

## PRINCESS PRIVATE EQUITY HOLDING LIMITED

Monthly report as of 31 January 2014

## Two new direct investments

- Princess' unaudited net asset value (NAV) increased by 0.3% to EUR 8.11 per share
- Princess deployed EUR 17.4 million to new direct investments and received EUR 2.3 million in distributions
- Positive currency movements (0.6%) during the month

In line with its transition to a solely direct investment vehicle, Princess completed two out of the four previously announced direct investments which had been in closing as of year-end.

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

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

After month end, the other two previously announced direct investments, Fermaca, a Latin American pipeline operator and Swiss-based VAT Holding AG, the global market leader in high-end vacuum valves have been completed.

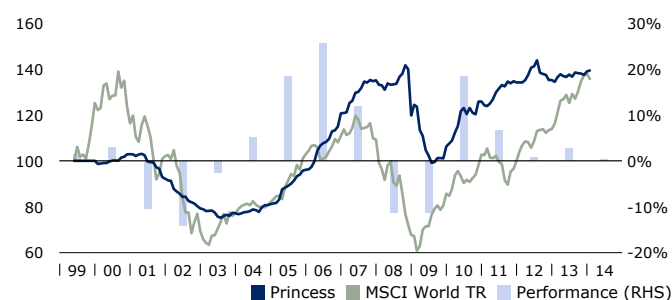
## Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2009	3.9%	-0.6%	-8.3%	-2.3%	-5.6%	-2.2%	-3.1%	0.4%	1.8%	0.0%	-0.2%	5.2%	<b>-11.3%</b>
2010	1.2%	1.2%	3.2%	2.6%	5.6%	1.1%	-2.2%	2.2%	-1.7%	-0.6%	4.6%	0.1%	<b>18.4%</b>
2011	-1.3%	-0.3%	1.0%	1.5%	2.3%	1.2%	1.2%	-0.4%	1.6%	-0.6%	0.7%	-0.4%	<b>6.6%</b>
2012	0.0%	0.0%	0.8%	1.7%	2.3%	0.4%	1.9%	-3.8%	-0.4%	-0.3%	-1.6%	0.0%	<b>0.8%</b>
2013	-0.6%	1.5%	1.0%	-0.6%	-0.3%	0.8%	-0.7%	1.3%	-0.2%	-0.1%	-0.5%	1.1%	<b>2.7%</b>
2014	0.3%												<b>0.3%</b>

## Key figures

In EUR	31.01.2014	31.12.2013	YTD
NAV per share	8.11	8.09	
NAV per share incl. dividends	10.57	10.53	0.3%
Total fund size (in million)	561.91	560.11	
Investment level	73.8%	70.7%	
Deferred receivables	18.5%	18.2%	
Net liquidity	7.7%	11.1%	
Commitment ratio	10.4%	5.9%	
Gross commitment ratio	1.5%	-3.1%	
Share price	6.35	6.30	0.7%
Discount	-21.8%	-22.1%	

## Net performance since inception



In %	2009	2010	2011	2012	2013	2014	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	-11.3	18.4	6.6	0.8	2.7	0.3	12.0	2.3	0.19
MSCI World TR	26.6	19.8	-2.6	13.7	21.2	-1.7	101.8	15.1	1.21

## Largest ten direct investments

	% of NAV		
1. Hofmann Menue	WEU	Consumer staples	2.8
2. Universal Services of America	NAM	Industrials	1.9
3. AWAS Aviation Holding	WEU	Industrials	1.9
4. Action	WEU	Consumer discretionary	1.7
5. Fermo (Trimco International)	APC	Industrials	n.a.
6. Caffè Nero	WEU	Consumer staples	n.a.
7. Pharmaceutical company	WEU	Healthcare	1.2
8. Global Blue	WEU	Financials	1.2
9. Securitas Direct	WEU	Industrials	1.1
10. Information service company	NAM	Industrials	1.1



## PRINCESS PRIVATE EQUITY HOLDING LIMITED

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Princess Private Equity Holding Limited (Princess or the Company) is an investment holding company domiciled in Guernsey that invests in private equity and private debt. The portfolio includes direct, primary and secondary fund investments. Princess aims to provide shareholders with long-term capital growth as well as an attractive dividend yield. The shares are traded on the main market of the London Stock Exchange.

