



# Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

10:00 – 11:00 BST (Dublin, London)  
11:00 – 12:00 CET (Zurich, Frankfurt)

+44 203 059 58 62 (from the UK)  
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All lines will be open 10 minutes prior to the beginning of the conference call.

## Princess Private Equity Holding Limited

Results presentation Q1 2017, 10 May 2017



Marlis Morin Head Client Services | Kim Nguyen Private Equity Europe

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# Global private markets investment management

## Private markets focus

EUR 54.2 billion<sup>1</sup> AuM in private equity, private debt, private real estate, private infrastructure

## Strong resources

Over 900 employees<sup>2</sup> representing approximately 50 nationalities across 19 offices<sup>3</sup>

## Independent

Combined, employees are the largest shareholder

## Stable & transparent

Long-term incentive structures  
Listed on the SIX Swiss Exchange



## Wide network

>450 direct investments<sup>4</sup>  
>780 private markets investment partners  
>300 advisory board seats

## Integrated approach

Direct, secondary and primary investment capabilities across private markets

## Tested risk management

Chief Risk Officer and a dedicated team of portfolio and risk managers

## Client focused structuring

In-house team of over 50 professionals<sup>2</sup> offering customized structuring, legal and tax services

<sup>1</sup> Unaudited, inclusive of all Partners Group affiliates, as of 31 December 2016.

<sup>2</sup> Team figures as of 31 March 2017.

<sup>3</sup> Please note that the firm is in the process of transferring its San Francisco-based business activities to its Denver office

<sup>4</sup> Does not include corporate senior debt.



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# Princess Private Equity: a differentiated global approach to listed private equity

## Debt portfolio

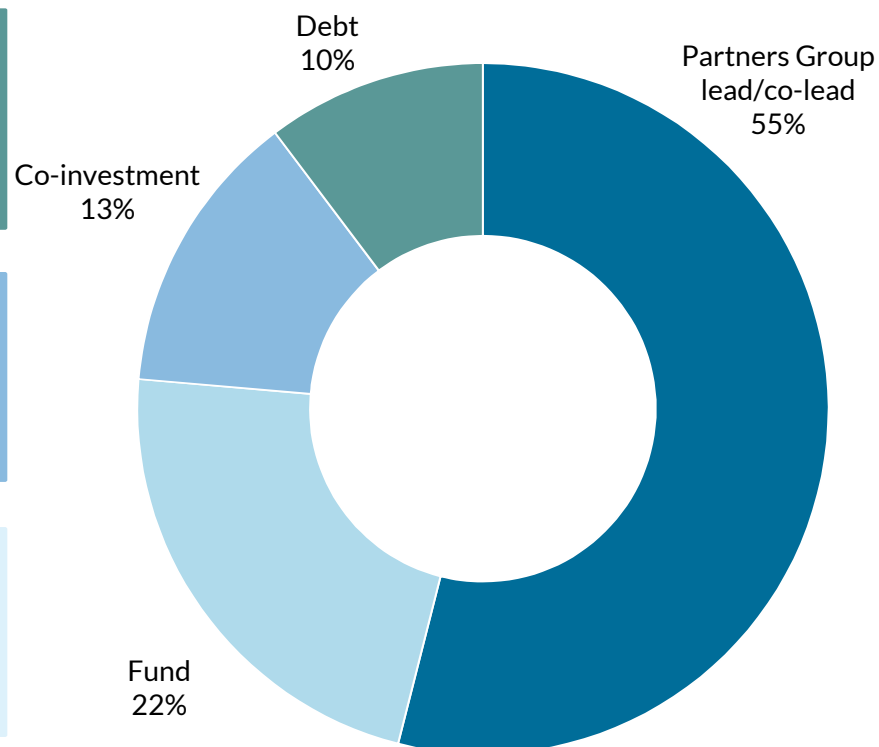
Immediate yield  
Reduces volatility  
Cash-management

## Co-investment portfolio

Diversification  
Complements mid-cap strategy  
Flexibility to deploy capital

## Fund portfolio

Legacy holdings in run-off  
Mature and cash generative



## PG direct portfolio

Primary return driver  
Focus on mid-cap lead transactions  
Hands-on value creation

Investment objective to generate capital growth and an attractive dividend yield

For illustrative purposes only. Diversification does not ensure a profit or protect against loss. Source: Partners Group. As of 31 March 2017.



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## Positive NAV development in Q1 2017

### Add-on acquisitions from Dynacast and Systems Maintenance Services

#### NAV and share price

- **NAV total return +5.9% for Q1 2017**
- NAV per share of EUR 10.77; net assets of EUR 744.6 million
- **Share price total return +10.5% for Q1 2017**
- Share price of EUR 9.54; market capitalization of EUR 659.7 million

#### Quarterly portfolio activity

- **EUR 18.5 million of realizations** mainly from legacy fund portfolio
- **EUR 7.5 million invested** including follow-on investment to support Dynacast's acquisition of Signicast
- Systems Maintenance Services closes debt-financed acquisition of Curvature

#### Balance sheet

- Net liquidity of EUR 43.9 million (5.9% of NAV)
- Available credit line of EUR 50 million (6.7% of NAV)
- Unfunded commitments of EUR 131.6 million (17.7% of NAV)

Past performance is not indicative of future results. For illustrative purposes only. Shares may be worth more or less than original cost when sold. Current performance may be lower or higher than performance shown. There is no assurance that similar investments will be made. Nothing herein should be relied upon as a promise or representation as to such future results. As of 31 March 2017. Performance figures are net of all fees.



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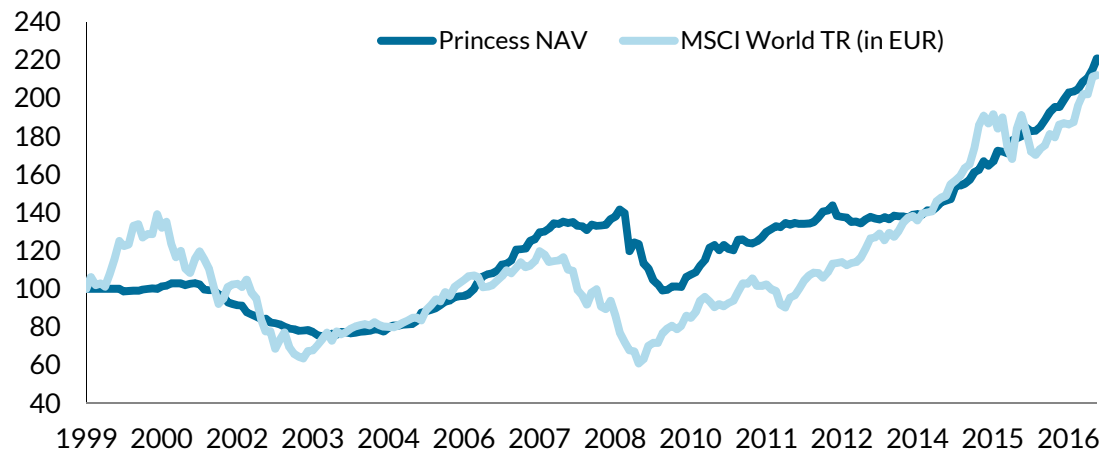
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## Historic NAV performance

### NAV performance

- NAV total return: +5.9% in Q1 2017
- Portfolio valuation development: +7.0% in Q1 2017
- FX development: -0.1% in Q1 2017

### Princess NAV (incl. dividends) and MSCI World TR (in EUR)<sup>1</sup>



### Total return in EUR

	*Princess Share Price	Princess NAV	MSCI World
1 year	+43.2%	+19.3%	+22.3%
3 years	+88.7%	+56.4%	+51.3%
5 years	+112.6%	+63.3%	+95.1%
10 years	n/a	+76.3%	+88.9%
15 years	n/a	+151.7%	+102.2%

