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# Princess Private Equity Holding Limited

Results presentation Q3 2015, 29 October 2015

15:00 – 16:00 GMT (Dublin, London)  
16:00 – 17:00 CET (Zurich, Frankfurt)

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**Partners Group**  
Passion for Private Markets

# A differentiated global approach to listed private equity

- Exposure to a mature, globally diversified, private equity portfolio
- Repositioning of portfolio to focus on direct investments
- Global deal flow focused on small/mid-cap direct investments, with allocation to mezzanine debt
- Attractive dividend yield: target to distribute 5-8% of NAV p.a.
- Managed by Partners Group, a leading global private markets investment manager with over EUR 42 billion AuM<sup>1)</sup>



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# Positive NAV development continues in Q3 2015

## Robust NAV performance and strong cash generation against backdrop of volatile equity markets

### NAV and share price

- **NAV total return +3.2% for Q3 2015** (+13.2% YTD)
- NAV per share of EUR 9.43; Net assets of EUR 652.0 million
- **Share price total return -3.1% for Q3 2015** (+11.2% YTD)
- Share price of EUR 7.49; Market capitalization of EUR 517.9 million

### Portfolio activity

- **EUR 21.5 million invested** during the quarter, including buyout of KinderCare Education, two add-on investments in existing portfolio companies and a new direct debt investment
- **EUR 53.4 million of realizations** during the quarter, including EUR 29.7 million from sale of Universal Services of America and EUR 17.0 million from the legacy third party fund portfolio
- **Investment level** stands at 91.4% of NAV

### Balance sheet

- **Final tranche of deferred receivables** received in full ahead of schedule
- **Pro forma net liquidity** of EUR 56.0 million\* (8.6% of NAV) and available credit line of EUR 50 million (7.7% of NAV)
- **Outstanding commitments** of EUR 102.4 million (15.7% of NAV)

**Past performance is not indicative of future results.** 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 30 September 2015. Performance figures are net of all fees.

\* Includes remaining EUR 27.8 million in deferred receivables that were received on 2 October 2015.

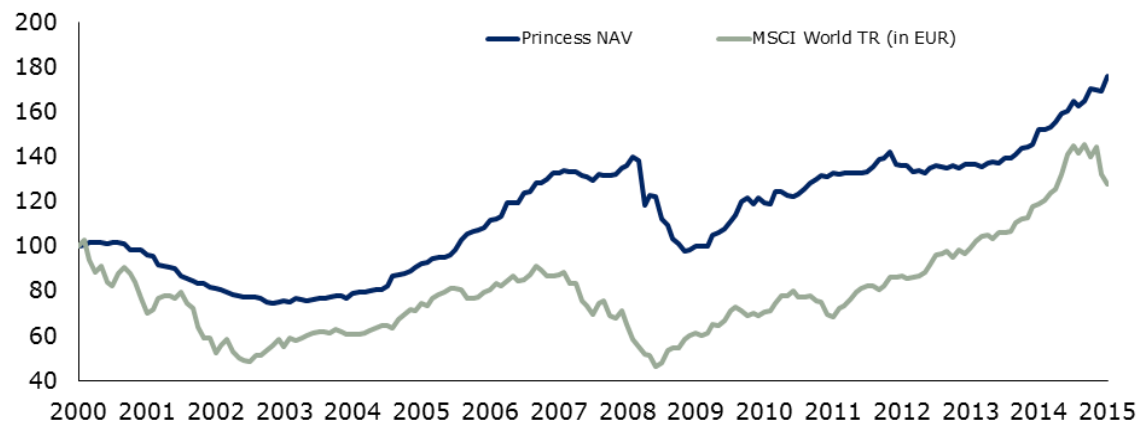


# Historic NAV performance

## NAV performance

- NAV total return: +3.2% in Q3 2015
- Portfolio valuation development: +4.4% in Q3 2015
- FX development: -0.4% in Q3 2015

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



## Total return in EUR

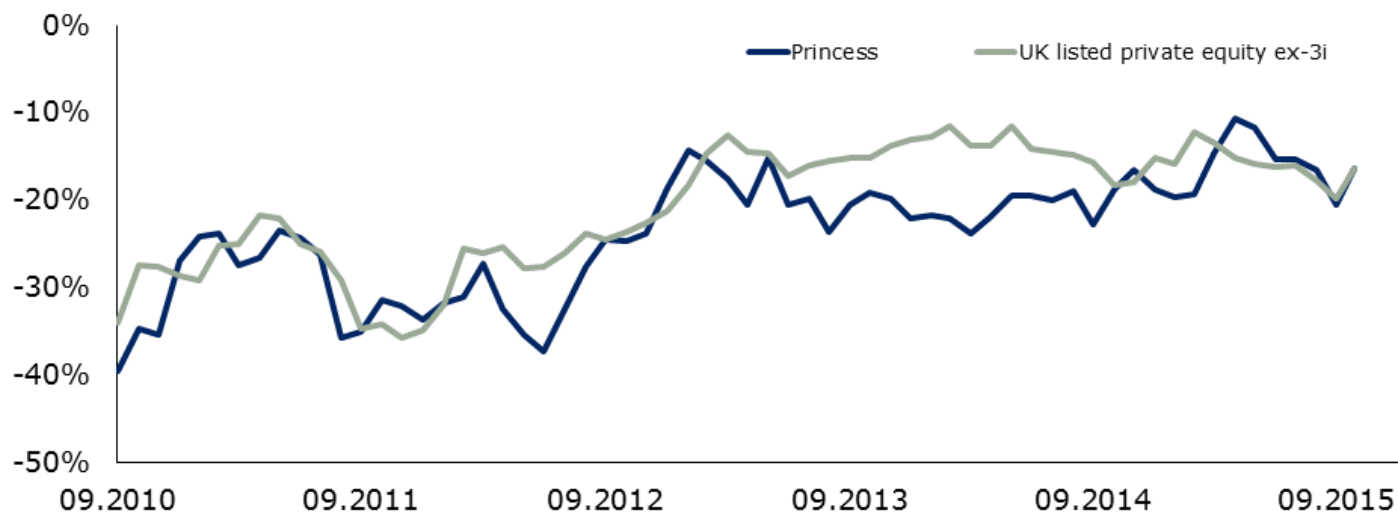
	Princess NAV	MSCI World
1 year	+15.4%	+7.2%
3 years	+29.1%	+47.4%
5 years	+47.1%	+81.4%
10 years	+90.8%	+70.8%
15 years	+75.4%	+27.3%

**Past performance is not indicative of future results.** As of 30 September 2015. Source for MSCI World TR (ticker NDDUWI) in EUR: Bloomberg; investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when sold. Current performance may be lower or higher than performance shown. Princess NAV figures are net of all fees. 1) Princess figures: since 30 June 2000.



