PRINCESS PRIVATE EQUITY HOLDING LIMITED

INTERIM REPORT 2014

Unaudited consolidated financial statements for the period from 1 January 2014 to 30 September 2014

Jürgen Diegruber Private Equity Investments, **Guido Koch** Head Investment Solutions Germany, **Andreas Baumann** Private Equity Investments, **Christian Unger** Industry Value Creation

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. The shares are traded on the main market of the London Stock Exchange.

KEY FIGURES

IN EUR	30 SEPTEMBER 2014	31 DECEMBER 2013
Net asset value (NAV)	600'442'405	560'111'437
NAV per share	8.68	8.09
Total dividend per share (year to date)	0.27	0.53
Closing price	6.70	6.30
Discount to NAV	-22.84%	-22.11%
Cash and cash equivalents	53'437'658	69'761'534
Use of credit facility	0	0
Value of investments	504'472'817	396'182'934
Undrawn commitments	166'322'110	196'793'472
Investment level	84.02%	70.73%
Net liquidity (incl. secondary receivables)	95'969'588	163'928'503
Overcommitment	11.72%	5.87%
Overcommitment incl. credit line	3.39%	-3.05%

Past performance is not indicative of future results.

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1 INVESTMENT MANAGER'S REPORT

Strong NAV growth and continued progress with change in strategy

Princess' net asset value (NAV) increased by 11.0% to EUR 8.68 per share over the first nine months of 2014, adjusted for the interim dividend of EUR 0.27 per share distributed in June.

Princess' strong performance was predominantly driven by its direct investments, reflecting encouraging progress with the repositioning of the portfolio. Overall, the valuation developments during the reporting period amounted to +10.7% and were based on solid earnings results of the Company's underlying portfolio companies. For instance, the last twelve months saw the 50 largest portfolio companies, representing 47.8% of NAV, achieve weighted revenue and earnings (EBITDA) growth of 11.8% and 12.8%, respectively.

The largest contributors to Princess' NAV growth over the reporting period were the direct investments in Action, MultiPlan, Trimco International and Universal Services of America.

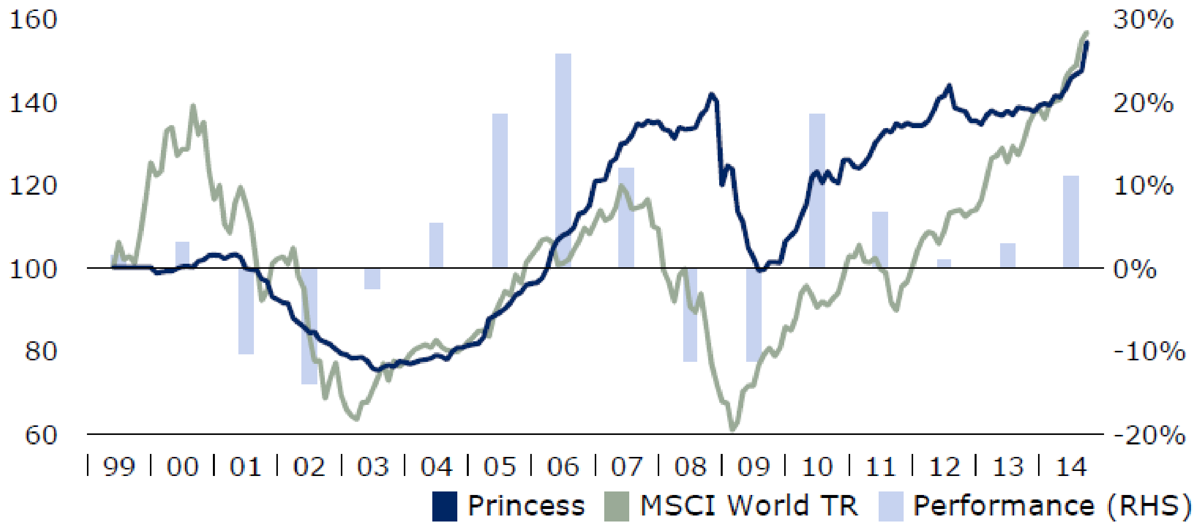
Action

Action, a leading Dutch non-food discount retailer, was actively engaged in its business expansion plans. Encouraged by positive customer response in countries in which it operates, Action opened 28 stores in the first five months of 2014, bringing the total number of stores to 434. The management team intends to accelerate store openings in the second half of 2014, focusing on countries outside the Netherlands.

MultiPlan

MultiPlan, a healthcare cost management provider, was written up as it recorded strong financial performance for the quarter ended 30 June 2014. The company was highly cash generative, outperforming forecasts. In order

NAV PERFORMANCE (SINCE INCEPTION)*



* As per reporting date.

to broaden the company's existing product portfolio the cash was used to fund the acquisition of a company which develops analytics to identify potentially wasteful or abusive bills.

■ Trimco International

Another driver was Trimco International, a leading Asia-headquartered supplier of a full range of garment labels, tags and trimming products to blue chip global apparel companies. The strong performance was due to increased product sales to major clients and cost control initiatives implemented during the past year. Furthermore, a new enterprise resource planning platform was successfully rolled out in the company's Hong Kong-based facilities, and will be implemented across other regions throughout the rest of the year which is expected to result in further efficiencies.

■ Universal Services of America

Universal Services of America is a provider of diversified security services to building management companies across the US. The company was written up based on strong financial figures for the first half of the year, arising from both strong acquisition activity since Partners Group's investment and organic growth.

Thirteen new direct investments closed

Over the first nine months, Princess deployed EUR 75.6 million to thirteen new direct investments. Overall, the total investment activity amounted to EUR 83.7 million with the investment level increasing to 84% of NAV, from 71% at the start of the year.

In the third quarter, Princess deployed capital to five new direct investments, namely the buyout of Voyage Care and four direct private debt investments with a combined capital weighted target IRR of 13.6%.

■ Voyage Care

Voyage Care is a provider of specialist care and support services to people with learning disabilities and acquired brain injuries in the UK. It is the clear market leader providing care in a total of 290 homes as well as through supported living. Partners Group acquired the company in a GBP 375 million transaction and Princess' exposure to Voyage Care amounts to GBP 4.9 million. The company commands a strong reputation for offering high quality care and exhibited solid growth for the past several years. Going forward, the company plans to grow organically and by capitalizing on consolidation opportunities in the fragmented market.

■ Project Kinetic

In July 2014, Partners Group invested in the mezzanine debt of Project Kinetic which is headquartered in Italy. The company is a leading manufacturer of premium equipment for various industrial end markets and a wide range of applications. Project Kinetic has approximately 1'600 employees, with operations in ten manufacturing sites as well as 33 commercial branches spread across the US, Europe and Asia. The company has a strong track record of growth, driven by organic and acquisitive expansion. Furthermore, the company's diversified customer base across different businesses and high customer loyalty reinforces its credit quality.

Robust distribution activity

Distribution proceeds to Princess from exited investments totaled EUR 56.9 million for the first three quarters of 2014, compared to EUR 47.8 million in the corresponding period last year.

The main contributor to distributions over the reporting period was Princess' legacy third party fund portfolio, which continued to generate a high volume of exits from mature underlying portfolio companies. A number of Princess' direct investments also contributed. For example, Trimco International distributed a special dividend as the company continues to grow earnings ahead of budget. The payment represents 0.45x of Princess' initial investment cost in April.

Another contributor was the early repayment of surplus cash from Education Publisher 2 (name withheld due to confidentiality agreement). The company is a global publisher of education materials and learning solutions and made a dividend payment following a successful private placement of senior debt. The capital raised was mainly used to fund a return of capital to equity holders with Princess receiving a total of EUR 1.3 million. Subsequently, the company has continued to perform well. In June 2014, the company announced the opening of a new office to accommodate growth and further support its digital research and development. The new office will serve as the company's sixth digital research and development hub, to enhance educational technologies for the higher education, assessment and professional markets.

In addition, Princess received deferred receivables of EUR 51.4 million in cash in March 2014, relating to the sale of partnership interests in the secondary market in 2012. Under the deferred payment structure a further EUR 54.4 million is due to be received in September 2015.

An undrawn EUR 50 million multicurrency credit facility remains available to address short-term funding needs if and when required. As a result, the Company holds sufficient liquidity to fund new direct investments and the ongoing return of capital to shareholders through semi-annual dividend payments and opportunistic share buybacks.

Price-to-NAV discount

In the first three quarters of 2014, Princess' share price performance (+10.9%) was slightly behind its NAV development (+11.0%). The discount to NAV for Princess closed the quarter at -22.8%, compared with -22.1% at the end of 2013. However, in response to the positive NAV performance, the discount has since narrowed to -18.8% as of 31 October 2014.

Unfunded commitments

Princess' total unfunded commitments amount to EUR 166.3 million as of 30 September 2014. Around 45% of the Company's unfunded commitments stem from funds with vintage year 2006 or older, many of which have already completed their investment period and are unlikely to call down any further capital. No new third party fund commitments are being made under the policy of focusing on direct transactions. Unfunded commitments to Partners Group Direct Investments 2012 EUR and Partners Group Direct Mezzanine 2011 amount to EUR 119.6 million and EUR 46.8 million stem from Princess' legacy fund portfolio.

Outlook

Based on the successful implementation of operational and strategic initiatives within Princess' direct portfolio, the Investment Manager expects the Company to continue its favorable development for the remainder of 2014.

