in private market investments. In 1999 Princess raised USD 700 million through the issue of a convertible bond and invested the capital by way of commitments to private equity partnerships. The convertible bond was converted into shares in December 2006. Concurrently, the investment guidelines were amended and the reporting currency changed from the US dollar to euro. The Princess shares were introduced for trading on the Frankfurt Stock Exchange (trading symbol: PEY1) on 13 December 2006 and on the London Stock Exchange (trading symbol: PEY) on 1 November 2007.

Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield in the mid to long term.

The investments of Princess are managed on a discretionary basis by Princess Management Limited, the Investment Manager of Princess, a wholly-owned subsidiary of Partners Group Holding, registered in Guernsey. The Investment Manager is responsible for, inter alia, selecting, acquiring and disposing of investments and carrying out financing and cash management services.

The Investment Manager is permitted to delegate some or all of its obligations and has entered into an advisory agreement with Partners Group AG. Partners Group is a global private markets investment management firm with over EUR 20 billion in investment programs under management in private equity, private debt, private real estate and private infrastructure. Through the advisory agreement, Princess benefits from the global presence, the size and experience of the investment team and relationships with many of the world's leading private equity firms.



8 FACTS AND FIGURES

Company	Princess Private Equity Holding Limited
Currency denomination	Euro
Designated sponsors	Frankfurt Stock Exchange: Conrad Hinrich Donner Bank AG London Stock Exchange: JPMorgan Cazenove
Dividends	Princess intends to pay a dividend of 5-8% p.a. on NAV
Incentive fee	No incentive fee on primary investments; 10% incentive fee per secondary investment; 15% incentive fee per direct investment; subject in each case to a 8% p.a. preferred return (with catch-up)
Incorporation	1999
Listing	Frankfurt Stock Exchange London Stock Exchange
Management fee	0.375% per quarter of the higher of (i) NAV or (ii) value of Princess' assets less any temporary investments plus unfunded commitments, plus 0.0625% per quarter in respect of secondary investments and 0.125% per quarter in respect of direct investments
Securities	Fully paid-up ordinary registered shares
Structure	Guernsey Company, Authorized closed-ended fund in Guernsey
Trading information (Frankfurt Stock Exchange)	WKN: A0LBRM ISIN: DE000A0LBRM2 Trading symbol: PEY1 Bloomberg: PEY1 GY Reuters: PEYGz.DE / PEYGz.F
Trading information (London Stock Exchange)	WKN: A0LBRL ISIN: GG00B28C2R28 Trading symbol: PEY Bloomberg: PEY LN Reuters: PEY.L

Voting rights	Each ordinary registered share represents one voting right

9 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

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Unaudited consolidated statement of comprehensive income

for the period from 01 January 2011 to 30 September 2011

In thousands of EUR	Notes	**01.07.2011 30.09.2011**	**01.01.2011 30.09.2011**	**01.07.2010 30.09.2010**	**01.01.2010 30.09.2010**
Net income from financial assets at fair value through profit or loss		**31'253**	**64'257**	**(15'440)**	**81'141**
Private equity		*26'350*	*57'044*	*(14'673)*	*73'955*
Revaluation	6	(1'186)	56'097	23'847	56'429
Net foreign exchange gains / (losses)	6	27'536	947	(38'520)	17'526
Private debt		*3'997*	*5'940*	*(557)*	*6'332*
Interest income (including PIK)		645	1'568	332	964
Revaluation	6	1'599	4'136	1'839	4'363
Net foreign exchange gains / (losses)	6	1'753	236	(2'728)	1'005
Private real estate		*735*	*1'228*	*(31)*	*652*
Revaluation	6	722	1'237	7	628
Net foreign exchange gains / (losses)	6	13	(9)	(38)	24
Private infrastructure		*171*	*45*	*(179)*	*202*
Revaluation	6	171	45	(179)	202
Net income from cash and cash equivalents and other income		**158**	**405**	**(125)**	**(50)**
Interest income		161	306	4	9
Net foreign exchange gains / (losses)		(3)	99	(129)	(59)
Total net income		**31'411**	**64'662**	**(15'565)**	**81'091**
Operating expenses		**(4'745)**	**(13'810)**	**(3'927)**	**(12'498)**
Management fees		(3'065)	(9'073)	(3'353)	(10'130)
Incentive fees		(1'262)	(3'121)	320	(1'100)
Administration fees		(77)	(228)	(75)	(208)
Other operating expenses		(333)	(1'177)	(709)	(936)
Other net foreign exchange gains / (losses)		(8)	(211)	(110)	(124)
Other financial activities		**(12'644)**	**(10'442)**	**9'521**	**2'363**
Setup expenses - credit facility		(805)	(805)	(435)	(446)
Interest expense - credit facility		(702)	(2'683)	(1'016)	(2'056)
Other finance cost		(7)	(21)	(1)	(8)
Net gains / (losses) from hedging activities		(11'130)	(6'933)	10'973	4'873
Surplus / (loss) for the financial period		**14'022**	**40'410**	**(9'971)**	**70'956**
Other comprehensive income for the period; net of tax		-	-	-	-
Total comprehensive income for the period		**14'022**	**40'410**	**(9'971)**	**70'956**
Earnings per share					
Weighted average number of shares outstanding		69'647'813	69'647'813	70'100'000	70'100'000
Basic surplus / (loss) per share for the financial period		0.20	0.58	(0.14)	1.01
Diluted surplus / (loss) per share for the financial period		0.20	0.58	(0.14)	1.01