\* Since listing on London Stock Exchange, 1 November 2007

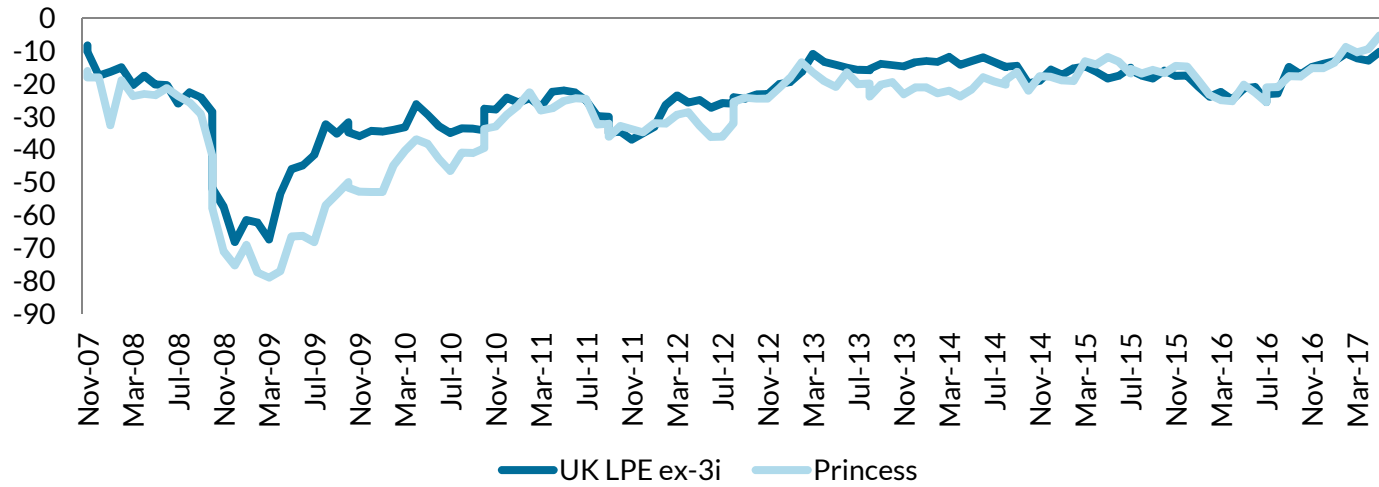
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<sup>1</sup> Princess figures: since inception in May 1999.



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# Discount development

Discount development since London listing in November 2007<sup>1</sup>



Discount to NAV	
Princess	-5.3%
UK LPE ex-3i	-10.2%

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## Key figures

Key figures (in EUR)

	31.12.2015	31.12.2016	31.03.2017
<b>NAV</b>	657.4m	702.9m	744.6m
<b>NAV per share</b>	9.51	10.16	10.77
<b>NAV per share incl. dividends paid</b>	14.00	15.81	16.74
<b>Share price</b>	7.87	8.63	9.54
<b>Investment level</b>	93.5%	92.6%	94.1%
<b>Over-commitment incl. credit line (% NAV)</b>	5.9%	0.2%	5.1%
<b>Net liquidity</b>	42.7m	52.0m	43.9m
<b>Available credit line (total available credit line)</b>	50.0m (50.0m)	50.0m (50.0m)	50.0m (50.0m)
<b>Unfunded commitments to legacy funds</b>	48.9m	45.6m	43.1m
<b>Unfunded commitments to PG's direct programs<sup>1</sup></b>	82.9m	57.7m	88.6m
	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Dividends per share</b>	0.54	0.54	0.00

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## Ten largest direct value drivers – Q1 2017

Name	Investment stage	Investment year	Value created (in EUR m)
VAT Group AG	BO Mid	2014	18.6
Action	BO Mid	2011	10.3
Dynacast	BO Mid	2015	3.9
Permotio International (ISP)	Growth	2013	3.2
Global Blue	BO Mid	2012	1.7
MultiPlan 2016	BO Large	2016	1.7
Hofmann Menue Manufaktur	BO Mid	2014	1.7
Trimco	BO Mid	2012	1.7
KinderCare Education	BO Mid	2015	1.4
Pharmaceutical developer <sup>1</sup>	BO Mid	2013	-1.2
<b>Top ten value drivers</b>			<b>43.0</b>

Nine out of ten largest value drivers are positive

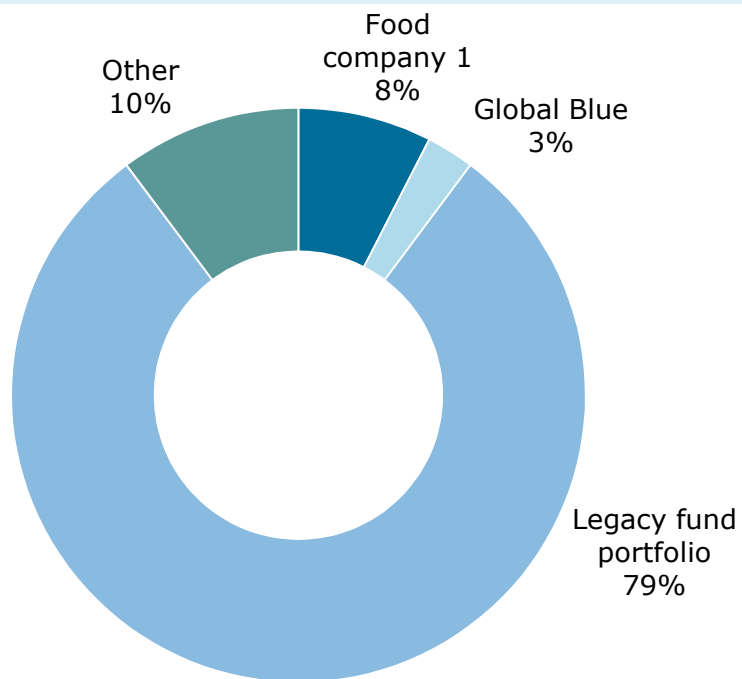
Past performance is not indicative of future results. There is no assurance that similar investments will be made. For illustrative purposes only.  
As of 31 March 2017 <sup>1</sup> Some names may not be disclosed due to confidentiality restrictions. Source: Partners Group information. <sup>1</sup> Some names may not be disclosed for confidentiality reasons. Source: Partners Group information.



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# Realization activity in Q1 2017

## Realization activity



Investment	Exit (route)	Strategy	Amount EUR m
Food company 1 <sup>1</sup>	Partial (sale of shares)	Equity	1.4
Global Blue	Partial (recapitalization)	Equity	0.5
Legacy fund portfolio			14.7
Other			1.9
<b>Total</b>			<b>18.5</b>

**EUR 18.5 million in realizations during Q1 2017**

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## Partial exit: Global Blue

### Company overview



### Joint-lead investment

Global provider of VAT/GST refund services to international travelers

Geography	Global
Deal size	Mid-cap
Industry	Financial Services
Headquarters	Switzerland
Investment Partner	Silverlake
Entry date	July 2012

### Value creation

- **Expansion into new Asia-Pacific territories:** market entry into Malaysia and Japan completed
- **Monetization of transactional data:** new concept for better data intelligence and digital marketing services
- **Digitization and further automation of refund process:** new global blue card introduced and joint venture card programs with key partners have been agreed

### Recapitalizations

- Four distributions since investment (two ordinary, two dividend recapitalizations)
- Second dividend recapitalization in March 2017:
  - EUR 630 million all-senior debt refinancing which reduced the margin by ~125 basis points and facilitated a dividend payment
  - Global Blue took advantage of its strong financial performance

EUR 3.8 million distributed to-date (0.7x cost)