On a global basis Partners Group continues to emphasize the mid-cap segment as it presents a more fragmented opportunity and more chances for investors to add value, while the large-cap segment feels "overfished" with sparse deal flow and aggressive leverage, resulting in record valuations. Partners Group currently favors Europe and emerging markets mid-cap opportunities over similar deals in the US, where valuations feel particularly heated and competition is higher. In the emerging markets, valuations have come down in line with the weaker economic growth outlook and the public market correction; Partners Group's focus is to find stable pockets of growth at the right valuations. From an industry sector perspective one of several areas of focus includes being overweight in information technology in the US and Europe, an area where Partners Group sees continued growth, an increased need for outsourcing and business models that have high margins and/or high recurring revenue streams. Within the industrials sector, Partners Group is optimistic on Asia, and particularly on China, which is expect to benefit from further urbanization and government support.

Distributions are anticipated to continue from Princess' mature legacy fund portfolio which continues to generate strong cash flows. While facilitating new direct investments, these distributions are also expected to fund future dividend payments.

Overall, the Investment Manager remains confident that the dividend policy to distribute 5-8% p.a. of NAV, the encouraging NAV performance generated year-to-date and the continued transition towards direct investments will enhance value for the Company's shareholders.

2 MARKET OVERVIEW

Macroeconomic environment paints a mixed picture

The third quarter of 2014 was a tale of two stories in many senses. While the Eurozone reported weak economic data, lower inflation readings and a loss of economic momentum in powerhouse Germany, the US economy continued to show more positive momentum, supported by a substantial decline in the unemployment rate (to below 6%) and healthier household and bank balance sheets. Amid this encouraging environment, the US Fed continued to taper its monthly asset purchases. The US dollar appreciated against most trading partners over the quarter (8% vs. the euro), reflecting the contrasting actions of the Fed and the ECB.

Economic activity continued to disappoint in the Eurozone. Apart from contracting/stagnating growth in Italy and France, the German economy was shown to have lost momentum, partially reflecting the ongoing tensions with Russia that are weighing on confidence and exports across the region. With inflation falling even further to a negligible 0.3% year on year in September, the ECB cut its target rate to 0.05% and announced more (but still very high-level) details on forthcoming asset purchases, however stopped short of announcing government bond purchases. Meanwhile, emerging markets continued to show diverging performance, especially the larger economies (China, India, Brazil) which are facing structural challenges that will take time and effort to address. Encouragingly, China is trying to move away from credit-led growth, while India's new government is seen as more market-friendly.

Volatility in the financial markets increased as equity indices across the world staged a sharp correction in the latter half of September after hitting record highs in some cases. The MSCI World index of advanced economies gained 0.8%, slightly outperforming its emerging markets peer (0.6%). While US equities finished the quarter slightly higher, the German DAX fell by 3.7%, reflecting the diverging economic momentum. Meanwhile, although 10-year US Treasuries were broadly unchanged, comparable tenor German Bund yields plunged by 30 basis points (bps) to 0.95%. Growth concerns also led to a correction in corporate bond markets, with high-yield spreads widening by 87bps in the US and 70bps in Europe.

Large-scale transactions drive global M&A activity

Global M&A activity in the third quarter of 2014 totaled USD 877.4 billion, an increase of 35.1% compared to the prior-year level and the second most active quarter since mid-2007. Supported by a number of large-scale deals, the global average deal size rose to USD 406.4 million, surpassing the average USD 350.1 million seen during the height of the buyout boom in 2007.

From a regional perspective, the US continued to dominate M&A markets, accounting for USD 411.0 billion or almost half of the overall global announced transaction value. With an increase of 32.0% compared to the same period in 2013, it was also the highest valued quarter for the US since the second quarter of 2007. European M&A activity, valued at USD 243.5 billion, jumped 63.6% compared to the same quarter in 2013; several deals in Europe again topped the USD 10 billion mark, showing continued demand for large-scale transactions. Meanwhile, Asia-Pacific M&A activity in the third quarter, valued at USD 134.8 billion, marked an increase of 15.4% over the prior-year value and continued recent trends, with year-to-date dealflow already exceeding all other annual totals for the region.

North America drives global private equity buyout activity

Supported by receptive financing markets and conducive leverage conditions, global private equity buyout activity increased to USD 84.2 billion in the third quarter, a gain of 29.6% compared to the same quarter in 2013. At the same time, the number of deals increased only marginally from 795 to 803, highlighting continued investor preference for large-scale transactions.

Global transaction volume was primarily driven by North America, where private equity buyout activity stood at USD 51.5 billion for the quarter, a steep increase of 42.5% compared to the same period last year. Quarterly buyout activity in the Asia-Pacific region exceeded USD 10 billion for the second time this year, increasing 49.1% year on year to USD 11.7 billion. Conversely, and after a very strong second quarter, buyout activity in Europe declined to USD 17.8 billion, down 5.3% compared to the same period in 2013.

Exit environment still supported by receptive markets

In the third quarter of 2014, private equity exit volume amounted to USD 104.6 billion, an increase of 37.2% compared to the prior-year period. Trade sales remained the most prevalent exit channel, capturing just below 50% of all announcements. Despite a quarter-on-quarter slowdown, 2014 has already seen more private equity-backed exits than any full year since the onset of the financial crisis.

Global IPO markets continued to be strong amid buoyant investor sentiment

Global IPO activity remained strong in the third quarter. For the year to date, 851 listings have raised USD 186.6 billion in capital globally, exceeding prior-year levels for the same period by 49% and 94%, respectively. Private equity and venture capital-backed listings accounted for 56% of global IPO proceeds and 76% of capital raised from IPOs in the US, as sponsors continued to monetize investments. Attractively valued stock markets and buoyant investor sentiment continued to support the US IPO market. In the year-to-date period, 220 listings raised USD 77.0 billion in proceeds, up 42% and 116% compared to prior-year values, respectively. With total proceeds exceeding USD 57.6 billion across 276 listings in the first nine months of the year, the EMEIA region (Europe, Middle East, India and Africa) showed a strong increase in value (>250%) compared to the same period in 2013.

Financial sponsors drove activity in Europe as well, with more than 54% of proceeds attributable to private equity- and venture capital-backed listings. Meanwhile, Asia-Pacific IPO activity in the third quarter of 2014 was likewise strong, as positive sentiment continued to support the market. Chinese exchanges saw an uptick in listings after the suspension was lifted at the end of June. With 339 IPOs worth a combined USD 47.4 billion in capital raised, the Asia-Pacific region was up 58% and 51%, respectively, compared to the prior year.

Outlook

Global GDP growth is expected to remain sluggish in the medium term. While the US displays the greatest relative economic strength, there are downside risks stemming from higher interest rates as the market prices in Fed tightening, a stronger US dollar, potential repercussions from a weakening Eurozone and geopolitical tensions. It is doubtful that the US economy can fully decouple itself from these factors. In the Eurozone, the ECB has recently announced several steps to accelerate credit expansion and revive economic growth. However, structural reforms are vital to re-establish confidence in the long-term growth outlook for the region and the effects of the measures remain to be seen.

The fourth quarter is traditionally the strongest of the year for IPO activity as financial sponsors, institutions and retail investors rush for returns ahead of the year-end. However, given the recent spike in public markets volatility, the outlook for IPO activity has been dampened somewhat. While there are still a significant number of listing candidates in the near-term pipeline, markets have become more cautious as to valuations, which were just recently at or near record highs in several industrial nations. Volatility has also spilled over into debt markets, causing temporary concerns about the availability and cost of financing solutions for buyout activities.

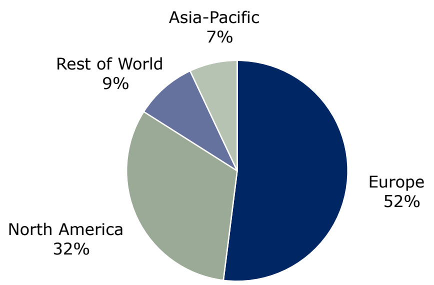
At the same time, the search for yield by investors around the globe remains vibrant. In this environment, selectivity remains key to investment success and Partners Group continues to favor mid-market assets, which constitute a much larger opportunity set and have shown resilience to cyclical patterns and overheated markets. Even more so than at the beginning of the year, robust investment performance is particularly dependent on future growth achieved through strategic value creation and strong operating capabilities.

Partners Group, 13 November 2014

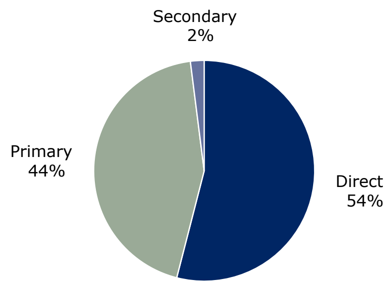
Sources: mergermarket (October 2014); Preqin (October 2014); Ernst & Young (October 2014); Partners Group Research