The Euro earnings per share is calculated by dividing the surplus / (loss) for the financial period by the weighted average number of shares outstanding.

Unaudited consolidated statement of financial position

As at 30 September 2011

In thousands of EUR	Notes		**30.09.2011**		**31.12.2010**
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	6	529'286		524'887	
Private debt	6	64'971		49'347	
Private real estate	6	15'045		12'306	
Private infrastructure	6	2'973		2'345	
Non-current assets			**612'275**		**588'885**
Other short-term receivables		378		1'696	
Hedging assets		1'838		9'571	
Cash and cash equivalents	7	26'930		49'149	
Current assets			**29'146**		**60'416**
TOTAL ASSETS			**641'421**		**649'301**
LIABILITIES					
Share capital	8	70		70	
Reserves	8	650'707		668'882	
Retained earnings		(19'509)		(59'919)	
Total Equity			**631'268**		**609'033**
Short-term credit facilities	10	-		32'500	
Other short-term payables		10'153		7'768	
Liabilities falling due within one year			**10'153**		**40'268**
TOTAL LIABILITIES			**641'421**		**649'301**

Unaudited consolidated statement of changes in equity

for the period from 01 January 2011 to 30 September 2011

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Equity at beginning of reporting period	70	668'882	(59'919)	609'033
Dividend paid during the period	-	(15'382)	-	(15'382)
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	-	(2'793)	-	(2'793)
Surplus / (loss) for the financial period	-	-	40'410	40'410
Equity at end of reporting period	**70**	**650'707**	**(19'509)**	**631'268**

for the period from 01 January 2010 to 30 September 2010

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Equity at beginning of reporting period	70	668'882	(154'655)	514'297
Other comprehensive income for the period; net of tax	-	-	-	-
Surplus / (loss) for the financial period	-	-	70'956	70'956
Equity at end of reporting period	**70**	**668'882**	**(83'699)**	**585'253**

Unaudited consolidated cash flow statement

for the period from 01 January 2011 to 30 September 2011

In thousands of EUR	Notes	**01.01.2011 30.09.2011**	**01.01.2010 30.09.2010**
Operating activities			
Surplus / (loss) for the financial period		40'410	70'956
Adjustments:			
Net foreign exchange (gains) / losses		(1'062)	(18'372)
Investment revaluation		(61'515)	(61'622)
Net (gain) / loss on interests		809	1'083
(Increase) / decrease in receivables		8'866	(16'759)
Increase / (decrease) in payables		2'359	1'405
Purchase of private equity investments	6	(41'666)	(50'001)
Purchase of private debt investments	6	(16'133)	(5'023)
Purchase of private real estate investments	6	(1'875)	(4'207)
Purchase of private infrastructure investments	6	(985)	(300)
Distributions from and proceeds from sales of private equity investments	6	94'311	56'878
Distributions from and proceeds from sales of private debt investments	6	5'786	3'716
Distributions from and proceeds from sales of private real estate investments	6	364	661
Distributions from and proceeds from sales of private infrastructure investments	6	402	86
Interest and dividends received		969	374
Net cash from / (used in) operating activities		**31'040**	**(21'125)**
Financing activities			
Increase / (decrease) in credit facilities		(32'500)	15'500
Interest expense - credit facility		(2'683)	(2'056)
Share buyback and cancellation		(2'793)	-
Dividends		(15'382)	-
Net cash from / (used in) financing activities		**(53'358)**	**13'444**
Net increase / (decrease) in cash and cash equivalents		**(22'318)**	**(7'681)**
Cash and cash equivalents at beginning of reporting period	**7**	**49'149**	**15'251**
Effects of foreign currency exchange rate changes on cash and cash equivalents		99	(59)
Cash and cash equivalents at end of reporting period	**7**	**26'930**	**7'511**

