

QUARTERLY REPORT 2015

Unaudited consolidated financial statements for the period from 1 January 2015 to 31 March 2015



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Partners Group
Passion for Private Markets

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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 mainly invests directly but also holds 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.

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

KEY FIGURES

IN EUR	31 MARCH 2015	31 DECEMBER 2014
Net asset value (NAV)	630'626'084	593'522'580
NAV per share	9.12	8.58
Total dividend per share (year to date)	0.00	0.54
Share price	7.78	6.97
Discount	-14.7%	-18.8%
Cash and cash equivalents	9'123'707	45'348'161
Credit line used	8'000'000	0
Value of investments	580'068'823	509'880'194
Unfunded commitments	145'691'915	165'038'386
Investment level	92.0%	85.9%
Net current assets	50'557'261	83'642'385
Commitment ratio	15.1%	13.7%
Gross commitment ratio	7.2%	5.3%

Past performance is not indicative of future results.

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1 INVESTMENT MANAGER'S REPORT

Favorable start to 2015

The net asset value (NAV) of Princess Private Equity Holding Limited (Princess) increased by 6.3% over the first quarter of 2015 to end the reporting period at EUR 9.12 per share.

Valuation developments (+4.3%) were responsible for the bulk of NAV growth over the quarter, though currency effects (+3.3%) also had a positive impact on NAV performance.

Over the quarter Partners Group's focus on value creation continued to foster strong revenue and EBITDA growth and healthy capital structures at portfolio company level. For instance, the 50 largest portfolio companies, representing approximately 56% of NAV, posted weighted average year-on-year revenue and earnings (EBITDA) growth of 10.4% and 12.8% respectively.

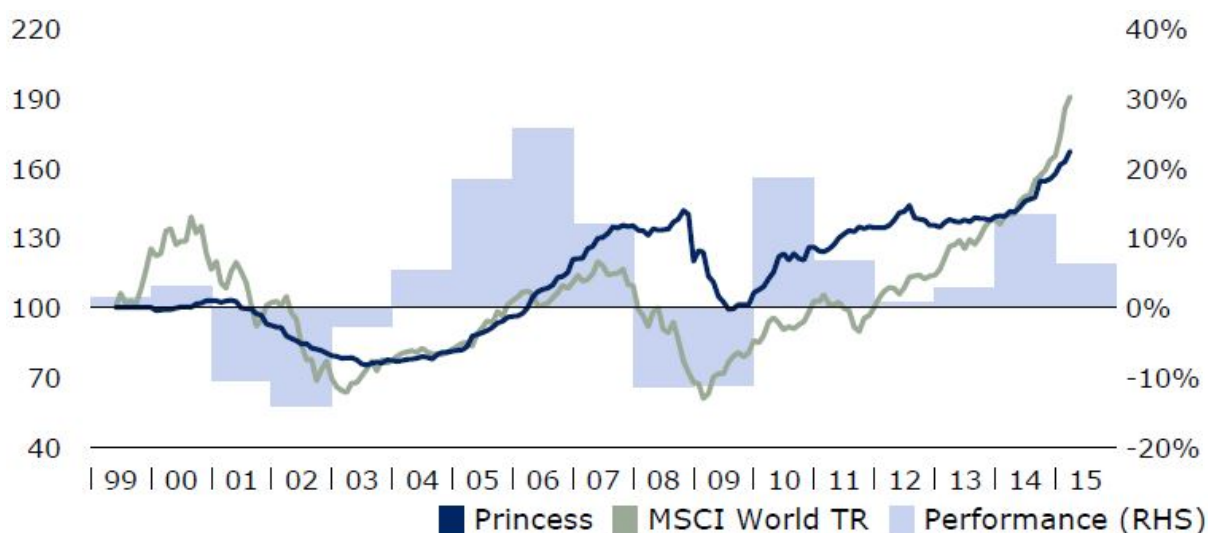
Amongst others, the largest contributors to Princess' NAV growth over the reporting period

were the direct investments in Action, VAT Vakuumentile AG and Grupo SBF.

■ Action

Action is a Dutch discount retailer which recently saw the opening of its 500th store and offers a wide and varied product range, which includes household and office supplies, cosmetics, toys, textiles, glass, etc. The company continued to post solid financial gains over the quarter, leading to a further write-up of its carrying value. In January 2015, Princess received EUR 3.5 million in dividends from a successful EUR 840 million debt refinancing. The transaction marks the second recapitalization completed by Action in 15 months, supported by strong EBITDA growth and consistent deleveraging. In other positive developments, Action was voted "Retailer of the year Europe 2014-2015" in Europe's largest consumer survey of over one million consumers, spanning nine countries and assessing 665 retailers.

NAV PERFORMANCE (SINCE INCEPTION)*



* As per reporting date.

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■ VAT Vakuumentile AG

VAT is the global market leader for high-end vacuum valves, a critical component in highly complex manufacturing processes. VAT offers its clients the largest product portfolio globally, with customized solutions as well as over 1'000 standard valves covering all relevant ranges of vacuum pressure. The company was revalued mainly due to favorable market conditions and a positive market outlook. Additionally, strategic initiatives such as the strengthening of the company's presence in Asia and the expansion of its after sales business have been initiated and should have a positive impact on the business over the next 12 months.

■ Grupo SBF

During the first quarter of 2015, Partners Group wrote up the carrying value of Grupo SBF to reflect the company's strong performance in 2014. Net revenues increased in 2014 as compared to the prior year, driven by strong same-store-sales especially in the second quarter when the World Cup took place in Brazil and the fourth quarter anchored by Black Friday sales. In addition, Grupo SBF's online platform developed favorably. Furthermore, the company reduced its selling, general and administrative expenses by achieving higher efficiency both at the store and back office level. For 2015, the management intends to continue implementing a wide range of value creation initiatives such as the centralization of the product-to-store allocation process, standardizing inventory management across stores and improving IT infrastructure and processes to reduce checkout time.

Investment activity

Within the first three months, Princess invested EUR 21.1 million in one new direct investment. Overall, new investment activity

amounted to EUR 34.3 million with the investment level increasing to 92.0% of NAV, from 85.9% at the start of the year.