3 PORTFOLIO COMPOSITION

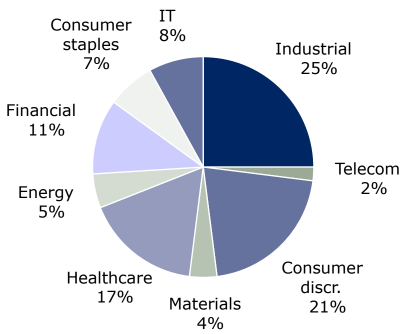
INVESTMENTS BY REGIONAL FOCUS



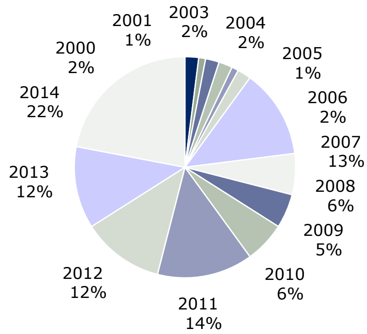
INVESTMENTS BY TRANSACTION TYPE



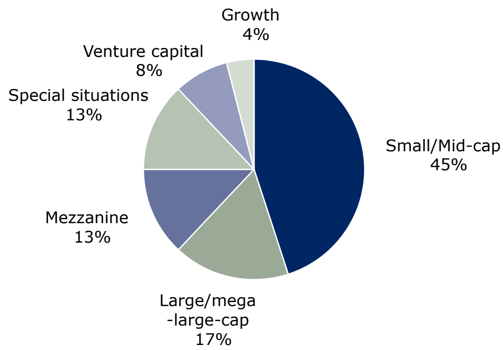
PORTFOLIO ASSETS BY INDUSTRY SECTOR



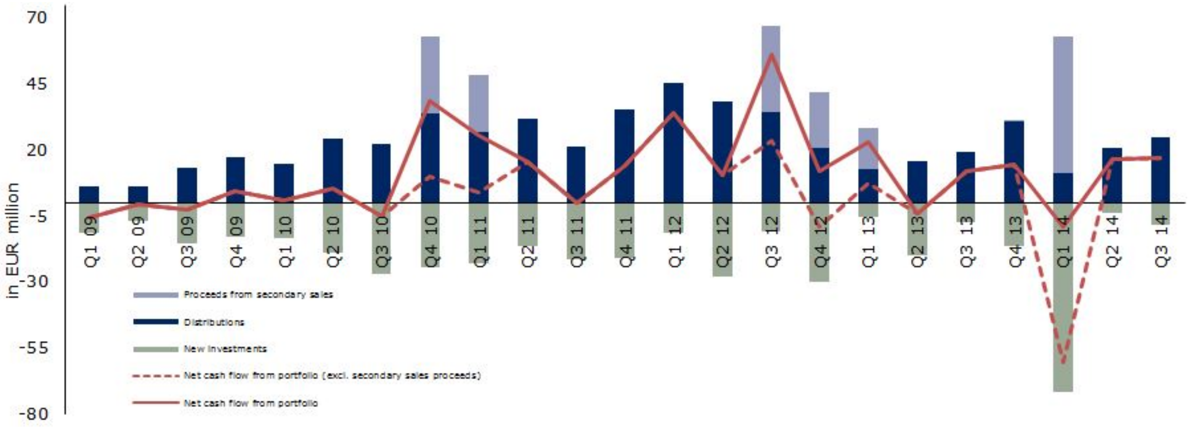
PORTFOLIO ASSETS BY INVESTMENT YEAR



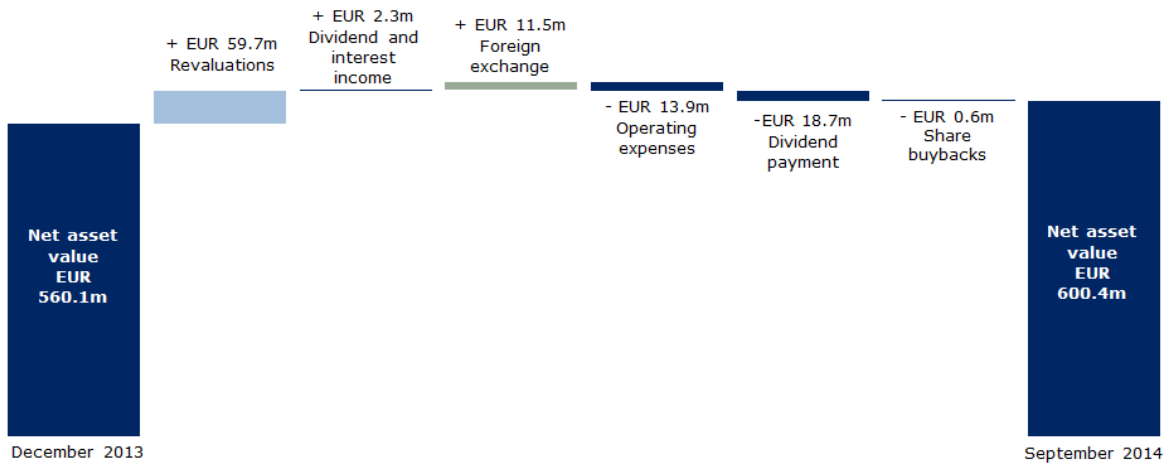
INVESTMENTS BY FINANCING CATEGORY



DEVELOPMENT OF NET CASH FLOWS



NAV DEVELOPMENT



VALUATION METRICS OF THE LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Top 10	Top 20	Top 50
LTM EBITDA growth	17.1%	11.7%	12.8%
LTM revenue growth	17.4%	12.0%	11.8%
Average revenue	EUR 0.6bn	EUR 0.9bn	EUR 0.9bn
% of NAV	25.0%	34.7%	47.8%

Asset allocation as per the reporting date; the portfolio composition may change over time.

*As per the reporting date 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 largest portfolio companies on a look through basis 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.

Within section four, "Investments" refers to the value of the investments. The total of the investment portfolio excludes cash and cash equivalents.

4 PORTFOLIO TRANSACTIONS

In the first nine months of 2014, Princess received distribution proceeds from exited investments (EUR 56.9 million) and secondary sales (EUR 51.4 million). In terms of new investments over the review period, Princess deployed EUR 83.7 million in capital, of which EUR 75.6 million has been used for direct investments and EUR 8.1 million for calls from third party funds.

Selected direct investments

- Hofmann Menue

In January, Princess invested in Hofmann Menue Manufaktur, a producer and supplier of customized frozen food products to small business canteens and social organizations such as retirement homes, hospitals and schools in Germany. The company has over 10'000 customers and is well-positioned to benefit from secular trends such as an ageing population and the increasing shift towards outsourced catering. Based on its strong brand and recognition for premium quality products and services, Hofmann Menue has a promising positioning to further increase its share in the expanding market for social organizations.

- Caffè Nero

Partners Group also acted as the mandated lead arranger in January and invested in the mezzanine debt of family-owned and London headquartered coffee house chain Caffè Nero. Founded in 1997 Caffè Nero has performed strongly, recording year-on-year growth in each year since inception. Caffè Nero has benefitted as the out-of-home coffee drinking culture has expanded and coffee houses are increasingly seen as a place to relax, socialize and network. The investment is expected to deliver an attractive risk return profile, given the company's strong brand, robust cash flow generation and track record of achieving sustained growth.

- VAT Vakuumventile AG

In February, Princess completed the direct investment VAT Vakuumventile AG. The company is the global market leader in high-end vacuum valves and has a strong market position in these mission-critical parts for the vacuum industry. The company offers its clients the largest product portfolio available globally and generates an annual turnover of more than CHF 300 million. Despite the underlying end markets such as semiconductors having faced challenging market environments at times, VAT has constantly increased its market share whilst delivering stable and attractive margins, due in part to its flexible cost structure and best-in-class engineering and production capabilities.

- Fermaca

Also in February, Princess invested in Fermaca, a leading provider of gas transportation infrastructure in Mexico. The company currently owns and operates pipelines capable of shipping about 20% of Mexico's natural gas needs. Fermaca is also finishing the construction of an additional pipeline which will transport cheap shale gas from the United States to serve the rapidly rising demand in Mexico, primarily driven by power generation needs. Its customers include Mexico's largest natural energy companies while the bulk of Fermaca's capacity is contracted under long-term agreements, providing the business with stable and predictable cash flows.

■ MultiPlan

In March, Princess completed the direct equity investment in MultiPlan Inc., a provider of comprehensive healthcare cost management solutions. With a network of almost 900'000 healthcare providers and extensive proprietary analytics, MultiPlan generates over USD 11 billion in medical cost savings on 40 million claims annually. The company generates an attractive cash flow through robust margins and low capital expenditure. Partners Group, which has established a close relationship with MultiPlan over the past three years, expects to strategically support the company's plan to grow revenue through the expansion of MultiPlan's business, while leveraging its highly-scalable operating platform.

■ Kerneos

Also in March, Princess invested in the EUR 600 million acquisition of Kerneos, the global leader in the production and sale of specialty cements used in the refractory materials and building-chemistry industries. Headquartered in Paris, the company sells its products in more than 100 countries, and has in recent years expanded its foothold into emerging markets, which now account for close to one-third of its total revenues. Kerneos' sales have been steadily growing over the last ten years to reach EUR 370 million in 2013, and the company has maintained its margins despite challenging market conditions. Going forward, Kerneos intends to expand its geographical footprint and invest in innovation to improve and widen its product range.

■ Permotio International Learning

In May, Princess' investment in Permotio International Learning, an investment vehicle formed to give Partners Group clients access to the creation of a leading international schools group, completed its first acquisition. Colegios Laude operates several internationally-oriented schools across Spain, providing bilingual education to both local and expat communities. The schools are well regarded and to date have been resilient despite the tough economic environment in Spain. Permotio's management team now plans to focus on completing further acquisitions while implementing value-creation initiatives targeted at improving the learning experience, the managerial capabilities within the schools and their key marketing activities.