# Discount development

## Five year discount development<sup>1)</sup>



### Discount to NAV

Princess	-16.1%
UK LPE ex-3i	-16.5%

**Past performance is not indicative of future results.** Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when sold. Current performance may be lower or higher than performance shown.

<sup>1)</sup> As of 26 October 2015. Source for UK listed private equity ex-3i index discount: Datastream. Source for Princess discount: Morningstar.



# Key figures

	Key figures (in EUR)		
	31.12.2013	31.12.2014	30.09.2015
<b>NAV</b>	560.1m	593.5m	652.0m
<b>NAV per share</b>	8.09	8.58	9.43
<b>NAV per share incl. dividends paid</b>	10.53	11.92	13.49
<b>Price</b>	6.30	6.97	7.49
<b>Investment level</b>	70.7%	85.9%	91.4%
<b>Over-commitment incl. credit line (% NAV)</b>	-3.1%	5.3%	-0.5%
<b>Net liquidity</b>	62.2m	27.3m	28.2m
<b>Deferred receivables<sup>1)</sup></b>	101.9m	56.4m	27.8m
<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>	58.2m	54.0m	50.3m
<b>Undrawn allocation to PG's direct programs<sup>2)</sup></b>	138.5m	111.1m	52.0m
	<b>FY 2013</b>	<b>FY 2014</b>	<b>YTD 2015</b>
<b>Dividends per share</b>	<b>0.53</b>	<b>0.54</b>	<b>0.27</b>

**Past performance is not indicative of future results.** As of 30 September 2015. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when sold. Current performance may be lower or higher than performance shown. 1) Deferred receivables from the sale of a portfolio of third party funds in the secondary market. The funds were transferred to the buyer between September 2012 and January 2013 with the proceeds to be received in three equal tranches; the first upon transfer of each third party fund and the balance in two equal tranches, 18 and 36 months after the initial transfer of each fund. 2) Partners Group Direct Investments 2012 EUR, Partners Group Direct Mezzanine 2011 and direct investments.



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## Ten largest direct value drivers – Q3 2015

Name	Investment stage	Investment year	Value created (in EUR m)
VAT Vakuumventile AG	BO Mid	2014	10.8
MultiPlan	BO Large	2014	6.0
Action	BO Mid	2011	5.5
Dynacast	BO Mid	2015	1.7
Hofmann Menue Manufaktur	BO Mid	2014	1.3
Global Blue	BO Mid	2012	1.3
Varsity Brands	BO Mid	2014	1.1
Softonic	VC Growth	2013	-1.0
Grupo SBF	VC Growth	2013	-1.2
Information service company*	BO Large	2007	-1.8
<b>Top ten value drivers</b>			<b>23.7</b>

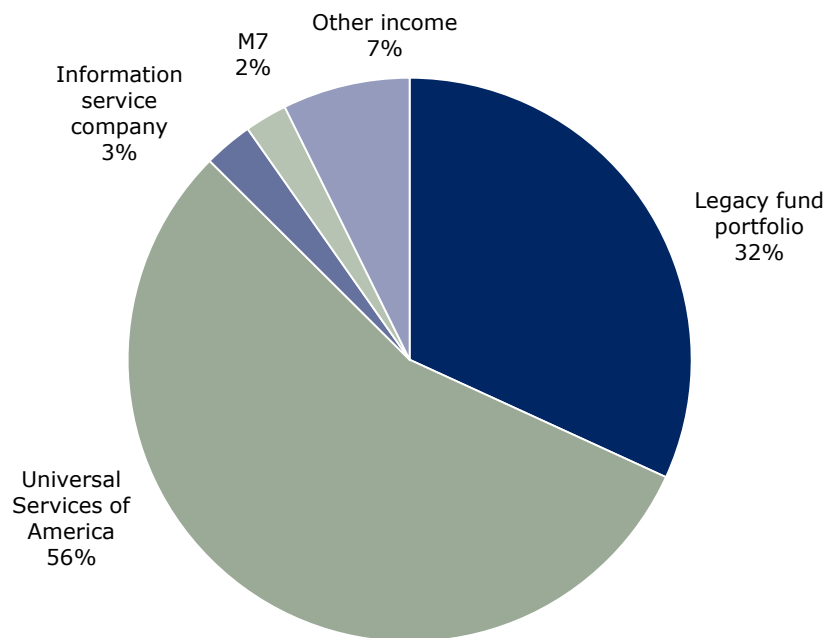
**Seven out of ten largest value drivers are positive**

**Past performance is not indicative of future results.** There is no assurance that similar investments will be made. For illustrative purposes only. As of 30 September 2015. \* Some names may not be disclosed for confidentiality reasons.



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## Realization activity in Q3 2015



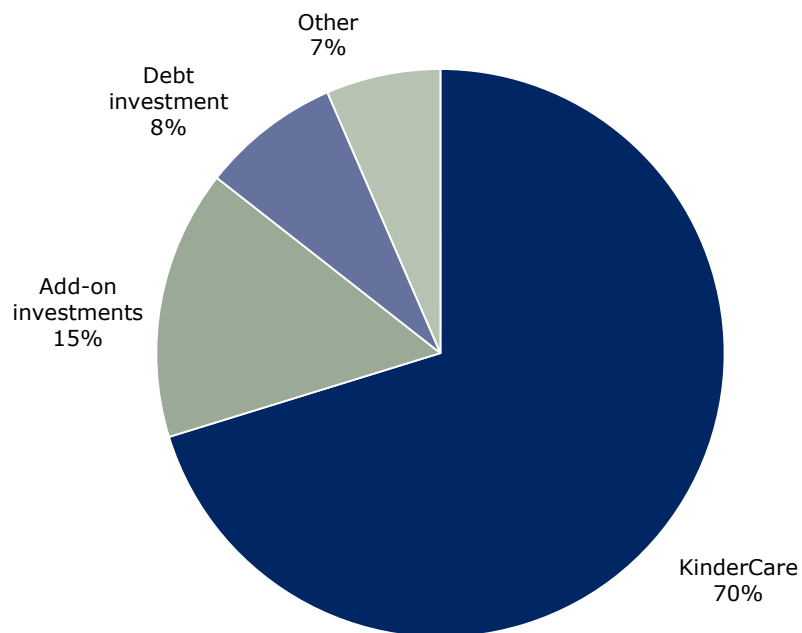
- EUR 29.7 million from full realization of Universal Services of America (2.9x, >65% IRR since investment in July 2013)
- EUR 1.5 million received from Information Service Company\* (partial realization via sale of shares)
- EUR 1.3 million from the repayment of debt investment in M7 (1.24x, 29% IRR since investment in Sept 2014, with further upside potential from equity kicker)
- EUR 17.0 million from mature legacy funds portfolio which continues to generate a high volume of exits
- Other income is predominately interest from private debt investments