■ Dynacast

In January, Partners Group acquired Dynacast from a consortium of investors in a transaction valued at USD 1.1 billion. Founded nearly 80 years ago, Dynacast is a global manufacturer of small, highly complex metal components. The company uses proprietary precision die-casting and metal injection molding (MIM) technologies to produce customized, high-volume components with complex shapes and tight tolerances. Dynacast is headquartered in Charlotte, North Carolina, and has 23 manufacturing plants in 16 countries worldwide, which serve a diverse client base including blue-chip customers across the automotive, telecommunications, computing, consumer electronics, and healthcare industries. Partners Group is acquiring Dynacast from exiting financial investors and is joined in the acquisition by Kenner & Company, an existing shareholder, and the company's management team, which will both roll over significant equity stakes into the new transaction. Following the close of the acquisition, Partners Group and Kenner & Company will work closely with Dynacast's management team to support the company in the next phase of its global growth plans.

Steady distributions underpin liquidity

Overall distribution proceeds to Princess from exited investments totaled EUR 21.9 million for the first quarter of 2015, compared to EUR 11.4 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. The largest dis-

tribution contributor from Princess' direct investments portfolio was Action (as mentioned above).

As of 31 March 2015 Princess holds cash and cash equivalents of EUR 9.1 million, with a further EUR 42 million available from its credit line (total credit line: EUR 50 million). Additionally, EUR 62.5 million in deferred receivables is due to be received in the second half of the year.

As a result, the Company holds sufficient liquidity on its balance sheet to permit select new direct investments and the ongoing return of capital to shareholders through semi-annual dividend payments and opportunistic share buybacks.

Price-to-NAV discount narrows significantly

In the first quarter of 2015, Princess' share price performance was positive (+11.6%), outperforming the positive NAV development (+6.3%). Consequently, the discount to NAV for Princess narrowed and closed the quarter at -14.7%, compared with -18.8% at the end of 2014.

Further decrease of unfunded commitments

As of 31 March 2015, Princess' total unfunded commitments amounted to EUR 145.7 million of which EUR 90.7 million related to Partners Group Direct Investments 2012, Partners Group Direct Mezzanine 2011 and new direct investments in closing.

Unfunded commitments to Princess' legacy fund portfolio amounted to EUR 55.0 million and 65.1% of these unfunded commitments stemmed 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. In line with

the policy of focusing on direct transactions no new third party fund commitments are being made.

Outlook

The Investment Manager expects Princess to continue its favorable development for the remainder of 2015, with successful realizations and positive operating results from its direct portfolio companies providing positive performance. The Investment Manager maintains a cautious stance towards pricing and will continue to focus on uncovering mezzanine investment opportunities offering an attractive risk-return profile, as well as business models of mid-market companies which exhibit potential to be developed further.

Distributions are anticipated to continue to receive support from Princess' mature legacy fund portfolio which continues to generate strong cash flows. While facilitating new direct investments, these distributions are also expected to support the high dividend yield objective of 5-8% p.a. of NAV.

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2 MARKET OVERVIEW

A mixed start to the year

The world economy was impacted by many different drivers in the first quarter of 2015. Central bankers and fiscal policy makers dominated the news, with the European Central Bank (ECB) opening the liquidity toolbox, the US Federal Reserve (Fed) verbally pushing back the timing of the first rate hike, the Swiss National Bank unexpectedly abandoning the EUR/CHF floor and Greece failing to develop a reform list that would satisfy creditors. Reflecting this, the IMF adjusted its fundamental growth outlook. While the projection for the US declined from 3.6% to 3.1% following the weaker than expected first quarter, the IMF lifted its 2015 and 2016 forecast for Europe slightly, with Spain expected to outshine Germany and France. Emerging market countries also added to the overall volatility, as Brazil was rattled by the largest corruption scandal in decades and China provided stimulus to its ailing economy. Meanwhile, financial markets reflected the economic and political landscape. The US dollar appreciated sharply, the euro weakened, the S&P 500 stagnated, the DAX rallied and emerging market equities and currencies diverged widely.

M&A activity reaches pre-crisis level in the first quarter

Supported by readily available liquidity, announced global M&A deals totaled USD 902 billion, up 23% from the first quarter of 2014 and the strongest opening quarter since 2007. Interest in large-scale transactions was notable, as 14 deals with a value greater than USD 10 billion were announced, the highest first quarter tally since 2006.

From a regional perspective, the US remained the most active market. With 11 of the 14 deals in excess of USD 10 billion targeting US companies, announced M&A activity in the region reached USD 415 billion during the quarter, an increase of 28% compared to the prior-year period and the highest first quarter total since 2007. In Europe, despite heightened economic uncertainty, announced M&A activity reached USD 218 billion for the quarter, 13% more than the prior-year period. In the Asia-Pacific region (ex Japan), M&A volume reached USD 201 billion in the first quarter, up 41% year on year.

Global private equity buyout activity returns to more moderate levels

Global private equity buyout activity amounted to USD 97 billion across 770 deals in the first quarter, 15.5% higher volume than the same period last year. While the aggregate deal value was the highest observed since the third quarter of 2007, the number of deals was the lowest since the first quarter of 2013. Although liquid financing markets continued to provide support for buyout transactions, high valuations – particularly for premium assets – have led to a divergence in pricing expectations between buyers and sellers.

In North America, buyout activity stood at USD 69 billion, a steep increase of 39.0% compared to the same quarter in 2014. Without the top deal – which accounted for more than 40% of the global total – buyout activity would have been at the lowest level since the first quarter of 2012. In Europe, private equity buyout activity totaled USD 17 billion, a decline from the previous quarter (-43.0%) and the prior-year period (-10.5%), reflecting an absence of deals at the large end of the

spectrum in the latest period. Meanwhile, after several strong quarters, buyout activity in the Asia-Pacific region dropped to USD 4 billion, a decline of 70.3% compared to the prior-year period and the lowest value since the first quarter of 2009.

Exit activity declines slightly after record year

In the first quarter of 2015, a total of 354 private equity-backed exits worldwide valued at USD 99 billion were completed, twelve fewer than in the prior-year period. The volume represents a slight increase compared to the prior quarter (+8.8%) as well as the same period last year (+4.2%). However, capturing almost 50% of the global total by volume, trade sales remained the most prominent exit channel.

Private equity sponsors drive global IPO activity

After a strong finish to 2014, global IPO activity returned to more moderate levels in early 2015. In the first quarter of the year, 252 listings raised USD 38.2 billion in proceeds, down 31% and 47% compared to the previous quarter, respectively. Compared to the same period last year, the declines amounted to 4% and 19%, respectively. Notwithstanding this, financial sponsors continued to have a significant influence on the market, with private equity and venture capital-backed IPOs accounting for 17% of the number of listings and 32% of the total capital raised during the quarter.