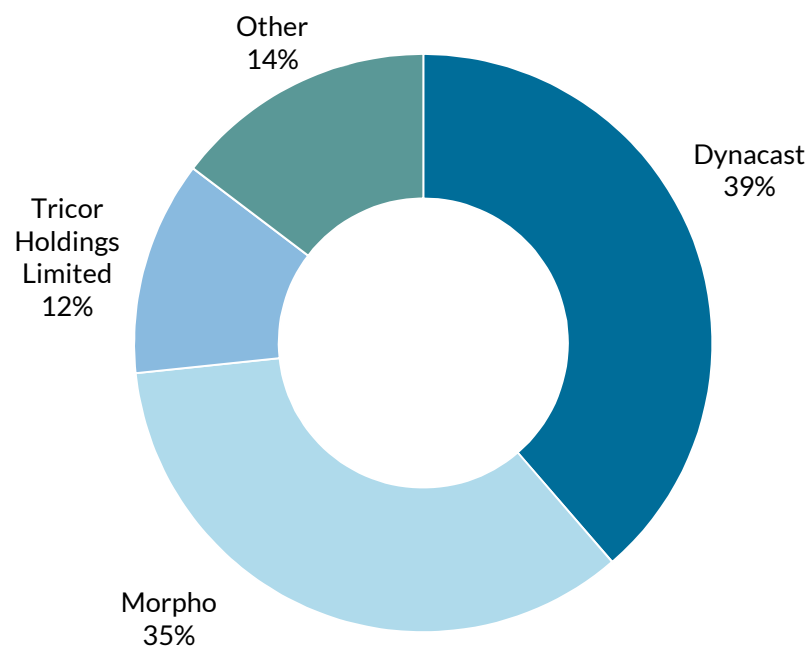
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# Investment activity in Q1 2017

## Investment activity



Investment	Strategy	Amount in EUR m
Dynacast (Follow-on)	Equity	2.9
Morpho	Senior debt (first lien)	2.6
Tricor Holdings Limited	Mezzanine	0.9
Other	-	1.1
<b>Total</b>		<b>7.5</b>

EUR 7.5 million invested during Q1 2017

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## Direct equity investment: Add-on acquisition Dynacast in Signicast

### Company overview



### Lead investment

Global manufacturer of customized, highly-engineered metal components, with complex shapes and tight tolerances, using proprietary technologies

Geography	Global
Deal size	Mid-cap
Industry	Industrials
Headquarters	Charlotte, USA
Entry date	January 2015



### Value creation

- **Expansion into adjacent markets:** leverage Dynacast's customer base and expertise to expand into adjacent product areas
- **Further penetration of the injection molding market:** continue expansion into the metal injection molding market
- **Implementation of global plant floor improvements:** plant-floor and IT optimization

### Investment criteria

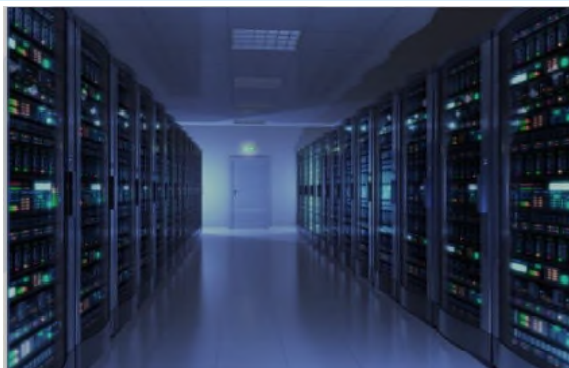
- **Market leading:** only major global player
- **Growth potential:** strong end market growth
- **Value-add opportunities:** plant-floor and IT optimization

# Compelling combination opportunity with strong strategic compatibility

			New company
Business Description	<ul style="list-style-type: none"> <li>Global leading provider of complex non-ferrous components (aluminium/zinc)</li> </ul>	<ul style="list-style-type: none"> <li>US leader in steel (ferrous) alloy precision components through investment casting</li> </ul>	<ul style="list-style-type: none"> <li>'One-stop shop' a strong value proposition for global client base needing ferrous and non-ferrous precision components</li> </ul>
Size	<ul style="list-style-type: none"> <li>Revenue: ~USD 733m</li> <li>EBITDA: ~USD 139m</li> <li>Margin: 18.9%</li> </ul>	<ul style="list-style-type: none"> <li>Revenue: ~USD 176m</li> <li>EBITDA: ~USD 44m</li> <li>Margin: 24.9%</li> </ul>	<ul style="list-style-type: none"> <li>Revenue: ~USD 909m</li> <li>EBITDA: ~USD 185m</li> <li>Includes USD 2m cost synergies<sup>1</sup></li> </ul>
End Market Focus	<ul style="list-style-type: none"> <li>Automotive (47%)</li> <li>Consumer Electronics (16%)</li> <li>Healthcare (9%)</li> </ul>	<ul style="list-style-type: none"> <li>Recreation (30%)</li> <li>Firearms (18%)</li> <li>Fluid Technology (14%)</li> </ul>	<ul style="list-style-type: none"> <li>Reduced automotive exposure – 39% of NewCo</li> <li>Cross-selling opportunity given low end-market overlap</li> </ul>
Geographic Footprint	<ul style="list-style-type: none"> <li>HQ: Charlotte, North Carolina</li> <li>Manufacturing: 23 plants across 16 countries</li> </ul>	<ul style="list-style-type: none"> <li>HQ: Hartford, Wisconsin</li> <li>Manufacturing: 8 facilities all in Wisconsin</li> </ul>	<ul style="list-style-type: none"> <li>31 facilities across 16 countries</li> <li>Ability to leverage Dynacast's global sales reach</li> </ul>
Sales Model	<ul style="list-style-type: none"> <li>Internal sales with strong track record of pipeline conversion</li> </ul>	<ul style="list-style-type: none"> <li>Nascent internal sales model, recently transitioned from legacy sales representative model</li> </ul>	<ul style="list-style-type: none"> <li>Substantial sales organization optimization and training opportunity at Signicast</li> </ul>

## Direct equity investment: Systems Maintenance Services

### Company overview



### Lead investment

Leading global provider of IT systems maintenance and support services

Deal size	Mid-cap
Industry	Information Technology
Headquarters	Charlotte, North Carolina
Entry date	October 2016
Target return:	>20% IRR <sup>1</sup>

### Value creation

- **Investment in sales and marketing:** concentrated build out of regional sales team
- **M&A opportunity to expand scale, service offering and geographic footprint:** expansion through M&A
- **Development of automation/ digitalization:** focus on leveraging remote monitoring and automation capabilities to minimize costs and achieve increased operating leverage

### Investment criteria

- **Market leading:** excellent position as a global independent provider of IT systems maintenance and support services
- **Growth potential:** USD 95bn market with excellent value proposition relative to competitors
- **M&A opportunities:** established acquisition platform with identified add-on targets

## Transformational acquisition of Curvature



Past performance is not indicative of future results. For illustrative purposes only. There is no assurance that similar investments will be made. Source: Partners Group information December 2016; company information as of entry. <sup>1</sup> Figures calculated net of underlying fees if any, gross of Partners Group fees. Target returns are based on various Partners Group estimates. There is no guarantee that targeted returns will be realized or achieved or that an investment program will be successful. Deal rationale: Partners Group's largest investment in the TMT space in the Americas.



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# Curvature combination completed within four months of acquiring SMS