- EUR 53.4 million in realizations during Q3 2015
- EUR 97.8 million in realizations YTD 2015 (16.5% of opening NAV)

**Past performance is not indicative of future results.** As of 30 September 2015. Company figures are calculated on a look-through basis.  
 \* Some names may not be disclosed for confidentiality reasons.



# Investment activity in Q3 2015



- EUR 15.1 million invested in buyout of KinderCare Education
- EUR 3.3 million invested in add-on investments in Pharmaceutical Developer\* and Project Icon (fashion retailer)\*
- EUR 1.7 million invested in North American debt investment\*
- Other investment activity is predominately capital calls from legacy fund portfolio (EUR 1.3 million). Pace of capital calls from legacy funds is expected to continue to slow as many funds are out of their investment periods

- EUR 21.5 million invested during Q3 2015
- EUR 50.6 million invested YTD 2015

**Past performance is not indicative of future results.** As of 30 September 2015. Calculated on a look-through basis and therefore includes funds from previous Partners Group Direct Investments 2012 (EUR), L.P. and Partners Group Direct Mezzanine 2011, L.P. capital calls.

\* Some names may not be disclosed for confidentiality reasons.



# Investment highlight: KinderCare Education

## Company overview



**Largest for-profit provider (KUE LLC) of early-childhood education in the US** delivering high-quality programs through approx. 1'400 centers in 38 US states

- **Geography:** US
- **Deal size:** Mid-cap
- **Industry:** Education
- **Entry date:** August 2015
- **Employees<sup>1)</sup>:** ~30'000

## Relative value/investment rationale

- **Platform strategy:** leverage #1 market position to drive investments in best-in class curriculum, professional development/training, and center real estate network; consolidate highly fragmented industry where and when appropriate
- **Highly qualified management team** that has transformed the company's operating strategy, with a focus on teacher and family engagement
- **Secular sector growth** supported by rising birth rate, increase in dual income families and growing recognition of the value of early childhood education on child outcomes

## Strategic initiatives

- **Leverage knowledge** from PG's long investment track record in the global education sector
- **Drive enrollment** and improve **center-level performance**
- **Expand family and teacher engagement**

Source: Partners Group, Company. **Past performance is not indicative of future results.** For illustrative purposes only. **There is no assurance that similar investments will be made.** Partners Group estimate. 1) At entry.

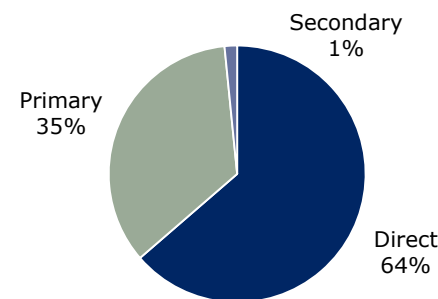


# Well-diversified portfolio with substantial allocation to mature portfolio companies

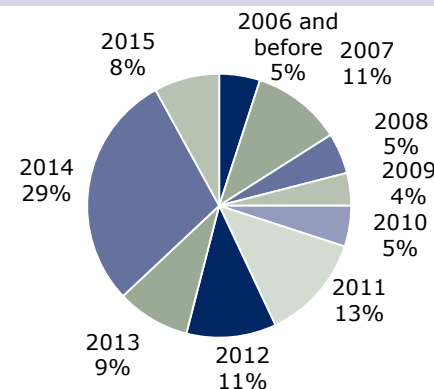
## Differentiating portfolio characteristics

- Continued repositioning of the portfolio to focus on direct investments
- Allocation to directs has increased to 64%
- Diversified exposure to a global portfolio of direct private equity and private debt investments. Largest single company exposure amounts to 6.3% of NAV
- Primary portfolio forecast to reduce over time reflecting high level of realizations
- Weighted average portfolio company age of 4.0 years across the entire portfolio<sup>1)</sup>

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



## Portfolio assets by investment year<sup>1)</sup>



**Past performance is not indicative of future results.** Diversification does not ensure a profit or protect against loss. Actual performance may differ. 1) Based on the value of private equity investments on a lookthrough basis, as of 30 September 2015.