After furious activity in 2014 – the busiest year since 2000 – the US IPO market calmed down in early 2015. During the first quarter, the region saw only 38 IPOs with USD 5.6 billion in proceeds, declining by 46% and 53%, respectively, compared to the same period last year. Driven by strong financial sponsor activity, which accounted for 54% of

proceeds, the EMEIA region (Europe, Middle East, India and Africa) got off to a strong start to the year. With USD 16.8 billion raised across 67 IPOs, the region recorded the highest first-quarter tally since 2007. Despite a decline compared to the previous quarter and the prior-year period, the Asia-Pacific region remained a key player on the global IPO stage. 145 deals, an increase of 25% compared to the first three months of 2014 and almost 60% of the global total, raised USD 15.8 billion in proceeds, second only to the EMEIA region. Several different regional markets contributed to this development, with four of the ten largest global listings during the quarter taking place in Malaysia, Thailand, China and Hong Kong.

Outlook

Current developments confirm a continuation of the low-growth, low-inflation scenario that Partners Group has projected for some time. In the US, economic growth has been choppy despite the lift in disposable incomes from lower oil prices. Winter weather dragged on the housing market and labor market data for the quarter was revised down in early April, pushing back market expectations of the first Fed rate hike to late 2015. In the Eurozone, sentiment was lifted by the increase of the ECB's monthly asset purchases to EUR 60 billion per month, now also including government bonds. Growth in the emerging markets continues to disappoint. Ongoing geopolitical tensions and the low oil price should push Russia into recession in 2015, while Brazil is also expected to post negative GDP growth as consumer and business sentiment remain subdued on the back of the Petrobras corruption scandal, a drought and an unsatisfactory pace of reform.

On a positive note, India continues to surprise to the upside. Growth is strengthening and inflation is easing. In a historic move, policy makers announced the introduction of an in-

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flation target, with a target band of $4\pm 2\%$. Overall, Partners Group maintains the view that growth will remain below pre-crisis trends. However, diverging conditions among advanced economies (e.g. Spain vs. Italy) and emerging markets (e.g. India vs. Brazil) highlight select opportunities and emphasize the need to differentiate on a case-by-case basis.

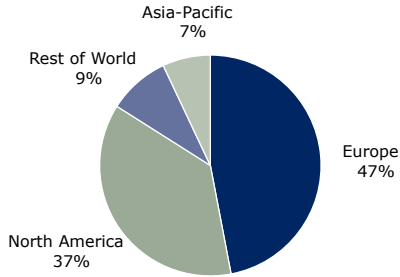
Meanwhile, M&A and buyout activity continues to benefit from strong liquidity in the financing markets, although high valuations dampen the mood somewhat. Due to the continued flow of central bank liquidity across the globe, prices are, however, expected to remain elevated and financial sponsors will continue to search for exit opportunities. Given the uncertain outcome of several complicated situations across the globe - for example the potential "Grexit" in Europe - volatility may increase sharply. In this high-valuation market environment, Partners Group continues to believe that investment performance greatly depends on strategic value creation and superior operating capabilities.

Partners Group, May 2015

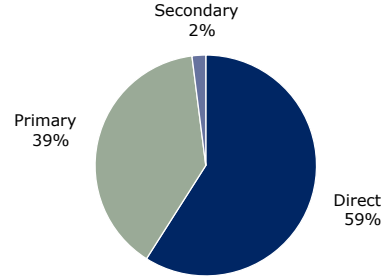
Sources: Dealogic "Global M&A Review First Quarter 2015" (April 2015); Preqin "Q1 2015 Private Equity-Backed Buyout Deals and Exits" (April 2015); Ernst & Young "1Q15 Global IPO update" (March 2015); Ernst & Young "EY Global IPO Trends" (March 2015); Cogent Partners "Secondary Market Trends & Outlook" (January 2015); Preqin "Q1 2015 Private Equity Fundraising" (April 2015); Partners Group Research