5 PORTFOLIO OVERVIEW

Fifty largest direct investments

Investment	Industry sector	Regional focus	Financing category	Investment year	Residual cost	Net asset value	% of NAV
MultiPlan	Healthcare	NAM	Large/mega-large-cap	2010	16'762'980	24'486'535	4.1%
VAT Vakuumventile AG	Industrials	WEU	Small/Mid-cap	2014	18'760'935	21'170'097	3.5%
Action	Consumer discretionary	WEU	Small/Mid-cap	2011	1'086'297	18'284'303	3.0%
Universal Services of America	Industrials	NAM	Small/Mid-cap	2012	9'114'247	16'923'052	2.8%
Hofmann Menue Manufaktur	Consumer staples	WEU	Small/Mid-cap	2014	14'644'689	14'638'442	2.4%
Fermo (Trimco International)	Industrials	APC	Small/Mid-cap	2012	n.a.	12'670'065	2.1%
Fermaca	Energy	ROW	Special situations	2014	11'126'219	11'944'590	2.0%
Global Blue	Financials	WEU	Small/Mid-cap	2012	5'678'971	8'463'596	1.4%
Caffe Nero	Consumer staples	WEU	Mezzanine	2013	7'780'239	n.a.	n.a.
Acino Holding AG	Healthcare	WEU	Small/Mid-cap	2013	7'387'223	7'675'086	1.3%
AWAS Aviation Holding	Financials	WEU	Large/mega-large-cap	2006	5'970'444	7'036'957	1.2%
Plantasjen ASA	Consumer discretionary	WEU	Mezzanine	2007	2'723'913	6'899'519	1.1%
Information service company	Industrials	NAM	Large/mega-large-cap	2007	5'123'366	6'637'705	1.1%
Securitas Direct 2011	Industrials	WEU	Mezzanine	2011	4'239'747	6'416'229	1.1%
Voyage Care	Healthcare	WEU	Small/Mid-cap	2014	6'296'378	6'296'378	1.0%
Kerneos	Materials	WEU	Small/Mid-cap	2014	5'443'563	5'443'563	0.9%
BarBri	Consumer discretionary	NAM	Small/Mid-cap	2011	3'008'003	4'512'004	0.8%
Food company 1	Industrials	NAM	Large/mega-large-cap	2007	2'527'304	4'268'408	0.7%
Essmann	Materials	WEU	Mezzanine	2007	n.a.	4'228'221	0.7%
CSS Corp Technologies (Mauritius) Limited	Telecommunication services	APC	Small/Mid-cap	2013	n.a.	n.a.	n.a.
Permotio International Learning S.à r.l.	Consumer discretionary	WEU	Growth	2013	4'040'674	4'040'674	0.7%
Universal Hospital Services, Inc.	Healthcare	NAM	Small/Mid-cap	2007	3'443'622	3'954'806	0.7%
CPA Global	Industrials	WEU	Mezzanine	2013	3'537'002	3'827'607	0.6%
Lancelot	Financials	NAM	Large/mega-large-cap	2013	2'573'585	3'537'372	0.6%
Education Publisher 2	Consumer discretionary	NAM	Large/mega-large-cap	2013	744'566	3'450'800	0.6%
South Dakota Systems	Telecommunication services	NAM	Special situations	2014	2'773'145	2'837'131	0.5%
Photonis	IT	WEU	Special situations	2011	2'275'683	2'716'792	0.5%
Grupo SBF	Consumer discretionary	ROW	Growth	2013	2'715'303	2'715'303	0.5%
Strategic Partners, Inc.	Consumer discretionary	NAM	Small/Mid-cap	2012	1'082'495	2'305'480	0.4%
ConvaTec Inc	Healthcare	WEU	Large/mega-large-cap	2008	568'148	2'013'032	0.3%
Softonic	Consumer discretionary	WEU	Growth	2013	3'877'888	2'002'674	0.3%
US entertainment company	Consumer discretionary	NAM	Large/mega-large-cap	2008	5'843'881	1'992'695	0.3%
Direct marketing and sales company	Consumer discretionary	ROW	Small/Mid-cap	2007	503'210	1'846'216	0.3%

Fifty largest direct investments

Investment	Industry sector	Regional focus	Financing category	Investment year	Residual cost	Net asset value	% of NAV
Project Icon	Consumer discretionary	WEU	Small/Mid-cap	2011	4'317'560	1'792'769	0.3%
Food and beverage services operator	Consumer staples	WEU	Small/Mid-cap	2006	1'368'937	1'651'490	0.3%
Quick Service Restaurant Holdings	Consumer discretionary	APC	Mezzanine	2011	n.a.	n.a.	n.a.
Schenck Process GmbH	Industrials	WEU	Small/Mid-cap	2007	951'350	1'365'013	0.2%
Project Artemis	Healthcare	WEU	Mezzanine	2013	1'187'808	1'362'761	0.2%
BSN medical 2012	Healthcare	WEU	Mezzanine	2012	984'518	1'332'309	0.2%
n.a.	Industrials	WEU	Mezzanine	2014	1'304'131	1'322'513	0.2%
Labeyrie	Consumer staples	WEU	Mezzanine	2014	1'249'996	n.a.	n.a.
Project Marvel	Energy	WEU	Mezzanine	2013	1'121'852	1'233'959	0.2%
Media and communications company	Consumer discretionary	NAM	Large/mega-large-cap	2008	2'450'485	1'230'271	0.2%
Project Heron	Consumer staples	NAM	Mezzanine	2013	911'404	1'172'118	0.2%
M7	Telecommunication services	WEU	Mezzanine	2014	1'168'996	1'170'367	0.2%
Univision Communications, Inc.	Consumer discretionary	NAM	Large/mega-large-cap	2007	771'881	1'082'650	0.2%
CapitalSpring Finance Company	Financials	NAM	Mezzanine	2013	845'691	1'061'301	0.2%
Project Sun	Industrials	WEU	Small/Mid-cap	2011	3'227'091	1'052'093	0.2%
Fashion company	Consumer discretionary	NAM	Large/mega-large-cap	2007	1'163'974	1'047'576	0.2%
Delsey Group	Consumer discretionary	WEU	Small/Mid-cap	2007	1'440'019	1'043'576	0.2%
Total direct investments					**184'815'281**	**242'833'58**	

The portfolio's holdings are ranked by percentage of net asset value. 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. The portfolio overview of Princess has been prepared on a look through basis, although the unaudited consolidated statement of financial position includes the valuation of certain Partners Group investment vehicles. The overview shows the 50 largest direct investments based on NAV. Residual cost is the initial investment cost after receipt of distributions from such an investment until the end of the reporting period.

Fifty largest fund investments

Investment	Regional focus	Financing category	Vintage year	Unfunded commitments	Remaining net asset value	% of NAV
Partners Group Global Real Estate 2008 LP	WEU	Special situations	2008	2'195'870	15'527'771	2.6%
Terra Firma Capital Partners III, L.P.	WEU	Large/mega-large-cap	2006	183'427	12'424'870	2.1%
Anonymized European Buyout Fund 7	WEU	Small/Mid-cap	2007	1'196'016	8'083'154	1.3%
ICG European Fund 2006, L.P.	WEU	Mezzanine	2006	1'639'160	7'982'871	1.3%
Ares Corporate Opportunities Fund III, L.P.	NAM	Special situations	2008	1'213'563	7'813'422	1.3%
GMT Communications Partners III, L.P.	WEU	Small/Mid-cap	2006	1'043'526	6'658'371	1.1%
3i Eurofund Vb	WEU	Small/Mid-cap	2006	410'216	6'643'905	1.1%
August Equity Partners II A, L.P.	WEU	Small/Mid-cap	2007	n.a.	6'391'244	1.1%
Quadriga Capital Private Equity Fund III, L.P.	WEU	Small/Mid-cap	2006	490'067	6'358'696	1.1%
Sterling Investment Partners II, L.P.	NAM	Small/Mid-cap	2005	983'523	6'354'684	1.1%
INVESCO U.S. Buyout Partnership Fund II, L.P.	NAM	Small/Mid-cap	2000	1'998'562	5'858'158	1.0%
MatlinPatterson Global Opportunities Partners III	NAM	Special situations	2007	876'459	5'818'528	1.0%
Anonymized Emerging Markets Venture Fund 2	ROW	Venture capital	2008	617'432	5'695'047	0.9%
Pitango Venture Capital Fund III	ROW	Venture capital	2000	0	5'607'786	0.9%
INVESCO Venture Partnership Fund II-A, L.P.	NAM	Venture capital	2000	1'448'591	4'868'794	0.8%
INVESCO Venture Partnership Fund II, L.P.	NAM	Venture capital	1999	2'678'523	4'637'849	0.8%
Ares Corporate Opportunities Fund II, L.P.	NAM	Special situations	2006	1'850'996	4'513'416	0.8%
Candover 2005 Fund, L.P.	WEU	Large/mega-large-cap	2005	19'791	4'393'953	0.7%
Palamon European Equity 'C', L.P.	WEU	Small/Mid-cap	1999	0	4'245'471	0.7%
Aksia Capital III, L.P.	WEU	Small/Mid-cap	2005	101'553	4'102'384	0.7%
Fenway Partners Capital Fund II, L.P.	NAM	Small/Mid-cap	1998	373'954	3'013'974	0.5%
Draper Fisher Jurvetson Fund VII, L.P.	NAM	Venture capital	2000	0	2'921'814	0.5%
Levine Leichtman Capital Partners II, L.P.	NAM	Mezzanine	1998	0	2'861'806	0.5%
Advent Latin American Private Equity Fund IV, L.P.	ROW	Large/mega-large-cap	2007	210'889	2'748'959	0.5%
The Peninsula Fund IV, L.P.	NAM	Mezzanine	2005	387'175	2'662'599	0.4%
SV Life Sciences Fund IV, L.P.	NAM	Venture capital	2006	653'555	2'658'193	0.4%
OCM Mezzanine Fund II, L.P.	NAM	Mezzanine	2005	1'371'412	2'589'355	0.4%
Carmel Software Fund (Cayman), L.P.	ROW	Venture capital	2000	0	2'478'905	0.4%
Advent International GPE VI, L.P.	WEU	Small/Mid-cap	2008	101'401	2'400'277	0.4%
Alinda Infrastructure Parallel Fund II, L.P.	NAM	Special situations	2008	292'333	2'231'968	0.4%
Patria - Brazilian Private Equity Fund III, L.P	ROW	Small/Mid-cap	2007	n.a.	n.a.	n.a.
Penta CLO I S.A..	WEU	Special situations	2007	0	1'963'855	0.3%
Columbia Capital Equity Partners III (Cayman), LP	NAM	Venture capital	2000	115'540	1'959'811	0.3%
Menlo Ventures IX, L.P.	NAM	Venture capital	2000	0	1'768'961	0.3%
Navis Asia Fund V, L.P.	APC	Small/Mid-cap	2007	21'028	1'719'471	0.3%
Anonymized European Buyout Fund 3	WEU	Small/Mid-cap	2008	308'211	1'706'559	0.3%
Index Ventures Growth I (Jersey), L.P.	WEU	Growth	2008	34'757	1'688'369	0.3%
Clayton, Dubilier & Rice Fund VIII, L.P.	NAM	Large/mega-large-cap	2009	304'923	1'661'513	0.3%
Innisfree PFI Secondary Fund	WEU	Special situations	2007	283'990	1'584'302	0.3%
EQT Infrastructure (No.1) Limited Partnership	WEU	Special situations	2008	177'928	1'531'965	0.3%
Southern Cross Latin America PE Fund III	ROW	Small/Mid-cap	2007	18'655	1'509'876	0.3%
Russia Partners III, L.P.	ROW	Small/Mid-cap	2007	234'044	1'443'290	0.2%
Exxel Capital Partners VI, L.P.	ROW	Small/Mid-cap	2000	0	1'362'660	0.2%
Ventizz Capital Fund IV, L.P.	WEU	Growth	2007	0	1'362'572	0.2%
Vortex Corporate Development Fund, L.P.	NAM	Venture capital	2000	113'987	1'275'780	0.2%