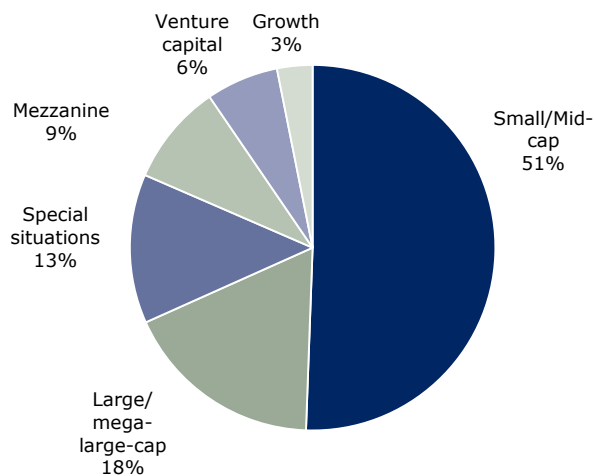


# Invested across stages and regions, with overweight in small- and mid-cap buyout

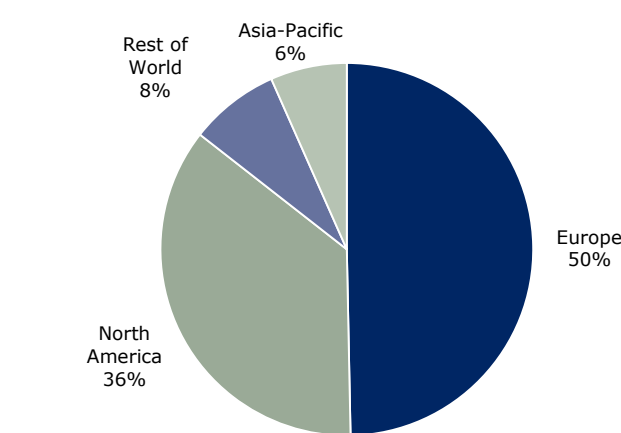
## Portfolio allocation

- Financing stage: focus on mid-cap buyout segment
- Regions: diversified across regions; intention to increase allocation to Asia and emerging markets
- Industries: broadly diversified across industries

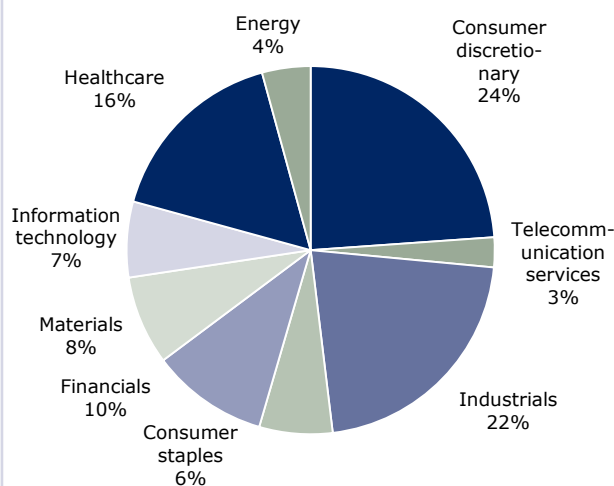
### Investments by stages<sup>1)</sup>



### Investments by regions<sup>1)</sup>



### Investments by industries<sup>1)</sup>



Diversification does not ensure a profit or protect against loss. Actual performance may differ. Note: Figures are subject to decimal rounding. Allocations may vary over time. 1) Based on the value of private equity investments on a lookthrough basis, as of 30 September 2015.



# Strong earnings growth and healthy capital structures support NAV development

## Key metrics for 50 largest portfolio companies (60% of NAV)

### Performance metrics

- 8.5% revenue growth over last 12 months
- 12.8% EBITDA growth over last 12 months
- EUR 1.1 billion average revenue

### Valuation metrics






- 10.5x EV/EBITDA
- 4.2x net debt/EBITDA
- 41.8% leverage
- EUR 2.3 billion average enterprise value

- Largest portfolio companies expected to become key driver of overall performance as portfolio becomes more concentrated
- The 50 largest portfolio companies now represent 60% of NAV
- Strong revenue and EBITDA growth at portfolio company level despite low growth from broader economy

**Past performance is not indicative of future results.** Actual performance may vary. As of 30 September 2015. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report.



# Overview of 10 largest direct investments (I)

Investment	Country	Investment Stage	Vintage year	Investment description	TVPI <sup>1)</sup>	% of NAV
	Switzerland	BO Mid	2014	VAT is the global market leader for high-end vacuum valves, which is a critical component in highly complex manufacturing processes. The company focuses on end markets such as the semiconductor industry, as well as other industrial and research applications.	2.00x	6.3
	USA	BO Large	2014	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.	n/a*	6.3
	Netherlands	BO Mid	2011	Action is a Dutch discount retailer with over 500 retail stores and more than 22'000 employees in the Netherlands, Belgium, Germany and France. The company offers a wide and varied product range, which includes household and office supplies, cosmetics, toys, etc.	n/a*	3.7
	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.	1.08x	3.5
	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.	1.37x	3.1

## Five largest direct investments

**22.9**

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## Overview of 10 largest direct investments (II)

Investment	Country	Investment Stage	Vintage year	Investment description	TVPI <sup>1)</sup>	% of NAV
 Fermaca	Mexico	Mezzanine/ Brownfield	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.	1.18x	2.4
 TRIMCO	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. Products include hang tags and trimming products used for brand identification and information management.	2.21x	2.3
 KinderCare LEARNING CENTERS	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.	n/a*	2.3
Pharmaceutical developer*	Switzerland	BO Mid	2013	Pharmaceutical developer is a company that develops, manufactures and internationally markets well-proven and innovative pharmaceuticals in novel drug delivery forms.	1.00x	1.6
 Global Blue	Switzerland	BO Mid	2012	Global Blue is the world's leading transaction processor for international shopping. Its largest business unit, Tax Free Shopping, is the number one global provider of VAT/GST refund services with an approximately 80% share of the third-party serviced market.	1.83x	1.6