3 PORTFOLIO COMPOSITION

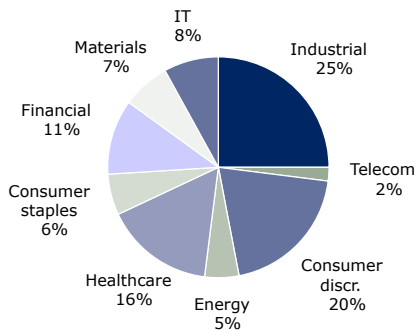
INVESTMENTS BY REGIONAL FOCUS



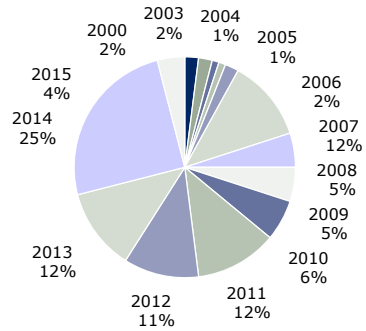
INVESTMENTS BY TRANSACTION TYPE



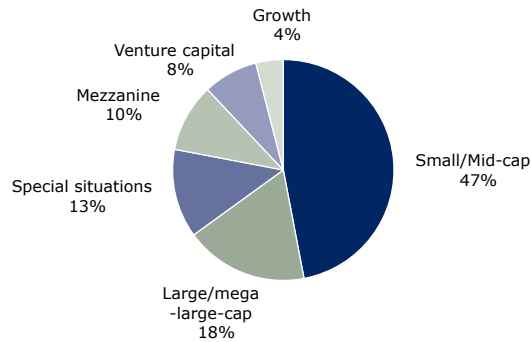
PORTFOLIO ASSETS BY INDUSTRY SECTOR



PORTFOLIO ASSETS BY INVESTMENT YEAR



INVESTMENTS BY FINANCING CATEGORY

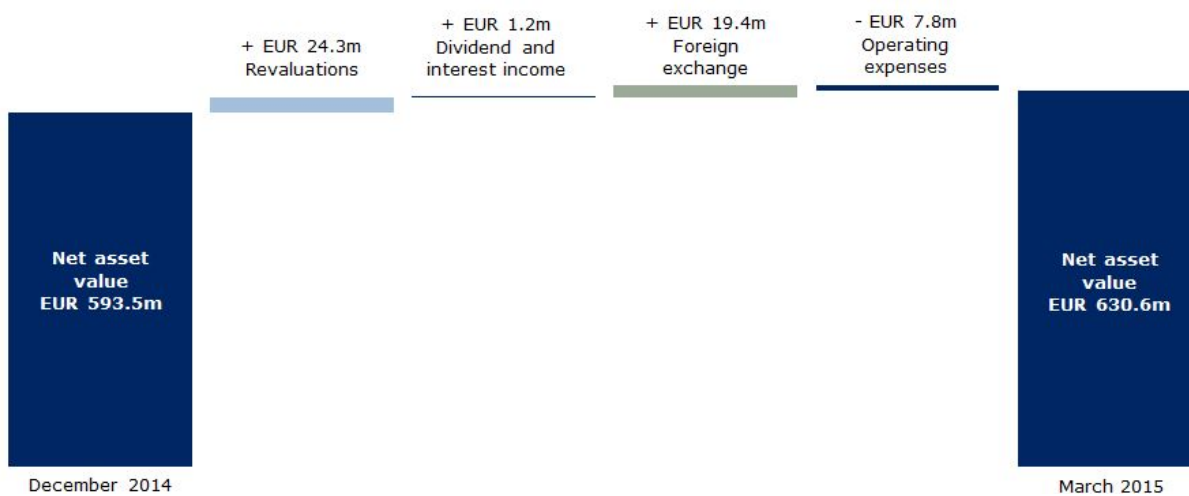


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DEVELOPMENT OF NET CASH FLOWS



NAV DEVELOPMENT



VALUATION METRICS OF THE LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Top 10	Top 20	Top 50
LTM EBITDA growth	15.6%	14.7%	12.8%
LTM revenue growth	14.8%	11.4%	10.4%
Average revenue	EUR 0.7bn	EUR 0.6bn	EUR 0.9bn
% of NAV	30.2%	41.2%	55.5%

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.

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4 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	19'714'664	32'512'215	5.2%
VAT Vakuumentile AG	Industrials	WEU	Small/Mid-cap	2014	21'519'047	26'281'746	4.2%
Dynacast	Materials	NAM	Small/Mid-cap	2015	22'024'139	22'024'139	3.5%
Universal Services of America	Industrials	NAM	Small/Mid-cap	2012	10'718'650	19'902'060	3.2%
Action	Consumer discretionary	WEU	Small/Mid-cap	2011	-2'612'523	17'915'918	2.8%
Hofmann Menue Manufaktur	Consumer staples	WEU	Small/Mid-cap	2014	14'593'373	15'955'947	2.5%
Fermaca	Energy	ROW	Special situations	2014	13'581'990	15'852'014	2.5%
Fermo (Trimco International)	Industrials	APC	Small/Mid-cap	2012	n.a.	14'022'137	2.2%
Information service company	Industrials	NAM	Large/mega-large-cap	2007	6'026'123	9'365'963	1.5%
Caffe Nero	Consumer staples	WEU	Mezzanine	2013	8'109'910	n.a.	n.a.
AWAS Aviation Holding	Financials	WEU	Large/mega-large-cap	2006	5'970'444	9'251'615	1.5%
Acino Holding AG	Healthcare	WEU	Small/Mid-cap	2013	8'687'614	8'657'589	1.4%
Global Blue	Financials	WEU	Small/Mid-cap	2012	5'506'347	8'277'223	1.3%
Voyage Care	Healthcare	WEU	Small/Mid-cap	2014	7'627'754	7'627'754	1.2%
Plantasjen ASA	Consumer discretionary	WEU	Mezzanine	2007	2'552'926	6'804'587	1.1%
Securitas Direct 2011	Industrials	WEU	Mezzanine	2011	3'902'722	6'417'991	1.0%
Kerneos	Materials	WEU	Small/Mid-cap	2014	5'443'563	6'013'454	1.0%
Permotio International Learning S.à r.l.	Consumer discretionary	WEU	Growth	2013	5'246'209	5'230'685	0.8%
CSS Corp Technologies (Mauritius) Limited	Telecommunication services	APC	Small/Mid-cap	2013	n.a.	n.a.	n.a.
Food company 1	Industrials	NAM	Large/mega-large-cap	2007	2'972'192	4'993'361	0.8%
Varsity Brands	Consumer discretionary	NAM	Small/Mid-cap	2014	4'979'918	4'980'497	0.8%
Lancelot	Financials	NAM	Large/mega-large-cap	2013	3'027'018	4'538'921	0.7%
BarBri	Consumer discretionary	NAM	Small/Mid-cap	2011	3'537'509	4'504'251	0.7%
Essmann	Materials	WEU	Mezzanine	2007	n.a.	4'443'300	0.7%
CPA Global	Industrials	WEU	Special situations	2013	3'955'408	4'401'975	0.7%
Universal Hospital Services, Inc.	Healthcare	NAM	Small/Mid-cap	2007	4'049'812	3'461'364	0.5%
South Dakota Systems	Telecommunication services	NAM	Special situations	2014	3'125'504	3'334'634	0.5%
Education publisher 2	Consumer discretionary	NAM	Large/mega-large-cap	2013	461'180	3'234'017	0.5%
Photonis	IT	WEU	Special situations	2011	2'515'980	3'028'434	0.5%
CapitalSpring Finance Company	Financials	NAM	Mezzanine	2013	2'509'773	2'987'765	0.5%
Grupo SBF	Consumer discretionary	ROW	Growth	2013	2'454'676	2'945'612	0.5%
Strategic Partners, Inc.	Consumer discretionary	NAM	Small/Mid-cap	2012	134'736	2'533'540	0.4%
ConvaTec Inc	Healthcare	WEU	Large/mega-large-cap	2008	668'161	2'306'968	0.4%
Project Icon	Consumer discretionary	WEU	Small/Mid-cap	2011	4'317'560	2'131'447	0.3%