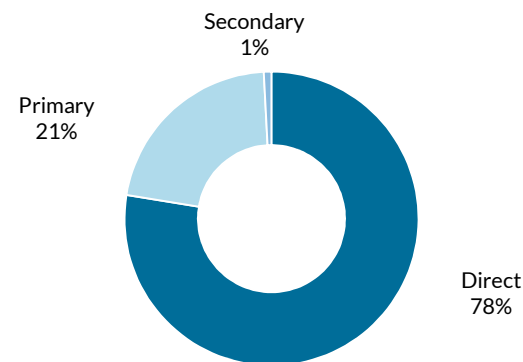
			New company
Business Description	<ul style="list-style-type: none"> <li>Global third party provider "TPM" of outsourced systems support services to Servers</li> </ul>	<ul style="list-style-type: none"> <li>Global provider of pre-owned hardware and maintenance services to Networks</li> </ul>	<ul style="list-style-type: none"> <li>Combination of SMS &amp; Curvature creates a <u>clear market leader</u> across various TPM offerings</li> </ul>
Size / Customer Focus	<ul style="list-style-type: none"> <li>Revenue: ~USD 260m</li> <li>EBITDA: ~USD 58m</li> <li>Mid-large enterprise focused</li> </ul>	<ul style="list-style-type: none"> <li>Revenue: ~USD 285m</li> <li>EBITDA: ~USD 39m</li> <li>Mid-large enterprise focused</li> </ul>	<ul style="list-style-type: none"> <li>Revenue: ~USD 550m</li> <li>EBITDA: ~USD 97m / 122m</li> <li>Mid-large enterprise focused</li> </ul>
Infrastructure / OEM Focus	<ul style="list-style-type: none"> <li><b>Server / Storage (90%)</b></li> <li>OEMs: HP (40%), Dell (22%), IBM (15%), Cisco (13%)</li> </ul>	<ul style="list-style-type: none"> <li><b>Network (85%)</b></li> <li>OEMs: Cisco (73%), HP (6%), Dell (4%), Arista (2%)</li> </ul>	<ul style="list-style-type: none"> <li>Market leading infrastructure expertise</li> <li>Concentration in all major OEMs</li> </ul>
Geographic Footprint	<ul style="list-style-type: none"> <li>HQs: US, UK, Denmark, China</li> <li>Service Centers: 100</li> </ul>	<ul style="list-style-type: none"> <li>HQs: US, Netherlands, Singapore, India</li> <li>Service Depots: 205</li> </ul>	<ul style="list-style-type: none"> <li>Significant global coverage</li> </ul>
Core Expertise	<ul style="list-style-type: none"> <li><b>Maintenance / Services</b></li> <li>Best in class "engine" to provide global services</li> </ul>	<ul style="list-style-type: none"> <li><b>Refurbished hardware</b></li> <li>Best in class "engine" to source, refurb &amp; sell hardware</li> </ul>	<ul style="list-style-type: none"> <li><b>Best in class IT asset lifecycle services provider</b></li> </ul>

# Broadly-diversified portfolio with substantial allocation to mature portfolio companies

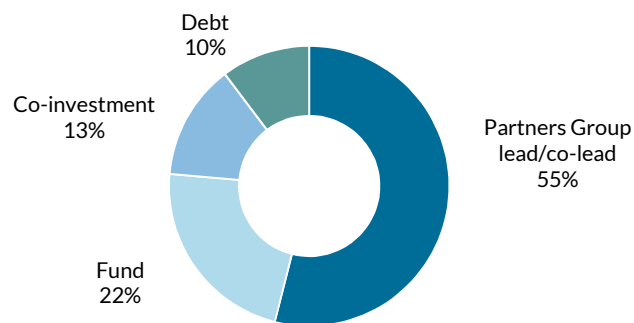
## Portfolio characteristics

- Diversified exposure to Partners Group lead/co-lead transactions, co-investments and debt
- Funds portfolio is in harvesting mode. No new commitments will be made to third party managers.
- Mature portfolio: weighted average portfolio company age of 3.8 years<sup>1</sup>

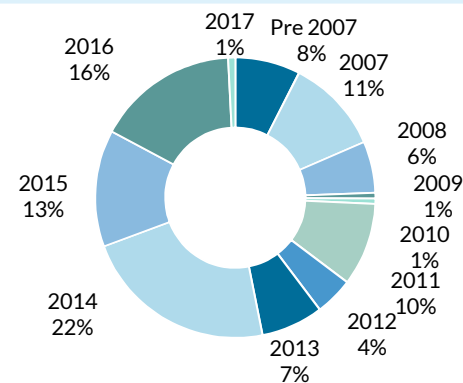
## Investments by type<sup>1</sup>



## Investments by sponsor



## Investments by investment year<sup>1</sup>



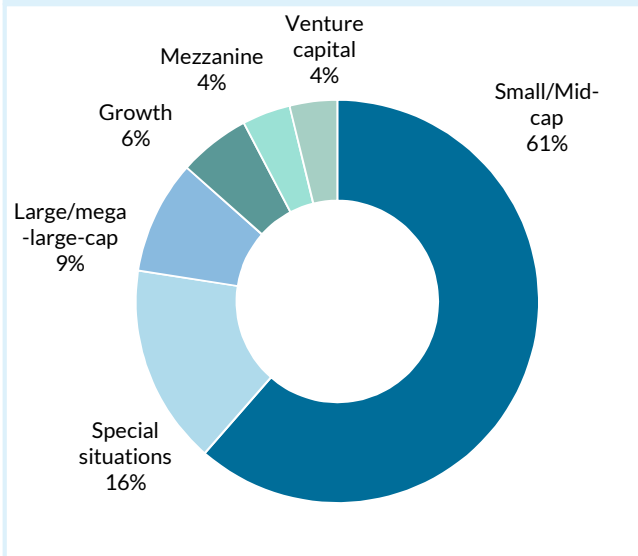
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# Invested across stages and regions, with overweight in small- and mid-cap buyout

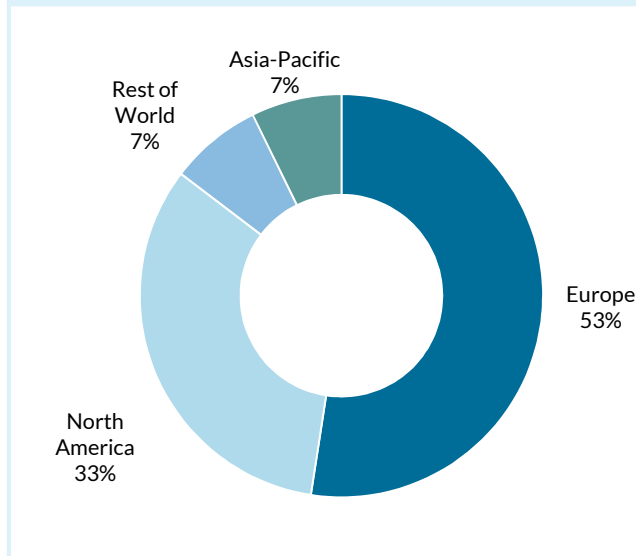
## Portfolio allocation

- Financing stage: focus on mid-cap buyout segment with allocation to private debt
- Regions: global diversified; relative value approach
- Industries: broadly diversified with low exposure to cyclical industries

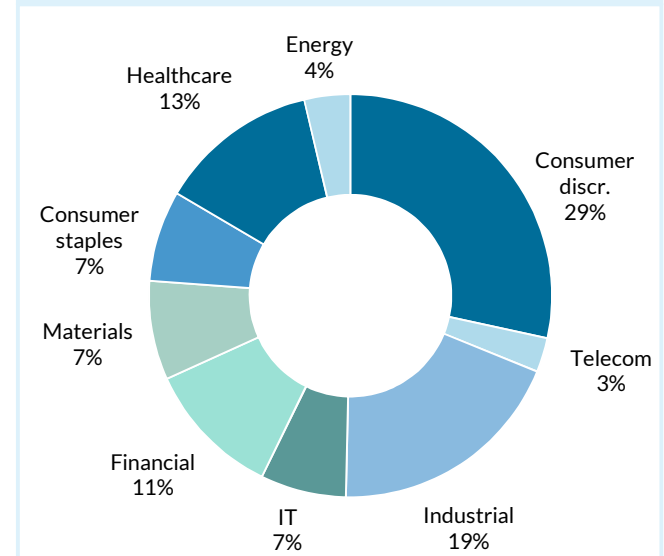
Investments by stages<sup>1</sup>



Investments by regions<sup>1</sup>



Investments by industries<sup>1</sup>



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## Strong earnings growth and healthy capital structures support NAV development

### Key metrics for 50 largest direct portfolio companies (71.7% of NAV)

#### Performance metrics

- 13.9% revenue growth over last 12 months (Q1 2016: 14.0%)
- 16.2% EBITDA growth over last 12 months (Q1 2016: 17.4%)
- EUR 1.0 billion weighted average revenue (Q1 2016: EUR 1.0 billion)

#### Valuation metrics

- 11.3x EV/EBITDA (Q1 2016: 10.7x)
- 3.9x net debt/EBITDA (Q1 2016: 4.3x)
- 35.4% leverage (Q1 2016: 41.4%)
- EUR 2.5 billion weighted average enterprise value (Q1 2016: EUR 2.4 billion)

- Double-digit revenue and EBITDA growth at portfolio company level despite low growth from broader economy
- Increase in EV/EBITDA multiple but valuations still considered to be reasonable given strong EBITDA growth
- Continued disciplined approach to leverage: net debt/EBITDA of 3.9x

Past performance is not indicative of future results. Actual performance may vary. As of 31 March 2017. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report. Source: Partners Group information.