### Ten largest direct investments

**33.1**

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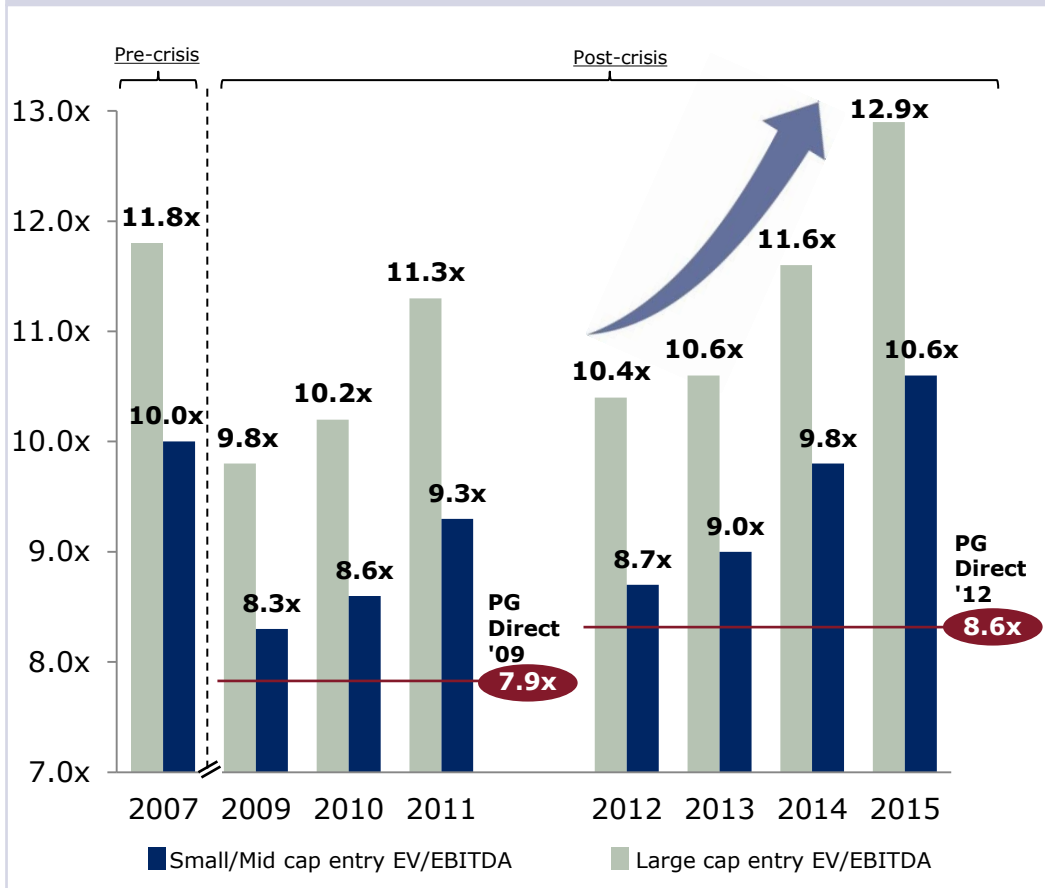
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# Avoiding a heating-up large-cap market

## Large-cap valuations are at/above pre-crisis levels



## Focus on growth & value-add in mid-cap

- ✓ **Small/Mid-cap deals are less expensive especially in the current environment, due to...**
  - Limited competition from heated public/IPO markets
  - Limited access to high yield market
  - Banks shrinking their balance sheet leaving private equity/debt as the only source of financing in the mid-cap space
  
- ✓ **Operational value creation potential:**
  - EBITDA margin improvement of small- and mid-cap companies vs. large-caps
  - Business models offer higher new growth path optionality
  
- ✓ **More exit options:**
  - Active mid-market secondary buyout activities and potential for exit to large-cap funds
  - More diverse group of potential trade buyers in mid-cap
  - IPO potential also for mid-market companies on a large cap growth trajectory

Source: S&P Capital IQ. Data based as of September 2015 excluding Africa and LatAm.

# A leading global investment platform



### Private markets focus

Over **EUR 42 billion<sup>1)</sup>** AuM in private equity, private debt, private real estate, private infrastructure

### Strong resources

Over **780** employees representing over **50** nationalities across **18** offices

### Wide network

>**370** direct investments  
 >**730** private markets investment partners  
 >**300** advisory board seats

### Stable & transparent

**Long-term** incentive structures  
**Listed** on the SIX Swiss Exchange

1) Unaudited, as of 30 June 2015.



# Partners Group's platform is key for sourcing deals

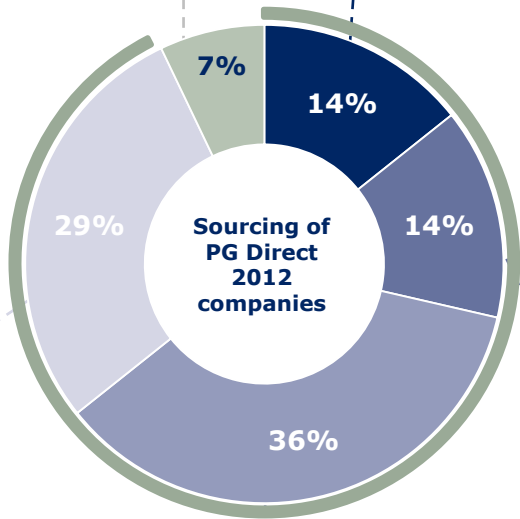
## Advisors/banks

- Local contacts with advisors across all PG teams
- Systematic coverage of banks



## IVC team/PRIMERA database

- Intelligence on >7'000 private companies
- Proactive tracking and identification of targets



93% uniquely sourced

## PG primary team

- >720 private markets investment partners
- >300 board seats
- Preferred global partner



## PG secondary and debt team

- Weekly secondary deal flow of ca. USD 1bn
- >USD 3bn invested in over 180 credits



## Global network

- >780 people in 18 offices
- Portfolio companies
- PG Industrial Partners/Operating Partner network