Fifty largest direct investments

Investment	Industry sector	Regional focus	Financing category	Investment year	Residual cost	Net asset value	% of NAV
Softonic	Consumer discretionary	WEU	Growth	2013	3'877'888	2'002'674	0.3%
Direct marketing and sales company	Consumer discretionary	ROW	Small/Mid-cap	2007	591'791	1'966'463	0.3%
US entertainment company	Consumer discretionary	NAM	Large/mega-large-cap	2008	6'872'594	1'841'832	0.3%
Freescale Semiconductor, Inc.	IT	NAM	Large/mega-large-cap	2006	1'579'147	1'778'846	0.3%
Schenck Process GmbH	Industrials	WEU	Small/Mid-cap	2007	951'350	1'740'929	0.3%
Sabre Industries	Industrials	NAM	Mezzanine	2012	1'185'395	1'585'918	0.3%
Quick Service Restaurant Holdings	Consumer discretionary	APC	Mezzanine	2011	n.a.	n.a.	n.a.
Media and communications company	Consumer discretionary	NAM	Large/mega-large-cap	2008	2'881'850	1'446'015	0.2%
Project Artemis	Healthcare	WEU	Mezzanine	2013	1'146'058	1'400'862	0.2%
Univision Communications, Inc.	Consumer discretionary	NAM	Large/mega-large-cap	2007	907'757	1'398'420	0.2%
BSN medical 2012	Healthcare	WEU	Mezzanine	2012	945'705	1'362'070	0.2%
Megadyne	Industrials	WEU	Mezzanine	2014	n.a.	n.a.	n.a.
Labeyrie	Consumer staples	WEU	Mezzanine	2014	1'249'996	n.a.	n.a.
Delsey Group	Consumer discretionary	WEU	Small/Mid-cap	2007	1'440'019	1'326'249	0.2%
Project Heron	Consumer staples	NAM	Mezzanine	2013	879'610	1'281'183	0.2%
M7	Telecommunication services	WEU	Mezzanine	2014	1'168'996	1'265'884	0.2%
Total direct investments					255'069'134	340'919'345	54.1%

The overview shows the 50 largest direct investments based on NAV. 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.

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Fifty largest fund investments

Investment	Regional focus	Financing category	Vintage year	Unfunded commitments	Net asset value	% of NAV
Partners Group Global Real Estate 2008 LP	WEU	Special situations	2008	1'759'056	17'146'661	2.7%
Terra Firma Capital Partners III, L.P.	WEU	Large/mega-large-cap	2006	79'547	13'156'995	2.1%
Ares Corporate Opportunities Fund III, L.P.	NAM	Special situations	2008	1'418'353	9'378'869	1.5%
Anonymized European Buyout Fund 7	WEU	Small/Mid-cap	2007	1'160'855	7'651'996	1.2%
Anonymized Emerging Markets Venture Fund 2	ROW	Venture capital	2008	460'807	7'504'812	1.2%
August Equity Partners II A, L.P.	WEU	Small/Mid-cap	2007	n.a.	7'229'450	1.1%
GMT Communications Partners III, L.P.	WEU	Small/Mid-cap	2006	826'414	6'920'771	1.1%
Quadriga Capital Private Equity Fund III, L.P.	WEU	Small/Mid-cap	2006	391'181	6'599'864	1.0%
INVESCO Venture Partnership Fund II-A, L.P.	NAM	Venture capital	2000	1'703'590	6'355'803	1.0%
MatlinPatterson Global Opportunities Partners III	NAM	Special situations	2007	1'030'744	6'270'028	1.0%
INVESCO U.S. Buyout Partnership Fund II, L.P.	NAM	Small/Mid-cap	2000	2'350'373	5'996'352	1.0%
3i Eurofund Vb	WEU	Small/Mid-cap	2006	410'216	5'988'148	0.9%
Pitango Venture Capital Fund III	ROW	Venture capital	2000	0	5'545'530	0.9%
Ares Corporate Opportunities Fund II, L.P.	NAM	Special situations	2006	2'155'205	4'826'924	0.8%
INVESCO Venture Partnership Fund II, L.P.	NAM	Venture capital	1999	3'150'030	4'559'936	0.7%
Aksia Capital III, L.P.	WEU	Small/Mid-cap	2005	60'483	4'247'563	0.7%
Palamon European Equity 'C', L.P.	WEU	Small/Mid-cap	1999	0	4'145'758	0.7%
Candover 2005 Fund, L.P.	WEU	Large/mega-large-cap	2005	19'791	4'056'313	0.6%
Fenway Partners Capital Fund II, L.P.	NAM	Small/Mid-cap	1998	439'782	3'580'725	0.6%
Sterling Investment Partners II, L.P.	NAM	Small/Mid-cap	2005	1'156'655	3'298'391	0.5%
SV Life Sciences Fund IV, L.P.	NAM	Venture capital	2006	582'417	2'837'378	0.4%
Index Ventures Growth I (Jersey), L.P.	WEU	Growth	2008	0	2'828'989	0.4%
Alinda Infrastructure Parallel Fund II, L.P.	NAM	Special situations	2008	247'709	2'817'202	0.4%
Carmel Software Fund (Cayman), L.P.	ROW	Venture capital	2000	0	2'724'035	0.4%
Advent International GPE VI, L.P.	WEU	Small/Mid-cap	2008	90'498	2'682'835	0.4%
Advent Latin American Private Equity Fund IV, L.P.	ROW	Large/mega-large-cap	2007	248'012	2'643'245	0.4%
The Peninsula Fund IV, L.P.	NAM	Mezzanine	2005	455'330	2'617'105	0.4%
Draper Fisher Jurvetson Fund VII, L.P.	NAM	Venture capital	2000	0	2'495'331	0.4%
OCM Mezzanine Fund II, L.P.	NAM	Mezzanine	2005	1'612'825	2'469'083	0.4%
Columbia Capital Equity Partners III (Cayman), LP	NAM	Venture capital	2000	135'879	2'454'311	0.4%
Levine Leichtman Capital Partners II, L.P.	NAM	Mezzanine	1998	0	2'412'136	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	1'952'213	0.3%
Innisfree PFI Secondary Fund	WEU	Special situations	2007	216'082	1'801'526	0.3%
Menlo Ventures IX, L.P.	NAM	Venture capital	2000	0	1'693'545	0.3%
Anonymized European Buyout Fund 3	WEU	Small/Mid-cap	2008	308'211	1'642'854	0.3%
Exxel Capital Partners VI, L.P.	ROW	Small/Mid-cap	2000	0	1'602'313	0.3%
EQT Infrastructure (No.1) Limited Partnership	WEU	Special situations	2008	114'599	1'600'621	0.3%
Navis Asia Fund V, L.P.	APC	Small/Mid-cap	2007	15'938	1'580'207	0.3%
Southern Cross Latin America PE Fund III	ROW	Small/Mid-cap	2007	4	1'554'388	0.2%
Russia Partners III, L.P.	ROW	Small/Mid-cap	2007	197'864	1'518'586	0.2%
Vortex Corporate Development Fund, L.P.	NAM	Venture capital	2000	134'053	1'495'776	0.2%
Clayton, Dubilier & Rice Fund VIII, L.P.	NAM	Large/mega-large-cap	2009	354'845	1'483'146	0.2%
Abris CEE Mid-Market Fund, L.P.	ROW	Small/Mid-cap	2007	0	1'452'470	0.2%
Nmas1 Private Equity Fund II, L.P.	WEU	Small/Mid-cap	2008	70'501	1'451'463	0.2%