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## Overview of 10 largest direct investments (1)

Investment	Country	Investment stage	Investment year	Investment description	% of NAV
	Switzerland	BO Mid	2014	VAT Group AG is the global market leader for high-end vacuum valves, which is a critical component in highly complex manufacturing processes. On the 14 April 2016, VAT Group AG was listed on the SIX Swiss Stock Exchange and is now valued based on the share price (ticker: VACN).	10.8
	Netherlands	BO Mid	2011	Action is a Dutch discount retailer with over 850 retail stores and almost 35'000 employees in the Netherlands, Belgium, Germany, France, Luxembourg and Austria. The company offers a wide and varied product range, which includes household and office supplies, cosmetics, toys, etc.	6.1
	UK	Growth	2013	Permotio (trading as International Schools Partnership) has been formed to create a leading international private schools group through a “buy & build” strategy, in conjunction with a proven management team.	4.4
	USA	BO Mid	2015	Dynacast is a global manufacturer of customized, small, highly-engineered metal components, with complex shapes and tight tolerances, using proprietary precision die casting and metal injection molding technologies.	4.3
	USA	BO Mid	2015	KinderCare is the largest for-profit provider of early childhood education in the US and the parent company of KinderCare Learning Centers, as well as the brands Children’s Creative Learning Centers and Champions.	4.0

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As of 31 March 2017. Source: Partners Group information.

## Overview of 10 largest direct investments (2)

Investment	Country	Investment stage	Investment year	Investment description	% of NAV
	Germany	BO Mid	2014	Hofmann Menue Manufaktur is a leading German producer and supplier of customized frozen food products to small business canteens and social organizations such as retirement homes, hospitals and schools.	3.7
	France	BO Mid	2016	Foncia is a France-based company that offers residential property management and real estate services. The company has a network of more than 600 branches located throughout France, Switzerland, Germany and Belgium.	2.9
	Mexico	Infrastructure	2014	Fermaca is a leading operator of gas infrastructure in Mexico, which develops, constructs, owns and operates natural gas pipelines and other related energy assets. Fermaca's customers include Mexico's state-owned electric utility and other large energy companies.	2.7
	Hong Kong	BO Small	2012	Trimco International is a leading Asia-headquartered supplier of garment labels, tags and trimming products to blue chip global apparel companies.	2.1
	USA	BO Large	2016	MultiPlan provides cost containment solutions to healthcare payers in the US. Leveraging technology, data and analytics, the company optimizes healthcare transactions by reducing medical costs through its network and analytics-based solutions.	1.8
<b>Total 10 largest direct investments</b>					<b>42.8</b>

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## Top-down we see many challenges in the current market environment

### Challenging road for global growth



- US economy expanding at modest yet steady pace
- Eurozone growth improving modestly; uncertainties due to upcoming elections
- Emerging markets growth stabilizing; but remaining below pre-crisis levels and potential

Advanced world slow but solid, many EMs on slow growth path...

### Risk of rising rates



- Continued low target rates environment globally
- Rising US rates and political risk may result in diminishing valuations and higher volatility
- Shifting sentiment regarding globalization and global trade

... more downside risk than upside potential for capital markets...

### Focus on stability & value-add



- Focus on stable assets that are less sensitive to valuation swings
- Value-add opportunities enhance returns and protect against multiple contraction
- Use periods of volatility to enter compelling investment propositions

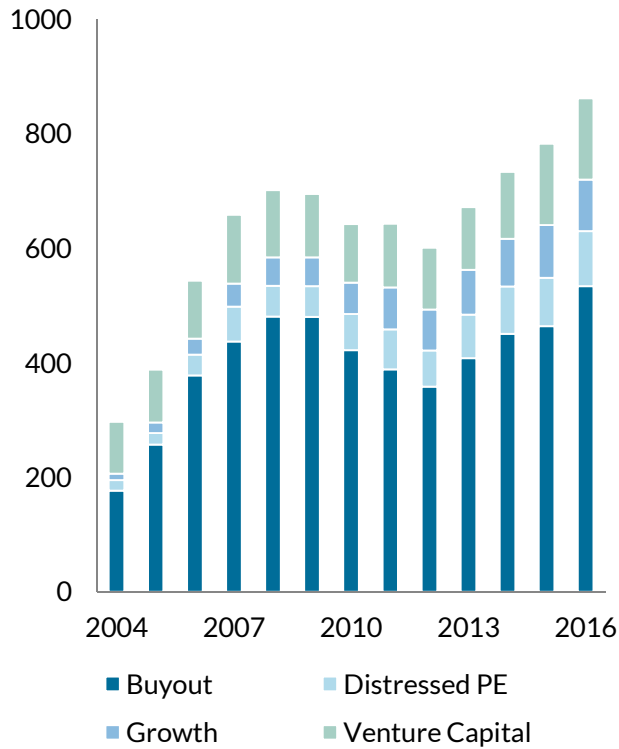
... sourcing and value-add capabilities key to success