Fifty largest fund investments

Investment	Regional focus	Financing category	Vintage year	Unfunded commitments	Remaining net asset value	% of NAV
Baring Asia Private Equity Fund IV, L.P.	APC	Small/Mid-cap	2007	219'193	1'241'658	0.2%
CVC Capital Partners Asia Pacific III, L.P.	APC	Large/mega-large-cap	2007	253'163	1'174'013	0.2%
SV Life Sciences Fund II, L.P.	WEU	Venture capital	1998	0	1'135'570	0.2%
HitecVision V, L.P.	WEU	Small/Mid-cap	2008	108'477	1'129'256	0.2%
Graphite Capital Partners V, L.P.	WEU	Small/Mid-cap	1999	334'669	1'125'237	0.2%
Total partnership investments				**24'866'560**	**188'892'944**	

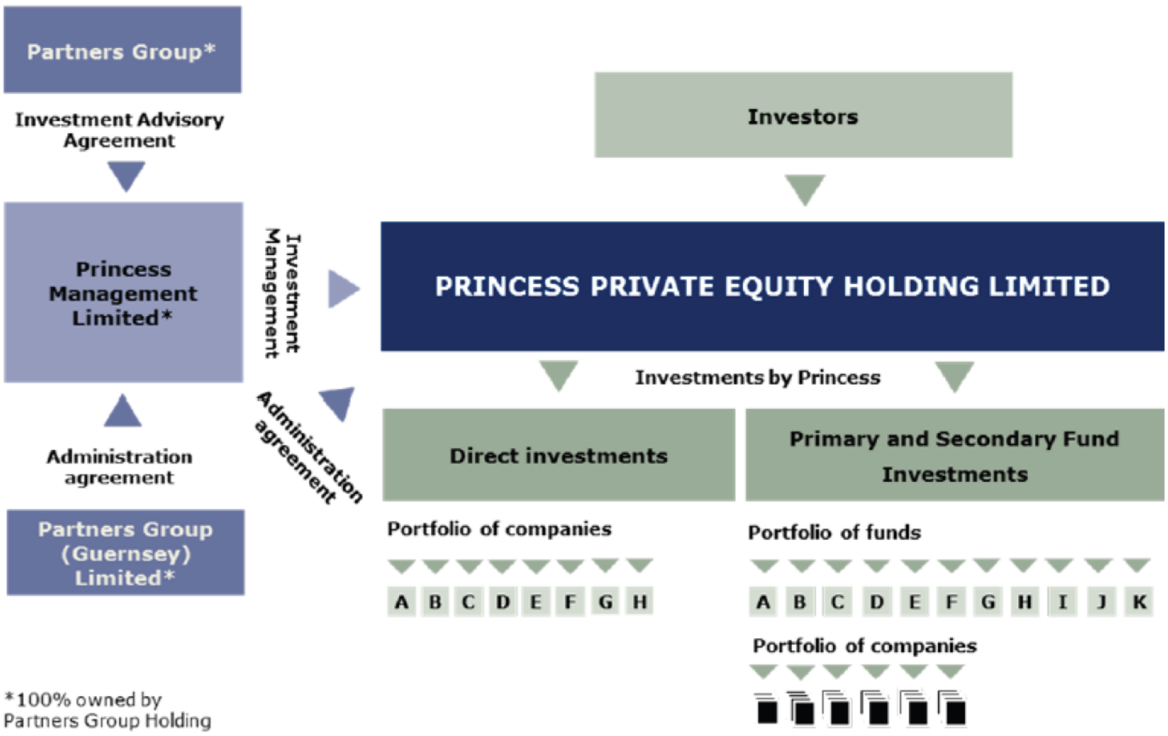
The portfolio's holdings are ranked by percentage of net asset value. Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. The portfolio overview of Princess has been prepared on a look through basis, although the unaudited consolidated statement of financial position includes the valuation of certain Partners Group investment vehicles. The overview shows the 50 largest partnerships based on NAV. Remaining net asset value is the net asset value of primary and secondary investments after receipt of distributions from such investments until the end of the reporting period.

6 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 consolidated all trading activity to the London Stock Exchange on 6 December 2012 and ceased being listed on the Frankfurt Stock Exchange.

Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield. The Company's investments are managed on a discretionary basis by Princess Management Limited, a wholly-owned subsidiary of Partners Group Holding AG, 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 (the "Investment Advisor"), which is a global private markets investment management firm with over EUR 33 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.



7 FACTS AND FIGURES

Company	Princess Private Equity Holding Limited
Currency denomination	Euro
Joint coporate brokers	JPMorgan Cazenove Numis Securities Ltd.
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	London Stock Exchange
Management fee	1.5% p.a.
Securities	Fully paid-up ordinary registered shares
Structure	Guernsey Company, Authorized closed-ended fund in Guernsey
Trading information	WPK: A0M5MA ISIN: GG00B28C2R28 Trading symbol: PEY Bloomberg: PEY LN Reuters: PEY.L
Voting rights	Each ordinary registered share represents one voting right

8 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January 2014 to 30 September 2014

In thousands of EUR	***Notes***	**01.07.2014 30.09.2014**	**01.01.2014 30.09.2014**	**01.07.2013 30.09.2013**	**01.01.2013 30.09.2013**
Net income from financial assets at fair value through profit or loss		**48'113**	**81'496**	**3'572**	**20'374**
Private equity		*41'240*	*69'516*	*697*	*16'177*
Interest & dividend income		452	452	355	355
Revaluation	7	27'509	54'228	6'137	19'835
Net foreign exchange gains / (losses)	7	13'279	14'836	(5'795)	(4'013)
Private debt		*4'963*	*9'186*	*2'697*	*2'952*
Interest income (including PIK)		570	1'872	566	1'740
Revaluation	7	719	3'017	3'362	3'258
Net foreign exchange gains / (losses)	7	3'674	4'297	(1'231)	(2'046)
Private real estate		*310*	*1'047*	*86*	*1'048*
Revaluation	7	295	1'030	93	1'052
Net foreign exchange gains / (losses)	7	15	17	(7)	(4)
Private infrastructure		*1'600*	*1'747*	*92*	*197*
Revaluation	7	1'256	1'431	92	197
Net foreign exchange gains / (losses)	7	344	316	-	-
Net income from short-term investments		**-**	**1**	**-**	**2**
Interest income		-	1	-	-
Revaluation		-	-	-	2
Net income from cash & cash equivalents and other income		**129**	**114**	**(54)**	**(127)**
Interest income		9	8	2	4
Net foreign exchange gains / (losses)		120	106	(56)	(131)
Total net income		**48'242**	**81'611**	**3'518**	**20'249**
Operating expenses		**(3'041)**	**(10'340)**	**(5'886)**	**(10'853)**
Management fees		(2'298)	(6'816)	(2'136)	(6'559)
Incentive fees	10	(3'901)	(6'214)	(104)	(1'183)
Administration fees		(71)	(213)	(72)	(223)
Service fees		(63)	(188)	(63)	(188)
Other operating expenses		(218)	(583)	(240)	(633)
Revaluation of other long-term receivables		6	-	-	-

Other net foreign exchange gains / (losses)	3'504	3'674	(3'271)	(2'067)
Other financial activities	**(11'564)**	**(11'652)**	**4'657**	**2'912**
Setup expenses - credit facilities	(229)	(456)	(221)	(666)
Other finance cost	155	534	239	725
Net gains / (losses) from hedging activities	(11'490)	(11'730)	4'639	2'853
Surplus / (loss) for the financial period	**33'637**	**59'619**	**2'289**	**12'308**
Other comprehensive income for the period; net of tax	-	-	-	-
Total comprehensive income for the period	**33'637**	**59'619**	**2'289**	**12'308**
Weighted average number of shares outstanding	69'151'794.04	69'174'701.07	69'382'792.18	69'419'733.81
Basic surplus / (loss) per share for the financial period	0.49	0.86	0.03	0.18
Diluted surplus / (loss) per share for the financial period	0.49	0.86	0.03	0.18