Fifty largest fund investments

Investment	Regional focus	Financing category	Vintage year	Unfunded commitments	Net asset value	% of NAV
SV Life Sciences Fund II, L.P.	WEU	Venture capital	1998	0	1'321'934	0.2%
Ventizz Capital Fund IV, L.P.	WEU	Growth	2007	0	1'309'270	0.2%
European Equity Partners (III), L.P.	WEU	Venture capital	1999	0	1'235'476	0.2%
Baring Asia Private Equity Fund IV, L.P.	APC	Small/Mid-cap	2007	220'912	1'210'073	0.2%
Summit Partners Europe Private Equity Fund, L.P.	WEU	Growth	2008	627'465	1'062'853	0.2%
Total partnership investments				53'156'385	235'769'153	37.4%

The overview shows the 50 largest partnership investments based on NAV. 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.

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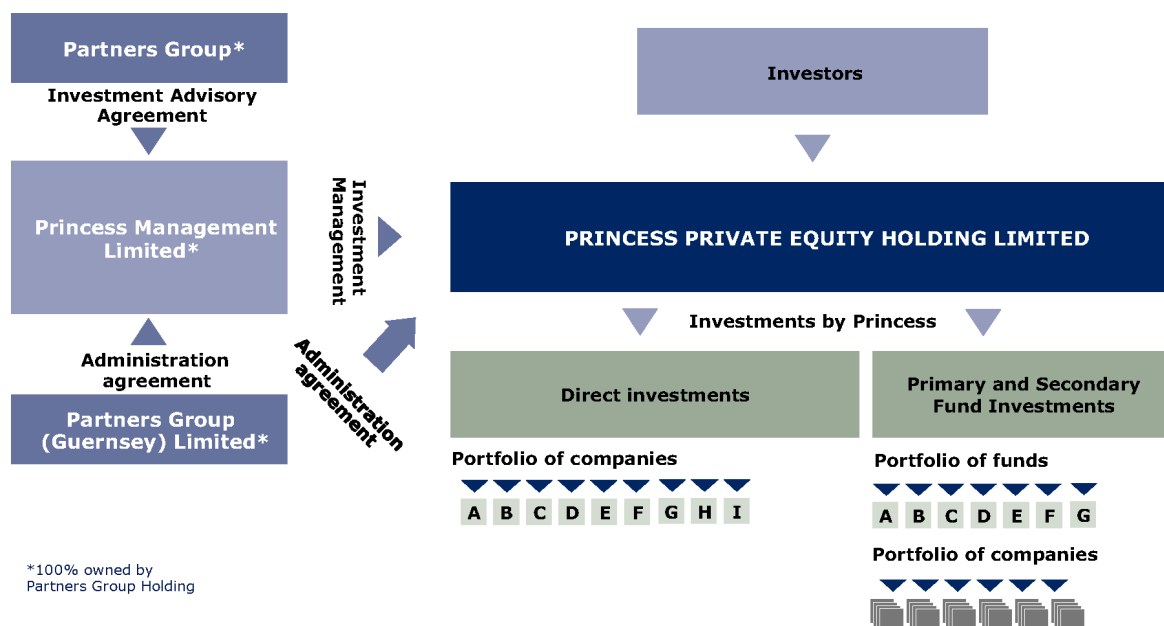
5 STRUCTURAL OVERVIEW

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 37 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.



*100% owned by Partners Group Holding

6 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

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7 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January 2015 to 31 March 2015

In thousands of EUR

	Notes	01.01.2015 31.03.2015	01.01.2014 31.03.2014
Net income from financial assets at fair value through profit or loss		57'565	12'227
<i>Private equity</i>		46'968	9'917
Interest & dividend income		682	-
Revaluation	6	21'652	9'751
Net foreign exchange gains / (losses)	6	24'634	166
<i>Private debt</i>		7'792	2'204
Interest income (including PIK)		487	588
Revaluation	6	653	1'374
Net foreign exchange gains / (losses)	6	6'652	242
<i>Private real estate</i>		1'306	238
Revaluation	6	1'284	238
Net foreign exchange gains / (losses)	6	22	-
<i>Private infrastructure</i>		1'499	(132)
Revaluation	6	748	(76)
Net foreign exchange gains / (losses)	6	751	(56)
Net income from cash & cash equivalents and other income		354	(128)
Interest income		51	(3)
Net foreign exchange gains / (losses)		303	(125)
Total net income		57'919	12'099
Operating expenses		(1'901)	(3'519)
Management fees		(2'607)	(2'333)
Incentive fees	10	(4'682)	(817)
Administration fees		(74)	(70)
Service fees		(63)	(63)
Other operating expenses		(553)	(145)
Revaluation of other long-term receivables		(8)	-
Other net foreign exchange gains / (losses)		6'086	(91)
Other financial activities		(18'914)	501
Setup expenses - credit facilities		(113)	(114)
Interest expense - credit facilities		84	-

Other finance cost	173	239
Net gains / (losses) from hedging activities	(19'058)	376
Surplus / (loss) for the financial period	37'104	9'081
Other comprehensive income for the period; net of tax	-	-
Total comprehensive income for the period	37'104	9'081
Weighted average number of shares outstanding	69'151'378.20	69'217'783.95
Basic surplus / (loss) per share for the financial period	0.54	0.13
Diluted surplus / (loss) per share for the financial period	0.54	0.13