# High competition for private equity investments

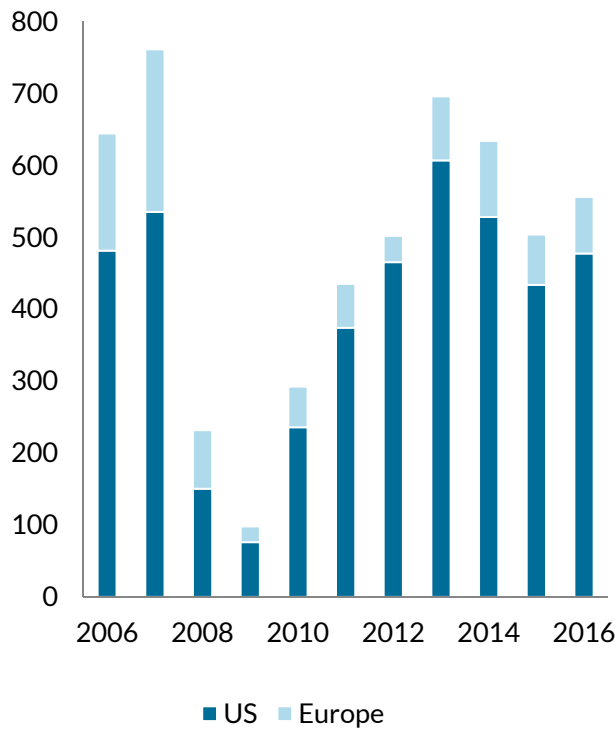
## Large amounts of dry power

Private equity dry powder, in USD bn



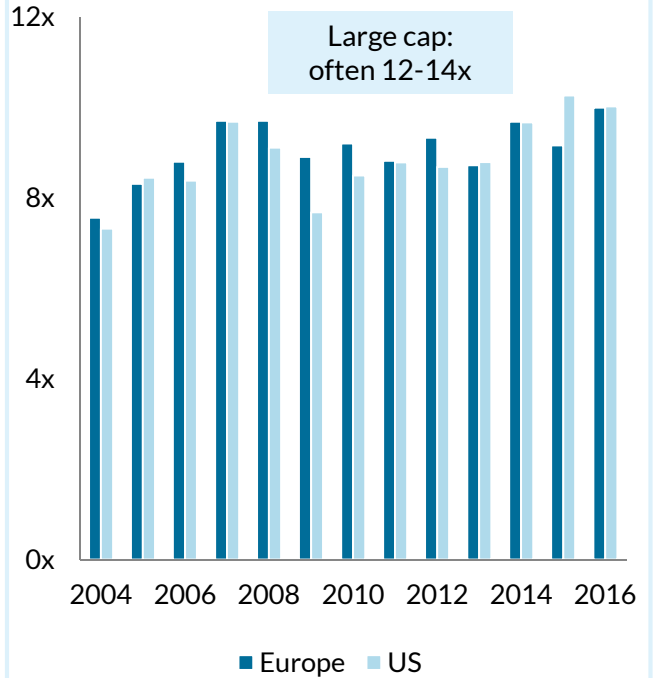
## Debt is still broadly available

Sponsored loan volume, USD bn



## Near record valuations, especially for large-caps

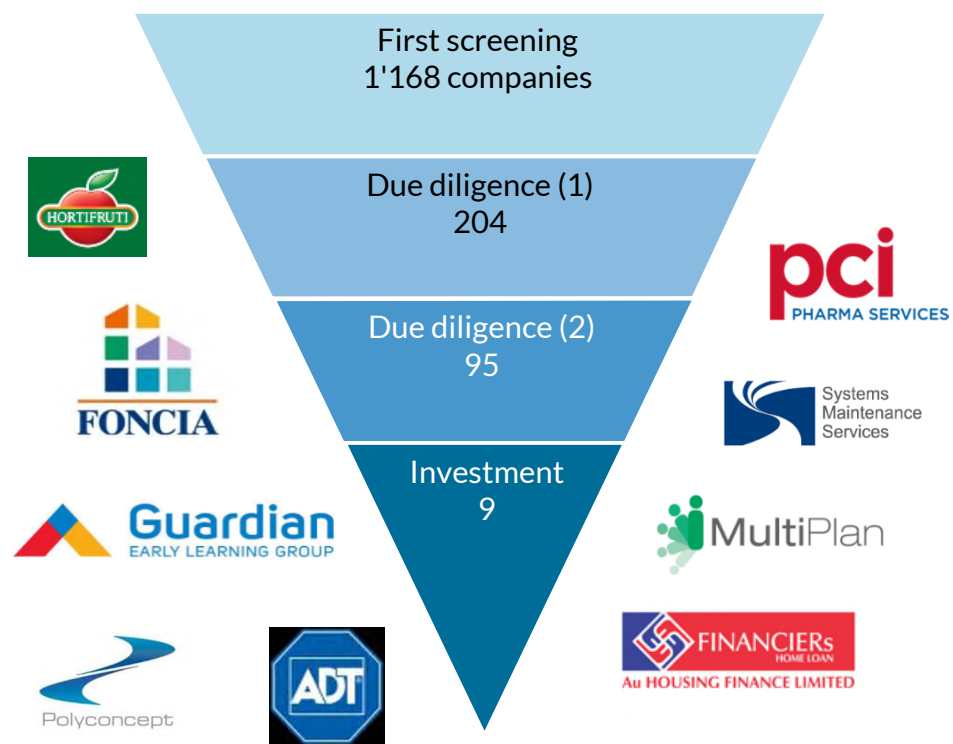
LBO EV/EBITDA purchase price multiples, all deals



Source: Preqin (January 2017), S&P Global Leveraged Lending Review (Q4 2016)

# Remain highly selective and continue to focus on our core investment themes

Private equity direct deal flow FY 2016



99% decline rate

## Partners Group's current investment strategies

### Platform companies

Invest in proven management teams in high-growth subsectors with potential for synergistic add-ons.



### Defensive leaders

Invest in high quality assets with potential for global expansion and transformational operational improvement.



### Category winners

Invest in institutional quality management teams with strong industry dynamics and scalable business models.

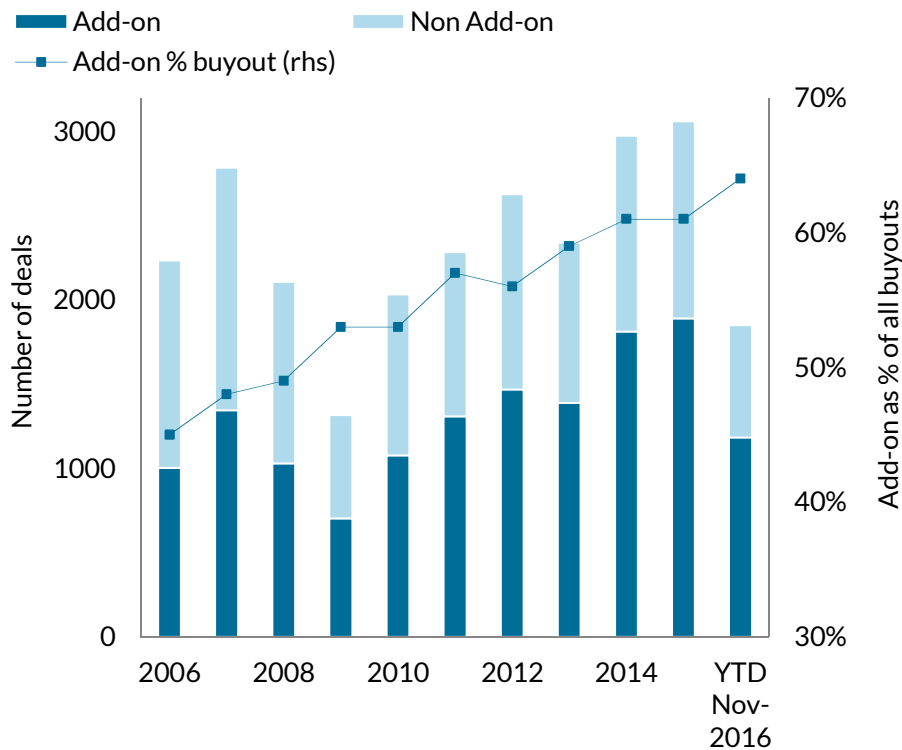


For illustrative purposes only. There is no assurance that similar investments will be made in the future. Source: Partners Group private equity deal flow statistics as of 31 December 2016.

# Platform companies: value creation through add-on acquisitions

## Add-ons represent large set of opportunities

US add-on % of buyout activity



## Implementation in Princess portfolio

### The hard work

- > 160 on-going value creation initiatives
- > 50 initiatives realized in 2015
- > 200 board meetings held
- >80 value creation projects
- >100 new projects initiated in 2016

### The tangible impact

- > 10'000 jobs added
- +13 new customer segments
- +19 new plants opened
- +42 add-on investments
- +10 countries expanded into

Source: S&P Global Leveraged Lending Review (Q4 2016), Pitch book (November 2016) 1 Value creation in Partners Group Direct Investments 2012 (EUR), L.P. Inc. Figures as of 31 December 2016.

## Direct equity transactions signed and in closing as of end of reporting period

### Cerba Healthcare



- Partners Group lead transaction
- Leading operator of clinical pathology laboratories in France, conducting over 20m tests per year through a wide network of more than 360 collection centers and 27 technical platforms.

### Key Retirement Group



- Partners Group lead transaction
- Leading UK provider of independent specialist advice and financial products for individuals approaching or in retirement.

Princess will invest approx. EUR 18 million in two new transactions



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5	Appendix

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## Summary and outlook

### Outlook for new investments

- **Global relative value approach:** global team of over 85 private equity investment professionals across 11 offices on five continents
- **Focus on strategies to compete as buyers in the current environment:** proactively identify key trends (recurring revenue business models, outsourcing, consumer health, digitization of business)
- **Platform strategies:** Buy-and-build, roll-out strategies and international expansion help to mitigate elevated entry multiples
- **New investments:** Buyouts of Cerba HealthCare and Key Retirement Group signed and in-closing

### Hands-on value creation

- **Industry value creation team:** 21 dedicated operational specialists across six industry verticals drive value creation at portfolio company level
- Crucial to identify concrete value creation initiatives or inorganic growth options
- More than **160 on-going value creation initiatives**
- Weighted average LTM EBITDA and revenue growth of 16.2% and 13.9% respectively for Princess' 50 largest direct portfolio companies<sup>1</sup>

### Attractive dividend stock with capital growth

- NAV total return: LTM to Q1 2017 +19.3%, including dividend of 5.7% of opening NAV
- Policy to distribute 5-8% of NAV p.a. via semi-annual dividends
- Interim dividend to be declared in final week of May

Past performance is not indicative of future results. For illustrative purposes only. Data unaudited as of 31 March 2017. <sup>1</sup> Latest LTM figures available as of 31 March 2017. Return figures shown are net of fees. There is no assurance that similar results will be achieved.