Notes to the unaudited consolidated financial statements
for the period from 01 January 2011 to 30 September 2011

1 Organization and business activity

Princess Private Equity Holding Limited (the "Company") is an investment holding company established on 12 May 1999. The Company's registered office is Tudor House, St. Peter Port, Guernsey, GY1 1BT. The Company is a Guernsey limited liability company that invests in a broadly diversified portfolio of private market investments through its wholly-owned subsidiary, Princess Private Equity Subholding Limited (the "Subsidiary"), in private market investments. The Subsidiary together with the Company form a group (the "Group").

Since 13 December 2006 the shares of the Company have been listed on the Prime Standard of the Frankfurt Stock Exchange. As of 1 November 2007 the shares have also been listed on the main market of the London Stock Exchange.

2 Basis of preparation

The condensed interim consolidated financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting. The condensed interim consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2010, which have been prepared in accordance with International Financial Reporting Standards.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2010, except for the adoption of the following amendments mandatory for annual periods beginning on or after 1 January 2011.

IFRS 1 - First-time adoption of International Financial Reporting Standards
IFRS 3 - Business combinations
IFRS 7 - Financial instruments: Disclosures

IAS 1 - Preparation of financial statements
IAS 24 - Related party transactions
IAS 27 - Consolidated financial statements
IAS 32 - Financial instruments: presentation
IAS 34 - Interim financial reporting

IFRIC 13 - Customer loyalty programmes
IFRIC 14 - Prepayments of a minimum funding requirement
IFRIC 19 - Extinguishing financial liabilities with equity instruments

The Board of Directors have assessed the impact of these amendments and concluded that these standards and new interpretations will not affect the Group's results of operations or financial position.

The following standards, interpretations and amendments to published standards that are mandatory for future accounting periods, but where early adoption is permitted now have not been duly adopted.

IFRS 7 (effective 1 July 2011) - Financial instruments: disclosures
IFRS 9 (effective 1 January 2013) - Financial instruments
IFRS 10 (effective 1 January 2013) - Consolidated financial statements
IFRS 11 (effective 1 January 2013) - Joint arrangements
IFRS 12 (effective 1 January 2013) - Disclosure of interests in other entities

IFRS 13 (effective 1 January 2013) - Fair value measurement

IAS 12 (effective 1 January 2012) - Deferred tax
IAS 27 (effective 1 January 2013) - Seperate financial statements
IAS 28 (effective 1 January 2013) - Investments in associates and joint ventures

The Board of Directors is in the process of assessing the impact of these amendments and believes that these new accounting standards and interpretations will not significantly affect the Group's results of operations or financial position but will require additional disclosures with respect to the valuation and treatment of financial assets.

3 Shareholders above 3% of Ordinary shares issued

CVP/CAP Coop Personalversicherung holds 3'551'206 shares which is 5.1% of all ordinary shares issued. Deutsche Asset Management Investmentgesellschaft mbH holds 6'095'900 shares which is 8.75% of all ordinary shares issued. Vega Invest Fund plc holds 6'000'000 shares which is 8.61% of all ordinary shares issued. Societe Generale Option Europe holds 3'724'557 shares which is 5.35% of all ordinary shares issued. Witan Investment Trust plc holds 2'210'000 shares which is 3.17% of all ordinary shares issued.

4 Earnings per share / Net asset value per share

Basic earnings per share are calculated by dividing the surplus or loss for the financial period attributable to the shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares.

The net asset value per share is calculated by dividing the net assets in the statement of financial position by the number of actual shares issued at end of period.