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

QUARTERLY REPORT 2015

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

<i>In thousands of EUR</i>	<i>Notes</i>	31.03.2015	31.12.2014
ASSETS			
<i>Financial assets at fair value through profit or loss</i>			
Private equity	6	470'687	406'628
Private debt	6	78'148	74'954
Private real estate	6	17'167	15'862
Private infrastructure	6	14'067	12'436
Other long-term receivables		2'970	2'646
Non-current assets		583'039	512'526
Other short-term receivables		137	558
Deferred receivables on investments		62'483	56'512
Hedging assets		3'424	-
Cash and cash equivalents	7	9'124	45'348
Current assets		75'168	102'418
TOTAL ASSETS		658'207	614'944
EQUITY AND LIABILITIES			
Share capital	8	69	69
Retained earnings		107'117	70'013
Reserves	8	523'440	523'440
Total equity		630'626	593'522
Other long term payables		105	209
Liabilities falling due after one year		105	209
Short-term credit facilities	9	8'000	-
Hedging liabilities		-	5'794
Accruals and other short-term payables		19'476	15'419
Liabilities falling due within one year		27'476	21'213
TOTAL EQUITY AND LIABILITIES		658'207	614'944

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January 2015 to 31 March 2015

<i>In thousands of EUR</i>	Share capital	Treasury shares	Retained earnings	Reserves	Total
Balance at the beginning of reporting period	69	-	70'013	523'440	593'522
Other comprehensive income for the period; net of tax	-	-	-	-	-
Share buyback and cancellation	-	-	-	-	-
Surplus / (loss) for the financial period	-	-	37'104	-	37'104
Equity at end of reporting period	69	-	107'117	523'440	630'626

for the period from 1 January 2014 to 31 March 2014

<i>In thousands of EUR</i>	Share capital	Treasury shares	Retained earnings	Reserves	Total
Balance at the beginning of reporting period	69	(432)	(1'357)	561'832	560'112
Other comprehensive income for the period; net of tax	-	-	-	-	-
Treasury shares cancelled	-	432	-	(432)	-
Share buyback and cancellation	-	-	-	(397)	(397)
Surplus / (loss) for the financial period	-	-	9'081	-	9'081
Equity at end of reporting period	69	-	7'724	561'003	568'796

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UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January 2015 to 31 March 2015

In thousands of EUR

	Notes	01.01.2015 31.03.2015	01.01.2014 31.03.2014
Operating activities			
Surplus / (loss) for the financial period before interest expense		37'020	9'081
<i>Adjustments:</i>			
Net foreign exchange (gains) / losses		(38'448)	(136)
Investment revaluation		(24'337)	(11'287)
Revaluation of other long-term receivables		8	-
Net (gain) / loss on interest		(1'220)	(585)
Revaluation on forward hedges		19'058	(376)
(Increase) / decrease in receivables		246	30'852
Increase / (decrease) in payables		4'130	(1'289)
Realized gains / (losses) from forward hedges		(28'276)	2'233
Purchase of private equity investments	6	(34'004)	(52'016)
Purchase of private debt investments	6	164	(15'396)
Purchase of private real estate investments	6	(402)	56
Purchase of private infrastructure investments	6	(132)	(4'317)
Distributions from and proceeds from sales of private equity investments	6	16'231	7'945
Distributions from and proceeds from sales of private debt investments	6	4'225	2'296
Distributions from and proceeds from sales of private real estate investments	6	403	582
Purchase of short-term investments		-	(15'000)
Sale of short-term investments		-	15'000
Interest & dividends received		941	303
Net cash from / (used in) operating activities		(44'393)	(32'054)
Financing activities			
Net increase / (decrease) in credit facilities		8'000	-
Interest paid - credit facilities		(134)	-
Share buyback and cancellation	8	-	(397)
Net cash from / (used in) financing activities		7'866	(397)
Net increase / (decrease) in cash and cash equivalents		(36'527)	(32'451)
Cash and cash equivalents at beginning of reporting period	7	45'348	69'761
Effects of foreign currency exchange rate changes on cash and cash equivalents		303	(125)
Cash and cash equivalents at end of reporting period	7	9'124	37'185

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QUARTERLY REPORT 2015

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1 January 2015 to 31 March 2015

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.

For the purposes of the requirements of the UK Listing Authority which apply to closed-ended investment funds, the Company confirms that it will not invest more than 10 per cent in aggregate of the Company's total assets in other listed closed-ended investment funds.

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 2014, which have been prepared in accordance with International Financial Reporting Standards.

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 2014.

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

IFRS 10, IFRS 12 and IAS 28 (Amendment effective 1 January 2016) - Clarifications and interpretations to requirements when accounting for investment entities

The Directors of the Company are in the process of assessing the impact of these standards and believe that these new accounting standards will not significantly affect the Group's results of operations or financial position.

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 31 March 2015:

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%
Witan Investment Trust plc	5.00%	27 February 2015	3'600'000	69'151'168*	5.21%

*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

No interim dividend was declared in the first quarter of 2015 (Total dividend in 2014: EUR 37.3 million).

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5 SEGMENT CALCULATION

In thousands of EUR

	01.01.2015	01.01.2014
	31.03.2015	31.03.2014
Private equity		
Interest & dividend income	682	-
Revaluation	21'652	9'751
Net foreign exchange gains / (losses)	24'634	166
Total net income private equity	46'968	9'917
Segment result private equity	46'968	9'917
Private debt		
Interest income (including PIK)	487	588
Revaluation	653	1'374
Net foreign exchange gains / (losses)	6'652	242
Total net income private debt	7'792	2'204
Segment result private debt	7'792	2'204
Private real estate		
Revaluation	1'284	238
Net foreign exchange gains / (losses)	22	-
Total net income private real estate	1'306	238
Segment result private real estate	1'306	238
Private infrastructure		
Revaluation	748	(76)
Net foreign exchange gains / (losses)	751	(56)
Total net income private infrastructure	1'499	(132)
Segment result private infrastructure	1'499	(132)
Non attributable		
Interest & dividend income	51	(3)
Net foreign exchange gains / (losses)	303	(125)
Total net income non attributable	354	(128)
Segment result non attributable	(1'547)	(3'647)
Other financial activities not allocated	(18'914)	501
Surplus / (loss) for the financial period	37'104	9'081

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

6.1 PRIVATE EQUITY

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Balance at beginning of period	406'628	317'049
Purchase of Direct and Indirect Investments	34'004	56'927
Distributions from and proceeds from sales of Direct and Indirect Investments	(16'231)	(53'009)
Revaluation	21'652	63'340
Foreign exchange gains / (losses)	24'634	22'321
Balance at end of period	470'687	406'628