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## Upcoming events

23 May 2017	Annual General Meeting
24 May 2017	Publication of quarterly report as of 31/03/2017 and anticipated declaration of the first dividend <sup>1</sup>
August 2017	Quarterly results presentation (Conference Call)
August 2017	Half-Year report as of 30/06/2017

<sup>1</sup> Subject to board approval. Source: Partners Group

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## Key features of Princess

Structure	Guernsey company			
Listing	<ul style="list-style-type: none"> <li>London Stock Exchange (main market, premium segment)</li> </ul>			
Trading information	<ul style="list-style-type: none"> <li>Ticker: London: PEY</li> <li>Bloomberg: London: PEY LN</li> </ul>	<ul style="list-style-type: none"> <li>ISIN: London: GG00B28C2R28</li> <li>WKN: London: A0LBRL</li> </ul>		
Investment strategy	<ul style="list-style-type: none"> <li>Aim to invest up to 100% of its capital in private equity and private debt direct investments</li> </ul>			
Dividend policy	Princess intends to pay a dividend of 5-8% p.a. on NAV per share <sup>1</sup>			
Board of Directors	<ul style="list-style-type: none"> <li>Brian Human (Chairman)</li> <li>Richard Battey</li> <li>Henning von der Forst</li> </ul>	<ul style="list-style-type: none"> <li>Fergus Dunlop</li> <li>Urs Wietlisbach</li> </ul>		
Listing Sponsors	London: JP Morgan Cazenove/Numis Securities			
Investment Manager	Princess Management Limited (with Partners Group AG as Investment Advisor)			
Management fee (as of 1 January 2013)	1.5% p.a. across the entire portfolio <sup>2</sup>			
Incentive fee	<ul style="list-style-type: none"> <li>No incentive fee on primary investments</li> <li>10% incentive fee per secondary investment over a hurdle of 8% p.a.</li> <li>15% incentive fee per direct investment over a hurdle of 8% p.a.</li> </ul>			

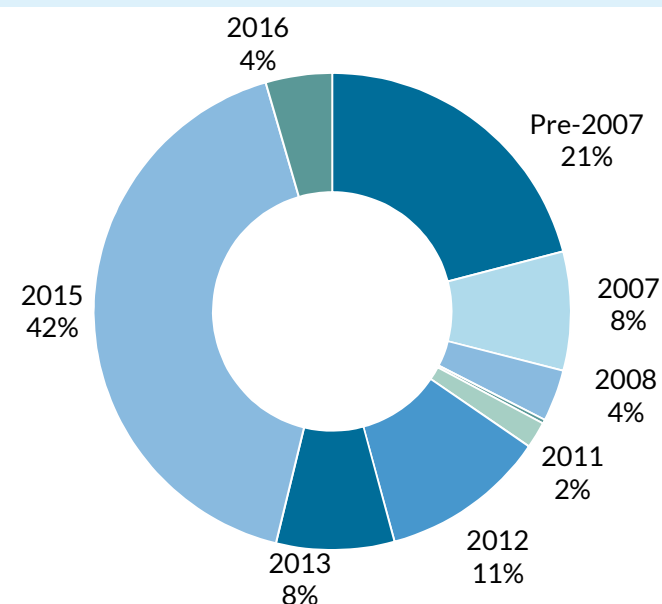
<sup>1</sup> Subject to board approval. <sup>2</sup> Of the higher of (i) NAV or (ii) value of Princess' assets less any temporary investments plus unfunded commitments. Please consult the constituent documents for a more complete description of the terms. Source: Partners Group information.



## Summary of unfunded commitments

	Unfunded commitments (EUR million)
Partners Group Direct Mezzanine 2011 Program	2.4
Partners Group Direct Equity 2012 Program	14.8
Partners Group Direct Equity 2016 Program <sup>1</sup>	55.0
Single line directs	16.4
<b>Total PG direct unfunded commitments</b>	<b>88.6</b>
Third party funds	43.1
<b>Total unfunded commitments</b>	<b>131.7</b>

Unfunded commitments by vintage



- Total unfunded commitments of EUR 131.7 million (17.7% of NAV)
- EUR 27.6 million unfunded commitments to pre-2007 vintages are considered unlikely to be called
- Princess has net liquidity of EUR 43.9 million and an undrawn credit line of EUR 50.0 million

For illustrative purposes only. 1 Commitment to Partners Group Direct Equity 2016 held its first closing in December 2015 and is therefore accounted for as 2015 vintage commitment.



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## Credit facility key terms

### Size and tenure

- EUR 50 million senior revolving multi-currency credit facility
- Maturity on 14 December 2020
- Credit facility arranged by Lloyds Bank plc
- Interest on drawn amounts charged at LIBOR +2.95% for LTV <15% or + 3.25% per annum for LTV >15%
- Interest on undrawn amounts charged at 0.90% per annum

### Key covenants

- Loan to value: 25%
- Minimum NAV: EUR 350 million

The credit facility provides Princess with long-term flexibility to balance short-term funding needs



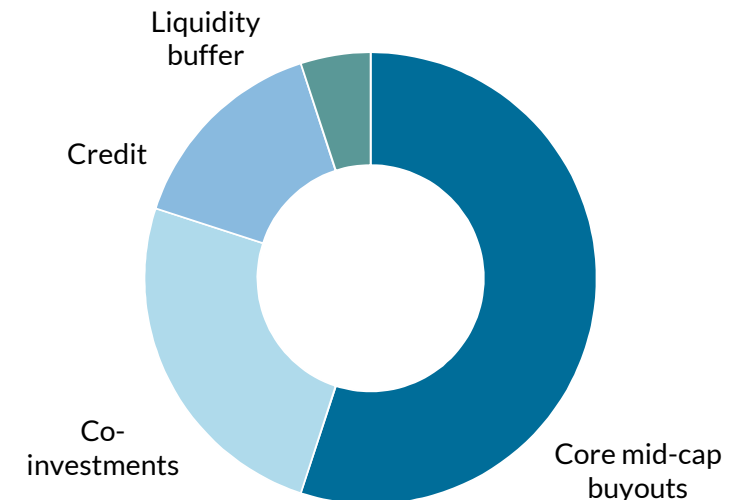
## Princess: portfolio management

Structured approach to portfolio management provides flexibility to maintain **high investment level** and **pay sustainable dividends** with **limited balance sheet risk**

### Portfolio building blocks

- **Core exposure to global direct mid-cap buyout strategy, via:**
  - commitments to Partners Group's direct programmes, and
  - 'top-up' investments alongside direct programmes
- **Single line directs:**
  - co-investments with third party managers sourced via global investment platform
- **Credit:** diversified portfolio of subordinated/senior debt investments
- **Liquidity buffer:** ~5% held in cash/liquid senior loans to fund dividend payments if required
- **Target portfolio of 50-80 companies** offers diversification benefits and reduces volatility of cash-flows compared to a more concentrated portfolio

### Illustrative portfolio allocation



Diversified portfolio of globally-sourced direct investments based on relative value approach

Actual allocation depends on numerous factors and may differ significantly. There is no assurance that target returns will be achieved. For illustrative purposes only. Diversification does not ensure a profit or protect against loss. Source: Partners Group information March 2017.