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 2014

In thousands of EUR	***Notes***		**30.09.2014**		**31.12.2013**
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	7	398'119		317'049	
Private debt	7	79'046		57'882	
Private real estate	7	15'731		15'985	
Private infrastructure	7	11'577		5'267	
Deferred receivables on investments		54'426		50'346	
Other long-term receivables		2'536		-	
Non-current assets			**561'435**		**446'529**
Short-term investments		30'000		-	
Other short-term receivables		3'207		1'497	
Deferred receivables on investments		-		51'292	
Hedging assets		-		345	
Cash and cash equivalents	8	23'438		69'761	
Current assets			**56'645**		**122'895**
TOTAL ASSETS			**618'080**		**569'424**
EQUITY AND LIABILTIES					
Share capital	9	69		69	
Treasury shares	9	-		(432)	
Retained earnings		58'262		(1'357)	
Reserves	9	542'111		561'832	
Total equity			**600'442**		**560'112**
Other long term payables		209		205	
Liabilities falling due after one year			**209**		**205**
Hedging liabilities		3'964		-	
Accruals and other short-term payables		13'465		9'107	
Liabilities falling due within one year			**17'429**		**9'107**
TOTAL EQUITY AND LIABILITIES			**618'080**		**569'424**

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January 2014 to 30 September 2014

In thousands of EUR	**Share capital**	**Treasury shares**	**Retained earnings**	**Reserves**	**Total**
Equity at beginning of reporting period	69	(432)	(1'357)	561'832	560'112
Dividend paid during the period	-	-	-	(18'672)	(18'672)
Other comprehensive income for the period; net of tax	-	-	-	-	-
Share buyback and cancellation	-	-	-	(1'049)	(1'049)
Share buyback	-	432	-	-	432
Surplus / (loss) for the financial period	-	-	59'619	-	59'619
Equity at end of reporting period	**69**	**-**	**58'262**	**542'111**	**600'442**

for the period from 1 January 2013 to 30 September 2013

In thousands of EUR	**Share capital**	**Treasury shares**	**Retained earnings**	**Reserves**	**Total**
Equity at beginning of reporting period	70	-	(16'386)	599'459	583'143
Dividend paid during the period	-	-	-	(18'044)	(18'044)
Other comprehensive income for the period; net of tax	-	-	-	-	-
Share buyback and cancellation	-	-	-	(696)	(696)
Share buyback	-	-	-	-	-
Surplus / (loss) for the financial period	-	-	12'308	-	12'308
Equity at end of reporting period	**70**	**-**	**(4'078)**	**580'719**	**576'711**

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January 2014 to 30 September 2014

In thousands of EUR	***Notes***	**01.01.2014 30.09.2014**	**01.01.2013 30.09.2013**
Operating activities			
Surplus / (loss) for the financial period before interest expense		59'619	12'308
Adjustments:			
Net foreign exchange (gains) / losses		(23'246)	8'261
Investment revaluation		(59'706)	(24'344)
Net (gain) / loss on interest		(2'333)	(2'099)
Revaluation on forward hedges		11'730	(2'853)
(Increase) / decrease in receivables		46'776	(2'086)
Increase / (decrease) in payables		4'225	(285)
Realized gains / (losses) from forward hedges		(7'421)	6'436
Purchase of private equity investments	7	(54'957)	(26'075)
Purchase of private debt investments	7	(23'818)	(3'549)
Purchase of private real estate investments	7	(373)	(227)
Purchase of private infrastructure investments	7	(4'563)	(71)
Distributions from and proceeds from sales of private equity investments	7	42'951	52'003
Distributions from and proceeds from sales of private debt investments	7	10'738	6'361
Distributions from and proceeds from sales of private real estate investments	7	1'674	3'496
Purchase of short-term investments		(75'000)	(44'998)
Sale of short-term investments		45'000	45'000
Interest & dividends received		1'563	1'456
Net cash from / (used in) operating activities		**(27'141)**	**28'734**
Financing activities			
Dividends paid	9	(18'672)	(18'044)
Share buyback and cancellation	9	(1'049)	(696)
Treasury shares buyback	9	432	-
Net cash from / (used in) financing activities		**(19'289)**	**(18'740)**
Net increase / (decrease) in cash and cash equivalents		**(46'430)**	**9'994**
Cash and cash equivalents at beginning of reporting period	**8**	**69'762**	**65'724**
Effects of foreign currency exchange rate changes on cash and cash equivalents		106	(131)
Cash and cash equivalents at end of reporting period	**8**	**23'438**	**75'587**

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1 January 2014 to 30 September 2014

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"). The Subsidiary also holds certain investments through its wholly-owned subsidiary Princess Direct Investments, L.P. Inc. (the "Sub-Subsidiary"). The Sub-Subsidiary, the Subsidiary and the Company form a group (the "Group"). Both of these subsidiaries are consolidated as they are deemed to provide investment related services to the Company.

The shares of the Company were listed on the Prime Standard of the Frankfurt Stock Exchange from 13 December 2006 until 5 December 2012 (date of delisting). The shares of the Company remain listed on the main market of the London Stock Exchange, where they have been listed since 1 November 2007.

On 19 September 2012 the Company announced the sale of a limited portfolio of mainly large cap buyout fund positions in the secondary market. The aim of the transaction is to accelerate the phased transition of the portfolio towards global direct investments.

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 2013, which have been prepared in accordance with International Financial Reporting Standards, with early adoption of IFRS 10, IFRS 12 and IAS 27 (Amendment effective 1 January 2014).

The accounting policies adopted in the preparation of the of the condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2013, except for the adoption of the following amendments mandatory for annual periods beginning on or after 1 January 2014.

IAS 32 (Amendment effective 1 January 2014) - Financial instruments: Presentation - offsetting financial assets and financial liabilities

Annual improvements 2012 (effective 1 July 2014)
Annual improvements 2013 (effective 1 July 2014)

The Directors of the Company have assessed the impact of this standard and these amendments and concluded that although this accounting standard and these new interpretations did not affect the Group's results of operations or financial position, they have required additional disclosures with respect to the presentation of certain financial assets and financial liabilities.

The following standards which are mandatory for future accounting periods, but where early adoption is permitted now, have not been duly adopted.

IFRS 9 (effective 1 January 2018) - Financial instruments
IFRS 15 (effective 1 January 2017) - Revenue from Contracts with Customers

The Directors of the Company are in the process of assessing the impact of this standard and believes that these new accounting standards will not significantly affect the Group's results of operations or financial position. The Directors of the Company do, however, believe that these standards may require amendments to financial reporting procedures applied in the preparation of the financial statements and are likely to have a notable impact on the level of disclosures in the financial statements.

3 SHAREHOLDERS ABOVE 5% OF ORDINARY SHARES ISSUED

In accordance with DTR 5.1.2R of the Financial Conduct Authority Handbook the following shareholders advised holdings above the 5% threshold until 30 September 2014:

Shareholder name	**Threshold exceeded**	**Date of exceeding the threshold**	**Number of shares held at date of exceeding threshold**	**Number of shares in issue at date of exceeding threshold**	**% of ordinary shares in issue at date of exceeding threshold**
Deutsche Asset Management Investmentgesellschaft mbH	5.00%	19 April 2007	609'590	7'010'000	8.70%
Vega Invest Fund plc	5.00%	11 October 2007	600'000	7'010'000	8.56%
Bayer-Pensionskasse VVaG	5.00%	25 April 2007	530'000	7'010'582	7.56%
CVP/CAP Coop Personalversicherung	5.00%	31 December 2008	3'551'206	70'100'000*	5.07%
Societe Generale Option Europe	5.00%	20 October 2010	3'724'557	70'100'000*	5.31%
CCLA Investment Management Ltd	5.00%	10 July 2013	3'504'750	69'400'990*	5.05%
Brewin Dolphin Ltd	5.00%	24 July 2014	3'459'832	69'151'168*	5.00%

*The Extraordinary Shareholder Meeting of the holders of ordinary shares in Princess Private Equity Holding Limited on 12 October 2007 agreed on a 1 to 10 share split according to which each ordinary share was subdivided into 10 ordinary shares. The share split became effective after close of trading on 12 October 2007.

4 DIVIDENDS

The Board of Directors of Princess Private Equity Holding Limited declared a dividend of EUR 0.27 paid on 18 June 2014 on each Ordinary Share. The dividend paid on 18 June amounted to EUR 18.6 million (full year 2013: EUR 36.8 million).

5 SHORT-TERM CREDIT FACILITIES

On 12 November 2013, the Company renewed a multi-currency revolving credit facility with Lloyds TSB Bank plc for EUR 50m, which ends on the 26 July 2017.

In relation to the interest charged, on drawn amounts, this is calculated at a margin of 2.95% to 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 0.90% per annum calculated on the daily undrawn amounts plus a fee of EUR 450’000 paid over three years and a monitoring fee in the amount of EUR 25’000 per annum.

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

The Company must maintain a total net asset value of at least, EUR 350m and a total asset ratio (total debt plus current liabilities as a percentage of restricted net asset value) not greater than 25%.