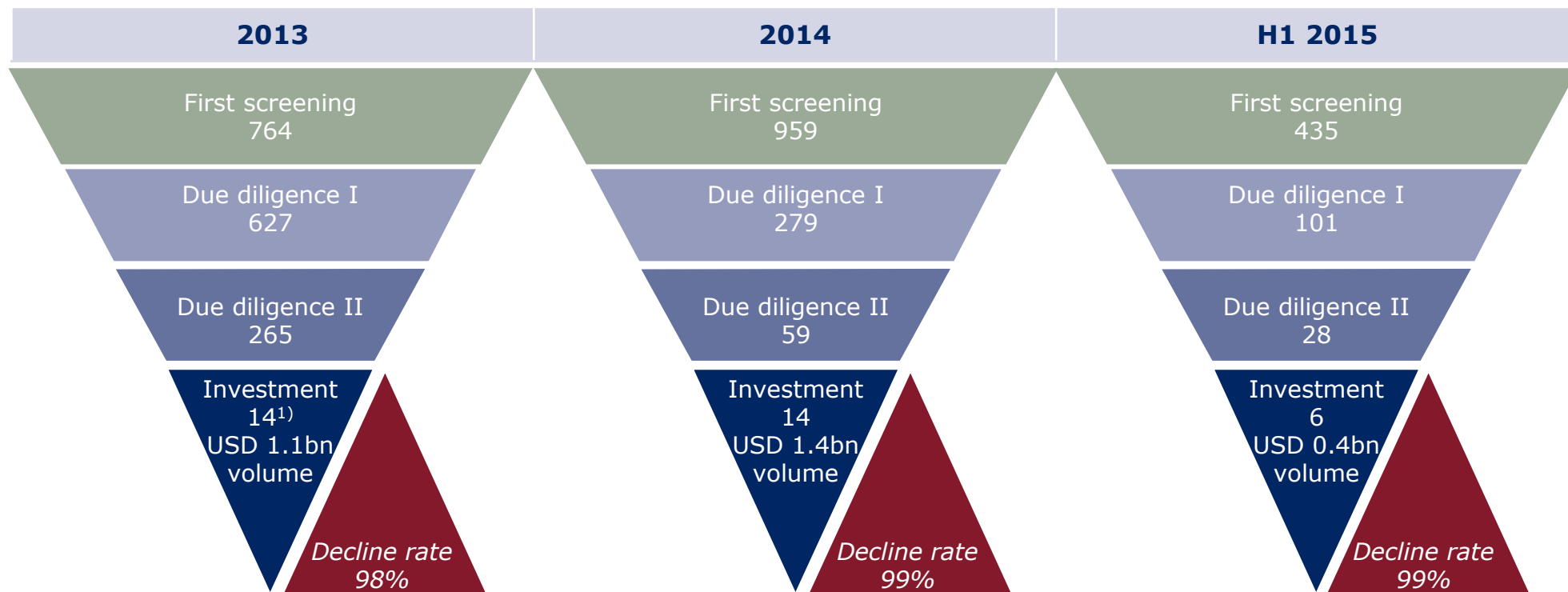


**Past performance is not indicative of future results.** For illustrative purposes only. All investments made for the Partners Group Direct Investments 2012 (EUR), L.P. Inc. Source: Partners Group, as of 30 June 2015.



# Global sourcing platform allows for selectivity

## Partners Group private equity direct deal flow



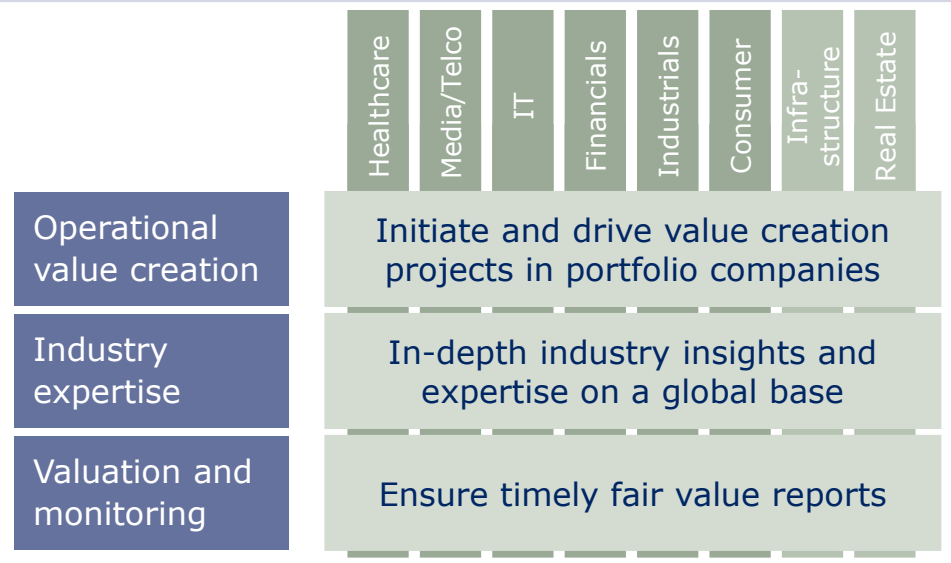
**99% of transactions screened in H1 2015 were declined**

1) Includes 3 direct transactions which were in closing as of 31 December 2013.




# Partners Group has the largest globally deployed team of operating specialists in the small- and mid-cap market

## Set up



## ESG

	<p><b>Adam Frost</b> 15 years of industry experience. Prior to joining Partners Group, he worked at Sarasin and Partners, McKinsey, Apax Partners and BP.</p>
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## Vertical heads

<b>Health-care</b>		<p><b>Remy Hauser</b> 17 years of industry experience, with Partners Group since 2001. Prior to joining Partners Group, he worked at Credit Suisse Financial Services.</p>
<b>Media/ Telco &amp; IT</b>		<p><b>Christian Unger</b> 19 years of industry experience. Prior to joining Partners Group, he was global CEO of Ringier AG, Switzerland's largest media company.</p>
<b>Financials</b>		<p><b>Lane McDonald</b> 14 years of industry experience. Prior to joining Partners Group, she worked at DLJ, JetBlue, American Express, Delta Air Lines and Bain &amp; Company.</p>
<b>Industrials</b>		<p><b>Fredrik Henzler</b> 19 years of operating experience. Prior to joining Partners Group, he led 50 operating efficiency projects for private equity portfolio companies.</p>
<b>Consumer</b>		<p><b>Tim Johannessen</b> 20 years of years of operating experience. Prior to Partners Group, he worked at East Asiatic Company, Numico and Mondelēz International.</p>

**15 dedicated IVC professionals globally**

# Investment criteria and implementation

## What we look for ...

- **Market leading** mid-cap companies
- Strong **growth** potential
- High **margins** and **cash** generation
- Experienced **management** teams
- Clearly identified **value-add** opportunities for **Industry Value Creation** team to lead and/or assist with
- **Control** investments
- Reasonable **valuations**
- **Sustainable** capital structures

## Implementation in PG Direct 2012<sup>1)</sup>

### Value orientation

- Average entry valuation of 8.6x EV/EBITDA across the portfolio

### Growth and profitability

- Focus on growth and operational improvement shown by an average EBITDA growth of 9.4% year over year<sup>2)</sup>
- Investments in market leading businesses across four continents with an average entry EBITDA margin of 26.1%

### Downside protection

- Conservative average entry leverage of 4.3x Net Debt/EBITDA

**Past performance is not indicative of future results.** For illustrative purposes only. 1) Partners Group Direct Investments 2012 (EUR), L.P. 2) Financial figures based on Partners Group Direct Investments 2012 (EUR), L.P. portfolio companies as of 30 June 2015. Growth rates based on latest available financial figures of current portfolio companies. The performance of Partners Group Direct Investments 2012 (EUR), L.P. in no way guarantees or indicates the performance of similar Partners Group Direct Investment programs.