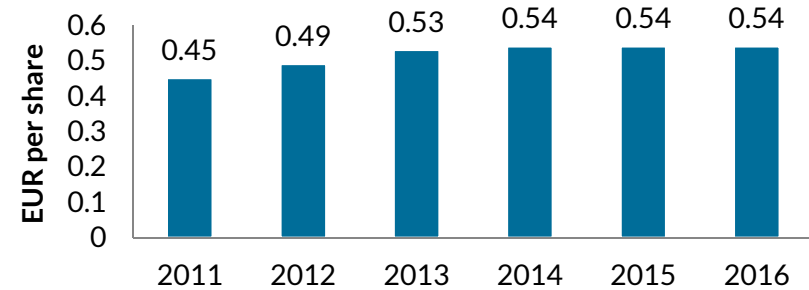
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# Princess: balance sheet management and dividends

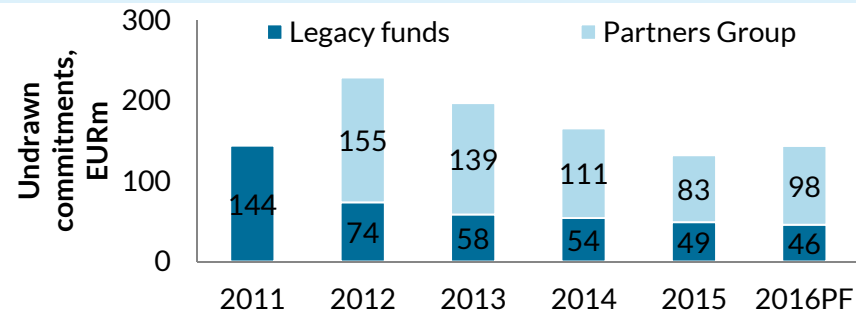
## Balance sheet management

- Maintain high investment level to reduce cash drag
- Distribute 5-8% p.a. on opening NAV via dividends
- Dividend payments underpinned by high cash generation
- No new commitments to external managers
- Credit facility available for short-term liquidity requirements

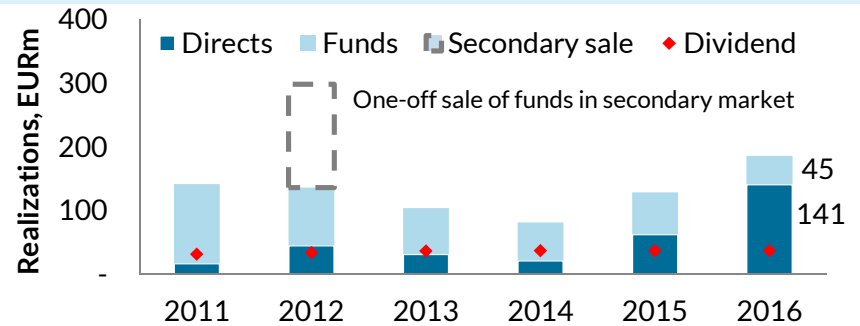
## Six year dividend track record



## Reduction in commitments from legacy fund portfolio



## Direct portfolio is now generating significant cash-flow



Shift to direct investments provides greater visibility over future cash-flows

Source: Partners Group calculations

2016PF: Commitments to PG's direct programs shown on a pro-forma basis including additional EUR 40 million commitment to Partners Group Direct Equity 2016 which was approved by the Board in November 2016 and executed in January 2017. There is no assurance that similar results will be achieved. For illustrative purposes only.



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## Valuation metrics of 50 largest direct portfolio companies

### Princess portfolio

	Top 10	Top 20	Top 50
EV/EBITDA	12.1x	12.0x	11.3x
Net debt/EBITDA	3.3x	3.7x	3.9x
Leverage	27.3%	31.2%	35.4%
Weighted average EV	EUR 2.7bn	EUR 2.5bn	EUR 2.5bn
% of NAV	42.8%	55.9%	71.7%

- EV/EBITDA range: 5.9x to 16.0x
- Net debt/EBITDA range: 0.6x to 7.4x

Past performance is not indicative of future results. For illustrative purposes only. As of 31 March 2017. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report. Source: Partners Group information.



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## Performance metrics of 50 largest direct portfolio companies

### Princess portfolio

	Top 10	Top 20	Top 50
LTM EBITDA growth	21.1%	19.0%	16.2%
LTM revenue growth	17.7%	16.0%	13.9%
Weighted average revenue	EUR 0.9bn	EUR 0.8bn	EUR 1.0bn
% of NAV	42.8%	55.9%	71.7%

- LTM EBITDA growth range: -20.8% to +57.0%
- LTM revenue growth range: -10.8% to +39.4%

Past performance is not indicative of future results. For illustrative purposes only. As of 31 March 2017. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report. Source: Partners Group information March 2017.



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## Transparent and up-to-date NAV reporting

### Valuation approach

- The Partners Group valuation approach based on fair value standards provides accurate and timely valuation based on the fair value principle.
- Partners Group follows a valuation approach and guidelines which are in accordance with IFRS/IAS 39 and US GAAP Topic 820 to determine the fair value of underlying investments of the Partners Group private equity portfolio on a look-through basis.
- The process is independently verified by PricewaterhouseCoopers and valuations are audited annually.
- Company valuations as represented in the investment partners' quarterly reports tend to lag behind their fair value development. Consequently, reported valuations may no longer be accurate. The Partners Group restated valuation approach based on fair value standards seeks to overcome this shortfall.

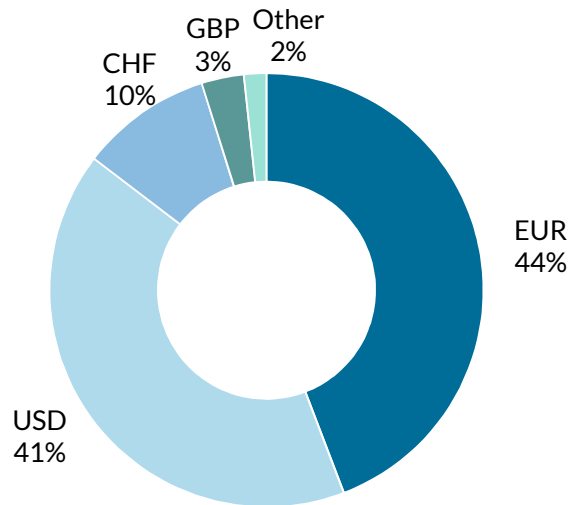
### NAV by date of valuation

- 89.4% of portfolio was valued as of 31 March 2017.
- With the transition to the direct investment focus, it is anticipated that Princess will move towards an almost full valuation as of the respective reporting period without any substantial reporting time lag.

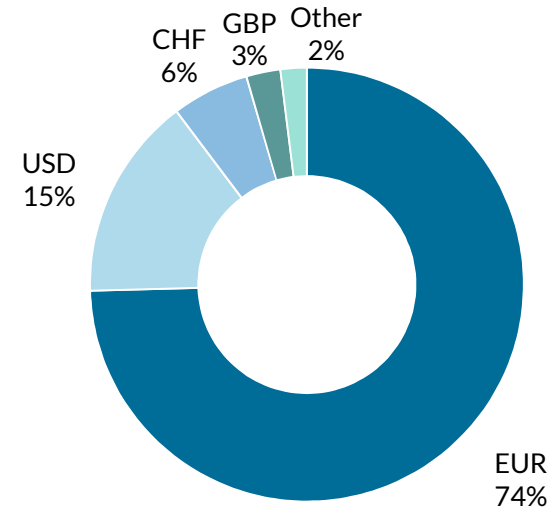


## Currency hedging and foreign exchange impact on Princess' NAV

### Currency exposure before hedging



### Currency exposure after hedging



### Currency hedging strategy

- Princess applies a hedging strategy to help reduce the impact fluctuating foreign exchange rates have on performance
- Princess currently uses a hedging strategy utilizing instruments including options and forward contracts aimed at limiting negative effects from currency movements between the US dollar and the euro

Note: Figures are subject to decimal rounding. For illustrative purposes only. As of 31 March 2017. Source: Partners Group information.

## Contacts

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### Trading Information

Listing:	London Stock Exchange
Ticker:	PEY
ISIN:	GG00B28C2R28
Bloomberg:	PEY LN
Reuters:	PEY.L

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D. v. 1.6.2016