6 SEGMENT CALCULATION

In thousands of EUR	**01.01.2014 30.09.2014**	**01.01.2013 30.09.2013**
Private equity		
Interest & dividend income	452	355
Revaluation	54'228	19'835
Net foreign exchange gains / (losses)	14'836	(4'013)
Total net income private equity	**69'516**	**16'177**
Segment result private equity	**69'516**	**16'177**
Private debt		
Interest income (including PIK)	1'872	1'740
Revaluation	3'017	3'258
Net foreign exchange gains / (losses)	4'297	(2'046)
Total net income private debt	**9'186**	**2'952**
Segment result private debt	**9'186**	**2'952**
Private real estate		
Revaluation	1'030	1'052
Net foreign exchange gains / (losses)	17	(4)
Total net income private real estate	**1'047**	**1'048**
Segment result private real estate	**1'047**	**1'048**
Private infrastructure		
Revaluation	1'431	197
Net foreign exchange gains / (losses)	316	-
Total net income private infrastructure	**1'747**	**197**
Segment result private infrastructure	**1'747**	**197**
Non attributable		
Interest & dividend income	9	4
Revaluation	-	2
Net foreign exchange gains / (losses)	106	(131)
Total net income non attributable	**115**	**(125)**
Segment result non attributable	**(10'225)**	**(10'978)**
Other financial activities not allocated	(11'652)	2'912
Surplus / (loss) for the financial period	**59'619**	**12'308**

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

7.1 PRIVATE EQUITY

In thousands of EUR	**30.09.2014**	**31.12.2013**
Balance at beginning of period	317'049	330'260
Purchase of Direct and Indirect Investments	54'957	37'813
Distributions from and proceeds from sales of Direct and Indirect Investments	(42'951)	(72'681)
Reclassification of investments	-	(10)
Revaluation	54'228	28'307
Foreign exchange gains / (losses)	14'836	(6'640)
Balance at end of period	**398'119**	**317'049**

In the previous year the Subsidiary transferred its interest in 13 Direct Investments (the "Transferred Investments") via a contribution-in-kind to the Sub-Subsidiary. The transfer was executed at an amount of EUR 42'065'123 representing fair value of the Transferred Investments in the respective investment currencies. As both the Subsidiary and the Sub-Subsidiary form part of the Group the transfer has no effect on the Group's income or financial position. These Direct Investments are reflected in the audited consolidated financial statements of the Group at fair value through profit or loss.

7.2 PRIVATE DEBT

In thousands of EUR	**30.09.2014**	**31.12.2013**
Balance at beginning of period	57'882	63'462
Purchase of Direct and Indirect Investments	23'818	8'251
Distributions from and proceeds from sales of Direct and Indirect Investments	(10'738)	(13'798)
Reclassification of investments	-	10
Accrued cash and PIK interest	1'009	1'083
Interest received	(239)	(2'012)
Revaluation	3'017	3'859
Foreign exchange gains / (losses)	4'297	(2'973)
Balance at end of period	**79'046**	**57'882**

In the previous year the Subsidiary transferred its interest in four direct investments (the "Transferred Investments") via a contribution-in-kind to the Sub-Subsidiary. The transfer was executed at an amount of EUR 18'499'349 representing fair value of the Transferred Investments in the respective investment currencies. As both the Subsidiary and the Sub-Subsidiary form part of the Group the transfer has no effect on the Group's income or financial position. These Direct Investments are reflected in the audited consolidated financial statements of the Group at fair value through profit or loss.

7.3 PRIVATE REAL ESTATE

In thousands of EUR	**30.09.2014**	**31.12.2013**
Balance at beginning of period	15'985	19'166
Purchase of Direct and Indirect Investments	373	170
Distributions from and proceeds from sales of Direct and Indirect Investments	(1'674)	(4'589)
Revaluation	1'030	1'246
Foreign exchange gains / (losses)	17	(8)
Balance at end of period	**15'731**	**15'985**

7.4 PRIVATE INFRASTRUCTURE

In thousands of EUR	**30.09.2014**	**31.12.2013**
Balance at beginning of period	5'267	4'895
Purchase of Direct and Indirect Investments	4'563	286
Revaluation	1'431	86
Foreign exchange gains / (losses)	316	-
Balance at end of period	**11'577**	**5'267**

8 CASH AND CASH EQUIVALENTS

In thousands of EUR	**30.09.2014**	**31.12.2013**
Cash at banks	23'438	28'756
Cash equivalents	-	41'005
Total cash and cash equivalents	**23'438**	**69'761**

9 SHARE CAPITAL, TREASURY SHARES AND RESERVES

9.1 CAPITAL

In thousands of EUR	**30.09.2014**	**31.12.2013**
Issued and fully paid		
69'318'835 Ordinary shares of EUR 0.001 each out of the bond coversion	-	69
69'151'168 Ordinary shares of EUR 0.001 each out of the bond coversion	69	-
Total issued and fully paid shares	**69**	**69**

The total authorized shares consists of 200'100'000 Ordinary shares of EUR 0.001 each (total value EUR 200'100).

During the reporting period, the Company purchased 98'667 of its own shares at an average price of EUR 6.25. 167'667 shares have been cancelled during this period. Following these purchases and cancellation, the Company's issued share capital consists of 69'151'168 shares (2013: 69'318'835 shares).

9.2 TREASURY SHARES

In thousands of EUR	**30.09.2014**	**31.12.2013**
Share buyback for cancellation	**-**	**(432)**

9.3 RESERVES

In thousands of EUR	**30.09.2014**	**31.12.2013**
Distributable reserves		
Distributable reserves at beginning of reporting period	561'832	599'459
Dividend payment	(18'672)	(36'763)
Share buyback and cancellation	(1'049)	(864)
Total distributable reserves at end of reporting period	**542'111**	**561'832**

10 INCENTIVE FEE

In thousands of EUR	**30.09.2014**	**31.12.2013**
Balance at beginning of period	4'412	4'334
Change in incentive fees attributable to General Partner	6'214	2'104
Incentive fees paid/payable	(500)	(2'026)
Balance at end of period	**10'126**	**4'412**

11 PROJECT ALEXANDER

In September 2012, the Company entered into a sale and purchase agreement, relating to Project Alexander, with a single third party buyer (the "Buyer") to sell 17 limited partnership interests ("Investments") held by the Company.

The transaction was settled in four installments between 30 September 2012 and the end of January 2013. By the end of September 2014 USD 103'747'029 and EUR 24'252'872 had been received from the Buyer, which reflected 2/3 of the purchase price, adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011.

The remaining 1/3 proceeds of USD 55’229’958 and EUR 10’707’495 are due to be received after 36 months from the dates of transfer. These will be settled as per the predefined timelines.

These amounts were initially recognized in the audited consolidated statement of financial position as financial assets at fair value and were then measured at amortized cost using the effective interest method and have been recognized as receivables in the audited consolidated statement of financial position.

The Investments were derecognized from the Company's portfolio when substantially all risks and rewards associated with them had been transferred to the Buyer, being at the date that the general partner of the Investments formally recognized the Buyer as the owner of the respective Investments.

By 31 January 2013 the Company derecognized all of the investments included in the transaction.

12 COMMITMENTS

In thousands of EUR	**30.09.2014**	**31.12.2013**
Unfunded commitments translated at the rate prevailing at the end of the reporting period	166'322	196'793

13 EARNINGS PER SHARE AND NET ASSETS 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, if any. There were no dilutive effects on the Group's shares during 2014 and 2013.

The net assets per share is calculated by dividing the net assets in the consolidated statement of financial position by the number of actual shares outstanding at the end of the reporting period.

In thousands of EUR	**30.09.2014**	**31.12.2013**
Net assets of the Group	600'442	560'112
Outstanding shares at the end of the reporting period	69'151'168.00	69'249'835.00
Net assets per share at period-end	**8.68**	**8.09**

14 FAIR VALUE MEASUREMENT

In thousands of EUR	**Level 1**	**Level 2**	**Level 3**	**Total balance**
Assets				
Short-term investments	30'000	-	-	30'000
Financial assets at fair value through profit or loss - equity securities	-	-	425'427	425'427
Financial assets at fair value through profit or loss - debt investments	-	-	79'046	79'046
Total assets	**30'000**	**-**	**504'473**	**534'473**
Liabilities				
Derivatives used for hedging	-	(3'964)	-	(3'964)
Total liabilities	**-**	**(3'964)**	**-**	**(3'964)**

15 SIGNIFICANT UNOBSERVABLE VALUATION INPUTS

Level 3 investments may consist of Direct and Indirect equity and debt Investments. Level 3 Indirect Investments are generally valued at the Indirect Investments' net asset values last reported by the Indirect Investments' governing bodies. When the reporting date of such net asset values does not coincide with the Group's reporting date, the net asset values are adjusted as a result of cash flows to/from an Indirect Investment between the most recently available net asset value reported, and the end of the reporting period of the Group. The valuation may also be adjusted for further information gathered by the Investment Advisor during its ongoing investment monitoring process. This monitoring process includes, but is not limited to, binding bid offers, non-public information on developments of portfolio companies held by Indirect Investments, syndicated transactions which involve such companies and the application of reporting standards by Indirect Investments which do not apply the principle of fair valuation.

The main inputs into the Group's valuation models for Direct equity and debt Investments include: EBITDA multiples (based on budgeted/forward looking EBITDA or historical EBITDA of the issuer and EBITDA multiples of comparable listed companies for the equivalent period), discount rates, capitalization rates, price to book as well as price to earnings ratios and enterprise value to sales multiples. The Group also considers the original transaction prices, recent transactions in the same or similar instruments and completed third-party transactions in comparable instruments and adjusts the model as deemed necessary. Further inputs consist of external valuation appraisals and broker quotes.