6.2 PRIVATE DEBT

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Balance at beginning of period	74'954	57'882
Purchase of Direct and Indirect Investments	(164)	23'843
Distributions from and proceeds from sales of Direct and Indirect Investments	(4'225)	(17'915)
Accrued cash and PIK interest	357	1'327
Interest received	(79)	(318)
Revaluation	653	4'560
Foreign exchange gains / (losses)	6'652	5'575
Balance at end of period	78'148	74'954

6.3 PRIVATE REAL ESTATE

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Balance at beginning of period	15'862	15'985
Purchase of Direct and Indirect Investments	402	323
Distributions from and proceeds from sales of Direct and Indirect Investments	(403)	(2'184)
Revaluation	1'284	1'713
Foreign exchange gains / (losses)	22	25
Balance at end of period	17'167	15'862

6.4 PRIVATE INFRASTRUCTURE

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Balance at beginning of period	12'436	5'267
Purchase of Direct and Indirect Investments	132	4'765
Distributions from and proceeds from sales of Direct and Indirect Investments	-	(186)
Revaluation	748	2'047
Foreign exchange gains / (losses)	751	543
Balance at end of period	14'067	12'436

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7 CASH AND CASH EQUIVALENTS

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Cash at banks	9'124	6'348
Cash equivalents	-	39'000
Total cash and cash equivalents	9'124	45'348

8 SHARE CAPITAL, TREASURY SHARES AND RESERVES

8.1 CAPITAL

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Issued and fully paid		
69'151'168 Ordinary shares of EUR 0.001 each out of the bond conversion	69	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 has not purchased or cancelled any of its own shares.

8.2 TREASURY SHARES

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Share buyback for cancellation	-	-

8.3 RESERVES

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Distributable reserves		
Distributable reserves at beginning of reporting period	523'440	561'832
Dividend payment	-	(37'343)
Treasury shares cancelled	-	(432)
Share buyback and cancellation	-	(617)
Total distributable reserves at end of reporting period	523'440	523'440

9 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.

Interest is charged on drawn amounts 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 of EUR 25'000 per annum.

This facility is secured, inter alia, by 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%.

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Balance at beginning of period	-	-
Increase in the period	25'000	-
(Decrease) in the period	(17'000)	-
Balance at end of period	8'000	-

10 INCENTIVE FEE

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Balance at beginning of period	11'406	4'413
Change in incentive fees attributable to General Partner	4'682	7'654
Incentive fees paid/payable	(359)	(660)
Balance at end of period	15'729	11'407

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. As of the end of March 2015 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 55'881'063 and EUR 10'848'825 are due to be received after 36 months from the dates of transfer. These will be settled as per the predefined timelines.

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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

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Unfunded commitments translated at the rate prevailing at the end of the reporting period	145'692	165'038

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 2015 and 2014.

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.

<i>In thousands of EUR</i>	31.03.2015	31.12.2014
Net assets of the Group	630'626	593'522
Outstanding shares at the end of the reporting period	69'151'168.00	69'151'168.00
Net assets per share at period-end	9.12	8.58

14 FAIR VALUE MEASUREMENT

14.1 FAIR VALUE ESTIMATION CURRENT PERIOD

<i>In thousands of EUR</i>	Level 1	Level 2	Level 3	Total balance
Assets				
Derivatives used for hedging	-	3'424	-	3'424
Financial assets at fair value through profit or loss - equity securities	1'477	-	500'444	501'921
Financial assets at fair value through profit or loss - debt investments	-	-	78'148	78'148
Total assets	1'477	3'424	578'592	583'493
Liabilities				
Total liabilities	-	-	-	-

14.2 FAIR VALUE ESTIMATION PREVIOUS PERIOD

<i>In thousands of EUR</i>	Level 1	Level 2	Level 3	Total balance
Assets				
Financial assets at fair value through profit or loss - equity securities	1'965	-	432'961	434'926
Financial assets at fair value through profit or loss - debt investments	-	-	74'954	74'954
Total assets	1'965	-	507'915	509'880
Liabilities				
Derivatives used for hedging	-	(5'794)	-	(5'794)
Total liabilities	-	(5'794)	-	(5'794)

14.3 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.

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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.

If broker quotes are available, Direct debt Investments are valued by the Investment Advisor utilizing such quotes, which are provided by an independent third party broker. Broker quotes are applied to the nominal value of such Direct debt Investments. Broker quotes utilized for valuing Direct debt Investments represent indicative quotes for investments traded in an inactive market.

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 tables below present 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 tables 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 tables 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

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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.

14.4 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE CURRENT PERIOD

Type of security	Fair value at 31.03.2015	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity	
<i>Fair value in thousands of EUR</i>						
Direct Investments						
Direct equity Investments	127'895	Market comparable companies	Enterprise value to EBITDA multiple	4.20x - 13.50x (10.44x)	12'962	-12'962
	16'998	Recent financing	Recent transaction price	n/a	n/a	n/a
Direct debt Investments	23'415	Market comparable companies	Enterprise value to EBITDA multiple	7.50x - 13.58x (10.41x)	n/a	n/a
	4'402	Broker quotes	Bid quotes for an inactive market	n/a	n/a	n/a
	5'997	Recent financing	Recent transaction price	n/a	n/a	n/a
Indirect Investments						
	394'310	Adjusted reported net asset value	Reported net asset value	n/a	19'716	-19'716
	5'782	Adjusted reported net asset value	Fair value adjustments	n/a	289	289

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14.5 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE PREVIOUS PERIOD

Type of security	Fair value at 31.12.2014	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity	
<i>Fair value in thousands of EUR</i>						
Direct Investments						
Direct equity Investments	114'020	Market comparable companies	Enterprise value to EBITDA multiple	4.20x - 13.50x (10.51x)	11'688	-11'688
	6'918	Market comparable companies	Price to book ratio	1.06x - 1.10x (1.07x)	909	-909
Direct debt Investments	22'243	Market comparable companies	Enterprise value to EBITDA multiple	7.80x - 13.58x (10.38x)	n/a	n/a
	3'851	Broker quotes	Bid quotes for an inactive market	n/a	n/a	n/a
	5'236	Market comparable companies	Price to book ratio	1.06x - 1.06x (1.06x)	n/a	n/a
Indirect Investments						
	357'418	Adjusted reported net asset value	Reported net asset value	n/a	17'871	-17'871
	-1'764	Adjusted reported net asset value	Fair value adjustments	n/a	-88	88

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Trading Information

Listing	London Stock Exchange
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Reuters	PEY.L
Joint corporate brokers	JPMorgan Cazenove / Numis Securities Limited



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