5 Segment calculation

In thousands of EUR	**Private Equity**		**Private Debt**		**Private Real Estate**		**Private Infrastructure**		**Non attributable**		**Total**	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Interest and dividend income	-	-	1'568	964	-	-	-	-	306	9	1'874	973
Revaluation	56'097	56'429	4'136	4'363	1'237	628	45	202	-	-	61'515	61'622
Net foreign exchange gains / (losses)	947	17'526	236	1'005	(9)	24	-	-	99	(59)	1'273	18'496
Total Net Income	**57'044**	**73'955**	**5'940**	**6'332**	**1'228**	**652**	**45**	**202**	**405**	**(50)**	**64'662**	**81'091**
Segment Result	**57'044**	**73'955**	**5'940**	**6'332**	**1'228**	**652**	**45**	**202**	**(13'405)**	**(12'548)**	**50'852**	**68'593**
Other financial activities not allocated											(10'442)	2'363
Surplus / (loss) for the financial period											**40'410**	**70'956**

6 Financial assets at fair value through profit or loss

6.1 Private equity

In thousands of EUR	**30.09.2011**	**31.12.2010**
Balance at beginning of period	524'887	467'992
Purchase of limited partnerships and direct investments	41'666	73'163
Distributions from and proceeds from sale of indirect and direct investments; net	(94'311)	(118'234)
Revaluation	56'097	77'407
Foreign exchange gains / (losses)	947	24'559
Balance at end of period	**529'286**	**524'887**

6.2 Private debt

In thousands of EUR	**30.09.2011**	**31.12.2010**
Balance at beginning of period	49'347	40'912
Purchase of limited partnerships and direct investments	16'133	5'048
Distributions from and proceeds from sale of indirect and direct investments; net	(5'786)	(5'102)
Accrued cash and PIK interest	905	917
Revaluation	4'136	6'017
Foreign exchange gains / (losses)	236	1'555
Balance at end of period	**64'971**	**49'347**

6.3 Private real estate

In thousands of EUR	**30.09.2011**	**31.12.2010**
Balance at beginning of period	12'306	6'095
Purchase of limited partnerships and direct investments	1'875	5'251
Distributions from and proceeds from sale of indirect and direct investments; net	(364)	(661)
Revaluation	1'237	1'589
Foreign exchange gains / (losses)	(9)	32
Balance at end of period	**15'045**	**12'306**

6.4 Private infrastructure

In thousands of EUR	**30.09.2011**	**31.12.2010**
Balance at beginning of period	2'345	1'929
Purchase of limited partnerships and direct investments	985	300
Distributions from and proceeds from sale of indirect and direct investments; net	(402)	(86)
Revaluation	45	202
Balance at end of period	**2'973**	**2'345**

7 Cash and cash equivalents

In thousands of EUR	**30.09.2011**	**31.12.2010**
Cash at banks	10'930	25'149
Cash equivalents	16'000	24'000
Total cash and cash equivalents	**26'930**	**49'149**

8 Capital

8.1 Capital

In thousands of EUR	**30.09.2011**	**31.12.2010**
Authorized		
200'100'000 Ordinary shares of EUR 0.001 each	200	200
Issued and fully paid		
69'647'813 Ordinary shares of EUR 0.001 each out of the bond conversion	70	70
(70'100'000 in 2010)		

8.2 Reserves

In thousands of EUR	**30.09.2011**	**31.12.2010**
Distributable reserves		
Distributable reserves at beginning of reporting period	668'882	668'882
Dividend payment	(15'382)	-
Share buyback and cancellation	(2'793)	-
Total distributable reserves at end of reporting period	**650'707**	**668'882**

9 Share buyback program

The Board of Directors of Princess Private Equity Holding Limited passed a resolution to implement a share buyback program on 13 December 2010. Pursuant to this resolution, a total of 452'187 shares were repurchased, at a weighted average discount of 29.7% to net asset value, and cancelled during the financial reporting period. The total amount paid to acquire the shares was EUR 2'792'323 and this was presented as a reduction in the equity. As at 30 September 2011, there were 69'647'813 shares outstanding (2010: 70'100'000).

10 Short-term credit facilities

On 25 July 2011, the Company entered into a 3-year multi-currency revolving credit facility with Lloyds Bank Corporate Markets for EUR 80m.

Interest charged on drawn amounts is calculated at a margin of 3.25% per annum above the applicable LIBOR rate or, in relation to any loan in EUR, EURIBOR. In addition there is a commitment fee of 1.05% per annum calculated on the daily undrawn amounts plus a once off arrangement fee of EUR 800’000 and a monitoring fee in the amount of EUR 25’000 per annum.