In order to assess level 3 valuations in accordance with the Investment Management Agreement, the Investment Advisor reviews the performance of the Direct and Indirect Investments held on a regular basis. The valuations are reviewed on an ongoing basis by the Investment Advisor's investment committee who report to the Investment Manager. The investment committee considers the appropriateness of the valuation model inputs as well as the valuation result using various valuation methods and techniques generally recognized within the industry.

The Group utilizes comparable trading multiples in arriving at the valuation for the Direct Investments. Comparable companies multiple techniques assume that the valuation of unquoted Direct Investments can be assessed by comparing performance measure multiples of similar quoted assets for which observable market prices are readily available. The Investment Advisor determines comparable public companies based on industry, size, development stage, strategy, etc. Subsequently the most appropriate performance measure for determining the valuation of the relevant Direct Investment is selected (these include but are not limited to EBITDA, price/earnings ratio for earnings or price/book ratio for book values). Trading multiples for each comparable company identified are calculated by dividing the market capitalization of the comparable company by the defined performance measure. The relevant trading multiples might be subject to adjustment for general qualitative differences such as liquidity, growth rate or quality of customer base between the valued Direct Investment and the comparable company set. The indicated fair value of the Direct Investment is determined by applying the relevant adjusted trading multiple to the identified performance measure of the valued company.

When applying the discounted cash flow method, the Investment Advisor discounts the expected cash flow amounts to a present value at a rate of expected return that represents the time value of money and reflects the relative risks of the Direct Investment. Direct Investments can be valued by using the 'cash flow to investor' method (a debt instrument valuation), or indirectly, by deriving the enterprise value using the 'free cash flow to company' method and subsequently subtracting the Direct Investment's net debt in order to determine the equity value of the relevant Direct Investment. The Investment Advisor determines the expected future cash flows based on agreed investment terms or expected growth rates. In addition and based on the current market environment an expected return of the respective Direct Investment is projected. The future cash flows are discounted to the present date in order to determine the current fair value.

The Group utilizes the sales comparison method in arriving at the valuation for Direct real estate Investments. The sales comparison method compares a Direct real estate Investment's characteristics with those of comparable properties which have recently been traded in the market. The Investment Advisor determines comparable assets based on, but not limited to, size, location, development stage and property type. Furthermore the most appropriate measure for determining the valuation of the relevant Direct real estate Investment is selected (amongst others price per room, price per square foot, price per square meter). The comparable price per unit might be subject to adjustment for general qualitative differences which include, but are not limited to, quality of property and access to public transportation. The indicated fair value of the Direct real estate Investment is determined by applying the relevant price per unit to the respective Direct real estate Investment. The sales comparison method is most appropriate for Direct real estate Investments where the investment's size (e.g. number of rooms, square feet, square meters or other square measures) is known and similar properties have recently traded in the market.

When applying the income method the Investment Advisor compares a Direct real estate Investment's net operating income to capitalization rates recently observed in the market to determine the present value. The Investment Advisor determines comparable assets based on, but not limited to, size, development stage and property type. The capitalization rates from recent sales of comparable properties might be subject to adjustment for general qualitative differences which include, but are not limited to, quality of property, tenant mix and access to public transportation. The indicated fair value of the Direct real estate Investment is determined by applying the relevant capitalization rate to the Direct real estate Investment's net operating income. The income method is most appropriate for income generating Direct real estate Investments where the net operating income is known and similar properties have recently traded in the market.

The values of Level 3 Direct equity Investments valued by using an unobservable input factor are directly affected by a change in that factor. The change in valuation of level 3 Direct equity Investments may vary between different Direct Investments of the same category as a result of individual levels of debt financing within such an investment. Level 3 Direct debt Investments are generally valued using a waterfall approach including different seniority levels of debt. Thus the effect of a change in the unobservable input factor on the valuation of such investments is limited to the debt portion not covered by the enterprise value resulting from the valuation. No interrelationship between unobservable inputs used in the Group's valuation of its level 3 investments has been identified.

The table below presents the investments whose fair values are recognized in whole or in part using valuation techniques based on assumptions that are not supported by prices or other inputs from observable current market transactions in the same instrument and the effect of changing one or more of those assumptions behind the valuation techniques adopted based on reasonable possible alternative assumptions.

If presented, the category "Direct Investments" in the table below may include certain Indirect Investments where the Investment Advisor has full visibility of the underlying portfolio and hence performs a full valuation on such investments as if they were Direct Investments. If presented, the category "Direct Investments" in the table below may include certain investments using the valuation technique "Reported fair value". Such Direct Investments invest solely into underlying Indirect Investments, hence their fair value is based on reported fair value rather than a Direct Investment valuation.

The sensitivity analysis below represents the potential change in fair value for each category of investments presented in absolute values. Should the significant unobservable input for each category of investments increase or decrease by 5%, the value of each category of investments would follow by the absolute positive or negative amount respectively.

With regards to Direct debt Investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for Direct equity Investments would not result in a meaningful disclosure with added value for the reader of these audited consolidated financial statements. The reasons for this include, but are not limited to, the fact that the income generated from Direct debt Investments is linked to a reference rate such as LIBOR or EURIBOR (hence eliminating potential valuation changes resulting from fluctuation in interest rates) and the fact that Direct debt Investments are valued using a waterfall approach as described above: The credit risk resulting from investing into a Direct debt Investment is assessed by performing an enterprise valuation of the issuer's company. Provided that the results of such a valuation provides sufficient evidence that the equity of such a company still has a positive value, there is no indication that the Group as a lender would not be able to recover the full amount initially invested, plus any accrued cash and/or PIK interest, hence carrying such Direct debt Investment at this value. Should a significant unobservable valuation input into such an enterprise valuation be changed in either direction, the value of a respective Direct debt Investment would not fluctuate proportionately. Any fluctuation in the enterprise value of a lender's company would only have an impact on the value of a Direct debt Investment in case the results of such a valuation would provide sufficient evidence that the enterprise value of the company is not sufficient to fully cover the outstanding debt instrument, where the Group is invested in.

With regards to Direct real estate debt Investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for Direct equity Investments would not result in a meaningful disclosure with added value for the reader of these audited consolidated financial statements. The reasons for this conclusion include, but are not limited to the fact that the income generated from Direct real estate Investments is linked to a reference rate such as LIBOR or EURIBOR (hence eliminating potential valuation changes resulting from fluctuation in interest rates) and the fact that Direct real estate Investments are valued using a waterfall approach as described above: The risk resulting from investing into a Direct real estate debt Investment is assessed by evaluating the gross asset value of the property. Provided that the results of such valuation provide sufficient evidence that the gross asset value exceeds the debt balance (i.e. the equity has a positive value), there is no indication that the Group as a lender would not be able to recover the full amount initially invested, plus any accrued cash and/or PIK interest, hence carrying such Direct real estate debt Investments at this value. Should a significant unobservable valuation input into the determination of gross asset value be changed in either direction, the value of a respective Direct real estate debt Investment would not fluctuate proportionately. Any fluctuation in gross asset value of the property would only have an impact on the value of a Direct real estate debt Investment in case the results of such a valuation would provide sufficient evidence that the gross asset value of the property is not sufficient to fully cover the outstanding debt instrument, where the Group is invested in. With regards to Direct real estate equity Investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for Direct equity Investments would not result in a meaningful disclosure with added value for the reader of these audited consolidated financial statements. The reasons for this conclusion include, but are not limited to the fact that variations in property location, quality and business plan result in comparisons across properties that are not meaningful. Unobservable inputs for a specific region will vary greatly based on the property's micro location, building finishes and amenities and leasing strategy. One-to-one comparisons are not possible even for buildings that are physically close to each other due to the differences in property features and occupancy.

A sensitivity analysis has not been presented for Direct Investments that have been acquired within the last three months of the financial period and where the acquisition cost was deemed to be fair value in accordance with IFRS 13 as it is the view of the Investment Advisor that insufficient time has passed to determine a reliable sensitivity range based on appropriate valuation inputs that would be considered appropriate by market participants.

16 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE

Type of security	Fair value at 30.09.2014	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity	
Fair value in thousands of EUR						
Direct Investments						
Direct equity Investments	84'378	Market comparable companies	Enterprise value to EBITDA multiple	4.20x - 13.00x (10.38x)	8'504	-8'504
	6'114	Market comparable companies	Price to book ration	1.00x - 1.00x (1.00x)	-4'335	4'335
	2'239	Reported fair value	Reported fair value	n/a	112	-112
Direct debt Investments	22'590	Market comparable companies	Enterprise value to EBITDA multiple	8.23x - 13.58x (10.44x)	n/a	n/a
	4'450	Market comparable companies	Price to book ration	1.00x - 1.00x (1.00x	n/a	n/a
Indirect Investments						
	381'652	Adjusted reported net asset value	Reported net asset value	n/a	19'083	-19'083
	-2'377	Adjusted reported net asset value	Fair value adjustments	n/a	-119	119

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Registered Office
Princess Private Equity Holding Limited
Tudor House
Le Bordage
St. Peter Port
Guernsey, GY1 1BT
Channel Islands
Phone +44 1481 711 690
Facsimile +44 1481 730 947

Email: princess@princess-privateequity.net
Info: www.princess-privateequity.net

Registered number: 35241

Investment Advisor
Partners Group AG (Zug)
Zugerstrasse 57
6341 Baar-Zug
Switzerland

Investor Relations
George Crowe
Phone +44 (0)207 575 2771
Email: george.crowe@partnersgroup.com

Investment Manager
Princess Management Limited
Guernsey, Channel Islands

Administrator
Partners Group (Guernsey) Limited
Guernsey, Channel Islands

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