# Operational highlights: PG Direct Investments 2012<sup>1)</sup>

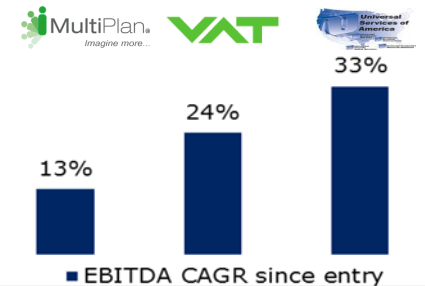
## Well diversified portfolio of market leaders

- 17 transactions completed <sup>2)</sup>
- 100% sourced by Partners Group (11 lead/6 joint-lead)
- 5 Global leaders
- 9 National leaders, in addition Universal Services of America was the fastest growing private company in the U.S. 2012 and 2013



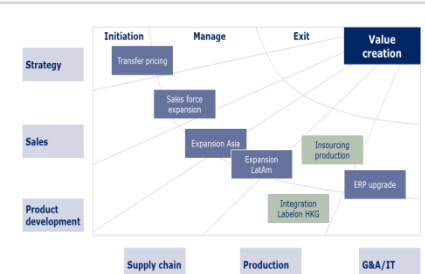
## Strong operational progress

- Of the 14 companies held for more than six months...
- 13 have increased their EBITDA since entry
  - 11 have launched new product lines
  - 7 have expanded their geographical reach
  - 4 have launched an ecommerce presence



## Systematic drive to improve competitiveness

- Intense work with management to further improve competitiveness...
- more than 80 on-going value creation initiatives
  - 36 add-on investments completed
  - 9 plants have been built anew or significantly extended
  - 8 re-financing's, dividend re-caps or re-pricings performed
  - 40'000 new jobs created



Past performance is not indicative of future results. For illustrative purposes only. 1) Partners Group Direct Investments 2012 (EUR), L.P. 2) Includes two transactions in closing as of 30 September 2015. Source: Partners Group.



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# Summary and outlook

## Portfolio

- Exposure to a high quality, global mid-cap direct portfolio
- Portfolio repositioning remains on track
- Weighted average LTM EBITDA<sup>1)</sup> and revenue growth of 12.8% and 8.5% respectively for 50 largest portfolio companies
- Mature portfolio is anticipated to benefit from continued healthy exit environment

## Outlook for new investments

- We continue to screen a high volume of transactions but remain highly selective
- Global investment platform supports relative value investment approach
- Buy-and-build/roll-outs/ operational value creation help to mitigate elevated entry multiples
- Pipeline of eleven transactions with value of more than EUR 50 million in due diligence

## High dividend stock with capital growth

- One year share price total return of +20.0% comprised of:
  - Dividends: EUR 0.54 per share (yield of 7.2%)
  - Capital growth: EUR 0.79 per share
- Policy to distribute 5-8% p.a. of NAV via semi-annual dividends
- Next dividend to be declared in November and paid in December<sup>2)</sup>



## Upcoming events

29 October 2015	Quarterly results presentation (Conference Call)
17 November 2015	Interim report as of 30/09/2015 and declaration of final dividend <sup>1)</sup>
31 December 2015	Close of financial year

1) Subject to Board approval.



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## Key features of Princess

<b>Structure</b>	Guernsey company	
<b>Listing</b>	<ul style="list-style-type: none"> <li>London Stock Exchange (main market, premium segment)</li> </ul>	
<b>Trading information</b>	<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>
<b>Investment strategy</b>	<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>	
<b>Dividend policy</b>	Princess intends to pay a dividend of 5-8% p.a. on NAV per share	
<b>Board of Directors</b>	<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>
<b>Listing Sponsors</b>	London: JP Morgan Cazenove / Numis Securities	
<b>Investment Manager</b>	Princess Management Limited (with Partners Group AG as Investment Advisor)	
<b>Management fee (as of 1 January 2013)</b>	1.5% p.a. across the entire portfolio <sup>1)</sup>	
<b>Incentive fee</b>	<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>	

1) 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.



## Credit facility key terms

### Size and tenure

- EUR 50 million senior revolving multi-currency credit facility
- Maturity on 26 July 2017
- Credit facility arranged by Lloyds Bank plc
- Interest on drawn amounts charged at EURIBOR + 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**



## Valuation metrics of 50 largest portfolio companies

### Princess portfolio

	Top 10	Top 20	Top 50
<b>EV/EBITDA</b>	10.6x	10.6x	10.5x
<b>Net debt/EBITDA</b>	4.1x	4.0x	4.2x
<b>Leverage</b>	38.9%	39.0%	41.8%
<b>Average EV</b>	EUR 2.9bn	EUR 2.5bn	EUR 2.3bn
<b>% of NAV</b>	34.0%	45.1%	59.6%

- Higher concentration of Top 10 reflects new direct investments
- EV/EBITDA range: 5.3x to 20.7x
- Net debt/EBITDA range: 0.0x to 11.1x

**Past performance is not indicative of future results.** As of 30 September 2015. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report.





## Performance metrics of 50 largest portfolio companies

### Princess portfolio

	Top 10	Top 20	Top 50
<b>LTM EBITDA growth</b>	15.2%	14.6%	12.8%
<b>LTM revenue growth</b>	9.8%	9.3%	8.5%
<b>Average revenue</b>	EUR 0.8bn	EUR 0.8bn	EUR 1.1bn
<b>% of NAV</b>	34.0%	45.1%	59.6%

- LTM EBITDA growth range: -18.4% to +76.9%
- LTM revenue growth range: -9.4% to +30.0%

**Past performance is not indicative of future results.** As of 30 September 2015. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report.



## 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 lookthrough 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.

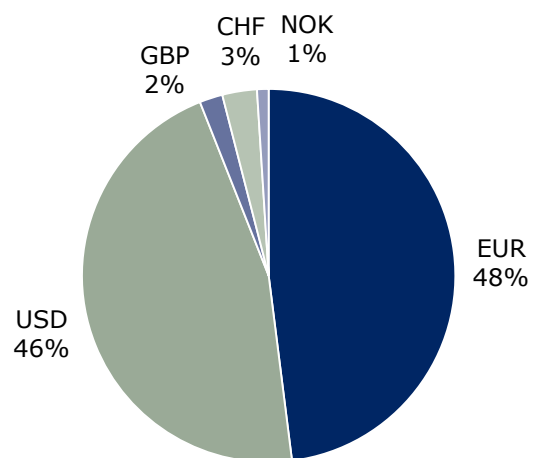
### NAV by date of valuation

- 81.1% of portfolio was valued as of 30 September 2015.
- 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.