In the event that the facility is provided by more than one lender, an agency fee of EUR 40’000 per annum applies.

The facilities are secured, inter alia, by way of a pledge over Princess Private Equity Subholding Limited, a wholly owned subsidiary of the Company, and a pledge over the bank accounts and inter-company loans within the Group.

The Company must maintain a total net asset value of at least EUR 350m, a cash reserve of at least EUR 3m and a total asset ratio (total debt plus current liabilities as a percentage of restricted net asset value) greater than 25%.

This replaces the 3-year credit facility entered into on 25 September 2009 with a large international bank and other lenders, of initially EUR 40m with the potential to increase to EUR 90m. That facility was structured as a combination of committed senior term and revolving facilities and a subordinated term facility.

The prior facility formed part of a EUR 170m syndicated term loan and revolving facilities (the "Syndicated Facilities") available to the Company, Pearl Holding Limited and Partners Group Global Opportunities Limited (each a "Borrower") that could be allocated among the Borrowers as per individual demand and as determined by Partners Group AG (the "Allocation Agent") subject to certain minimum and maximum limits.

The Syndicated Facilities were comprised of senior and junior facilities of EUR 85m each. The junior term facilities were provided by Green Stone IC Limited and Partners Group Finance CHF IC Limited, each a Guernsey limited liability company, which since 21 December 2009 had split the subordinated term facility in the proportion of EUR 15.67/EUR 69.33m respectively.

Green Stone IC Limited is majority owned by partners and employees of Partners Group Holding AG while Partners Group Finance CHF IC Limited is a wholly owned subsidiary of Partners Group Holding AG.

The senior term facilities were provided by Partners Group Finance CHF IC Limited, the large international bank and effective from 17 February 2010, an additional Swiss based bank with whom Partners Group Finance CHF IC Limited transferred part of its commitment.

In relation to the former senior revolving facility, interest on drawn amounts was calculated at a margin rate of 5% per annum (calculated as a margin of 2.75% on drawn amounts plus a facility fee of 2.25% on the applicable senior facility amount) above the applicable EURIBOR rate. In addition there was a facility fee of 2.25% per annum on the remaining undrawn applicable senior facility amount.

The margin on drawn amounts under the junior facility was 8.75% per annum above EURIBOR. No facility fee was due under the junior facility.

No participation or agency fees were paid during the period ended 30 September 2011.

The Company had to maintain a minimum adjusted net asset value and a minimum cash balance, which in the case of the Company is EUR 350m and EUR 3m respectively. In addition the Company had to have a net asset cover (total indebtedness to adjusted net asset value) of less than 25%.

The facilities, in relation to the Company, were secured, inter alia, by way of a pledge over the shares in Princess Private Equity Subholding Limited and a pledge over the bank accounts and the inter-company loans within the Group.

The Company repaid and terminated its junior facility of EUR 32.5m on 18 August 2011 and terminated the senior facility with effect from the same date.

In thousands of EUR	**30.09.2011**	**31.12.2010**
Balance at end of period	**-**	**32'500**

11 Commitments

In thousands of EUR	**30.09.2011**	**31.12.2010**
Unfunded commitments translated at the rate prevailing at the balance sheet date	156'745	210'394

12 Net assets and diluted assets per share

In thousands of EUR	**30.09.2011**	**31.12.2010**
Net assets of the Company	631'268	609'033
Outstanding shares at the balance sheet date	69'647'813	70'100'000
Net assets per share at period-end	9.06	8.69

13 Dividends

The Board of Directors of Princess Private Equity Holding Limited declared an interim dividend of EUR 0.22 on each Ordinary Share which was paid out on 15 July 2011. This interim dividend amounts to EUR 15.4m (2010: nil).

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Investment manager
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Guernsey, Channel Islands

Trading Information

Listing	Frankfurt Stock Exchange	London Stock Exchange
ISIN	DE000A0LBRM2	GG00B28C2R28
WKN	A0LBRM	A0LBRL
Valor	2 830 461	2 830 461
Trading symbol	PEY1	PEY
Bloomberg	PEY1 GY	PEY LN
Reuters	PEYGz.DE/PEYGz.F	PEY.L
Designated sponsor	Conrad Hinrich Donner Bank	JPMorgan Cazenove

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