The Board of Directors of Princess passed a resolution to implement a share buyback program on 13 December 2010. During January 2014, 2'008 shares were repurchased under the share buyback program. As of 31 January 2014, there were 69'247'827 shares outstanding, and the NAV was thus calculated based on a total of 69'247'827 shares outstanding.

Deferred receivables relate to a sale and purchase agreement with a single third party buyer to sell 17 partnership interests. The agreement was entered in September 2012 and payment will be settled in three instalments, with 1/3 of proceeds having been received upon transfer of the partnership interests. The remaining 2/3 of proceeds are due to be received 18 and 36 months thereafter.

### Information

- For further information please visit:  
[www.princess-privateequity.net](http://www.princess-privateequity.net)

### Investor Relations

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[princess@princess-privateequity.net](mailto:princess@princess-privateequity.net)

### Registered Office

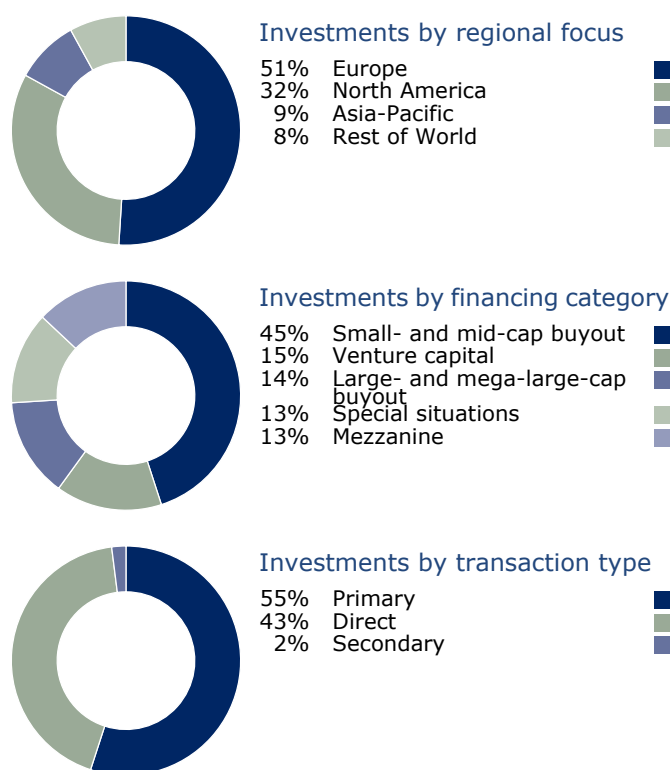
- Princess Private Equity Holding Limited  
Tudor House  
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### Key facts

Stock exchange	London
Reuters	PEY.L
Bloomberg	PEY LN
ISIN	GG00B28C2R28
Sedol	B28C2R2
Product life start date	12.05.1999
Currency	EUR
Dividend YTD	0.00

### Portfolio composition



**Key figures** Commitment ratio: Unfunded commitments less the sum of net current assets and deferred receivables divided by NAV (Gross commitment ratio includes undrawn balance on credit line). Deferred receivables: The value of deferred receivables divided by NAV. **Net performance since inception** Indexed to 100. Since inception of Princess Private Equity Holding Limited. Princess: based on monthly total return valuations. MSCI World TR: Bloomberg NDDUWI Index in EUR. Sharpe ratio: risk-free rate based on 3-month EURIBOR (Bloomberg: ECCOTR03 Index). **Largest ten direct investments** Based on net asset value. **Monthly net performance** Based on monthly total return valuations. **Portfolio composition** Based on total value of investments.

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