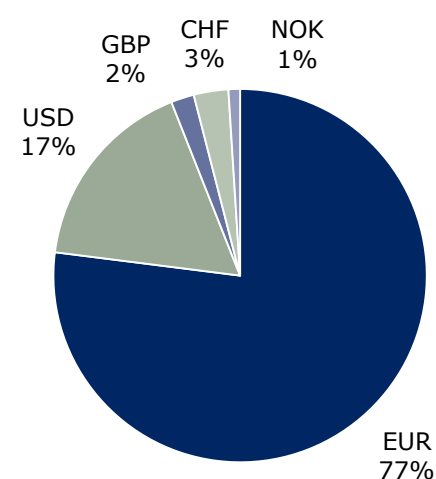


# Currency hedging and foreign exchange impact on Princess' NAV

## 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. As of 30 September 2015.



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# Partners Group H1 2015 investment platform overview

## Investment platform update

- More than **500 private markets professionals** globally
- **USD 4.5 billion** invested in private markets opportunities on behalf of our clients
  - Over 1'900 direct opportunities screened and **USD 2.6 billion** invested in **56 assets**, of which **41** were **credit investments**
- **Over USD 71 billion screened** on the **secondary market** and **USD 1.1 billion invested**
- **82%** of all investment activities were **direct and secondary investments**
- **USD 0.8 billion invested with select best-in-class managers** in the private markets industry

## 56 direct investments across the globe



# More than 700 institutional investors worldwide

## Public pension funds and SWFs



## Insurance companies



## Private pension funds



## Banks and distribution partners



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# Partners Group is committed to integrating environmental, social and governance (ESG) factors

## ESG factors are increasingly important



**Trimco**

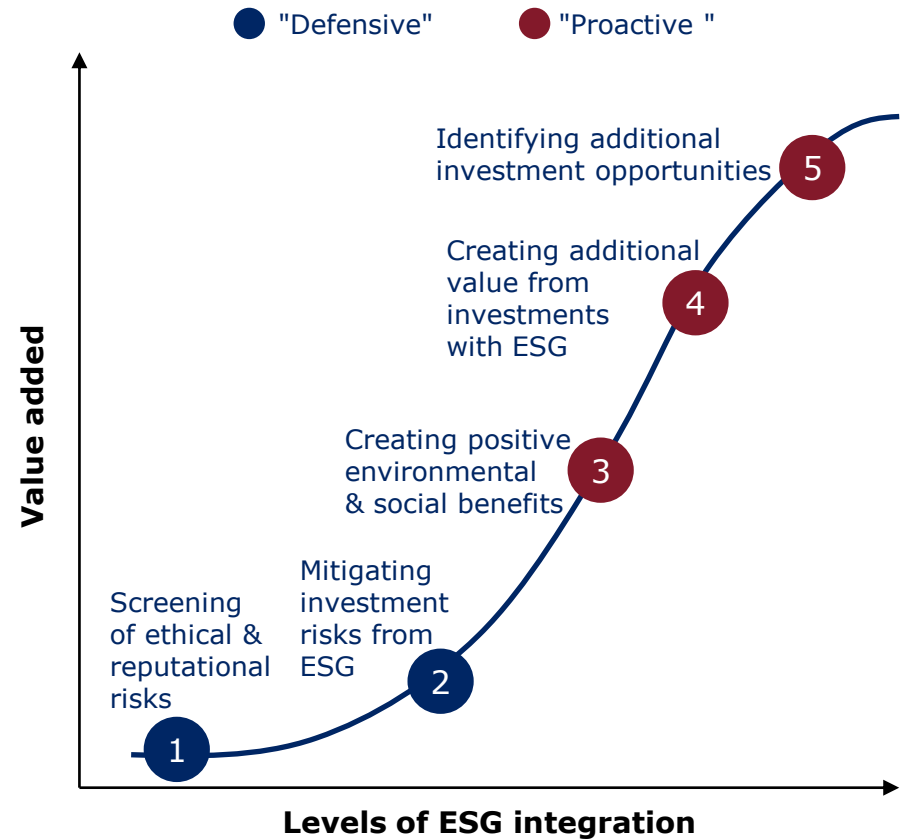


**Thai wind project**

## Partners Group's long-standing ESG commitment

1990's	<ul style="list-style-type: none"> <li>Supported taskforce to create CalPERS' responsible investment policies on real estate</li> </ul>
2006	<ul style="list-style-type: none"> <li>Implemented Global Compact guidelines into investment processes for all asset classes</li> </ul>
2008	<ul style="list-style-type: none"> <li>Launched Partners Group Impact</li> <li>One of the first private markets investment managers to sign United Nations Principles for Responsible Investment</li> </ul>

## Transparent and structured methodology



# Track record

## Private equity

- Invested USD 33.2 billion in private equity
- **22.9%** IRR on fully realized buyout<sup>1)</sup> direct investments
- Annualized outperformance over a cash flow equivalent MSCI world investment of **+6.1%**

## Private debt

- Invested USD 10.0 billion in private debt
- **12.8%** IRR on fully realized mezzanine direct investments
- Annualized outperformance over a cash flow equivalent MSCI world investment of **+2.8%**

**Past performance is not indicative of future results.** For illustrative purposes only. All figures subject to change.

Data unaudited as of 30 June 2015. The track record represents the performance of aggregate investments made on behalf of Partners Group's clientele excluding investments that were disposed of not for investment considerations but due to other factors such as liquidity. Figures are net of underlying fees, but gross of fees to Partners Group. Figures are based on cash flows converted to USD using fixed FX rates as of the report date. Please note that the figures above were calculated on various methods that are not described in detail according to Partners Group policy. Outperformance over cash flow equivalent MSCI World investment using the static spread methodology. Index used: NDDLWI Index. 1) Includes all direct small- and mid-cap buyout, growth capital and special situation investments.





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## Trading Information

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ISIN: GG00B28C2R28  
Bloomberg: PEY LN  
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