

INTERIM REPORT 2009

Interim report for the period from
1 January 2009 to 30 September 2009



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PRINCESS PRIVATE EQUITY HOLDING LIMITED

Princess Private Equity Holding Limited ("Princess") is an investment holding company domiciled in Guernsey that invests in private equity and private debt investments. The portfolio includes primary and secondary fund investments, direct investments and listed private equity investments. Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield in the mid to long-term.

The shares are traded on the Frankfurt Stock Exchange (in the form of co-ownership interests in a global bearer certificate) and on 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 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.

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1 INVESTMENT MANAGER'S REPORT

NAV stabilizes towards end of third quarter

With the improving macroeconomic environment, the net asset value ("NAV") of Princess stabilized in the third quarter of 2009, easing overall by just 1.1%. After falling in July, the NAV recovered in August and September. However, over the full nine month reporting period, the NAV fell by 15.5% to EUR 6.99 per share. This result is mainly attributed to valuation adjustments to the portfolio, which had an adverse impact on the NAV of 9.8%.

In the first half of 2009 valuations mainly reflected the global recessionary macroeconomic environment, the deteriorating operating performance of certain underlying portfolio companies and, particularly at the beginning of the year, falling public comparables. Towards the end of the third quarter, however, valuation adjustments were increasingly driven by the strong rebound in public equity markets observed since March 2009 and the stabilizing of the global

economy. Thus, revaluations resulted in a 2.4% write up of the NAV in the third quarter.

The US dollar continued the depreciation against the Euro which begun in February 2009, contributing negatively to the NAV in Euro terms. In all, foreign exchange movements had an adverse impact on the NAV of 3.9% in the first nine months of the year.

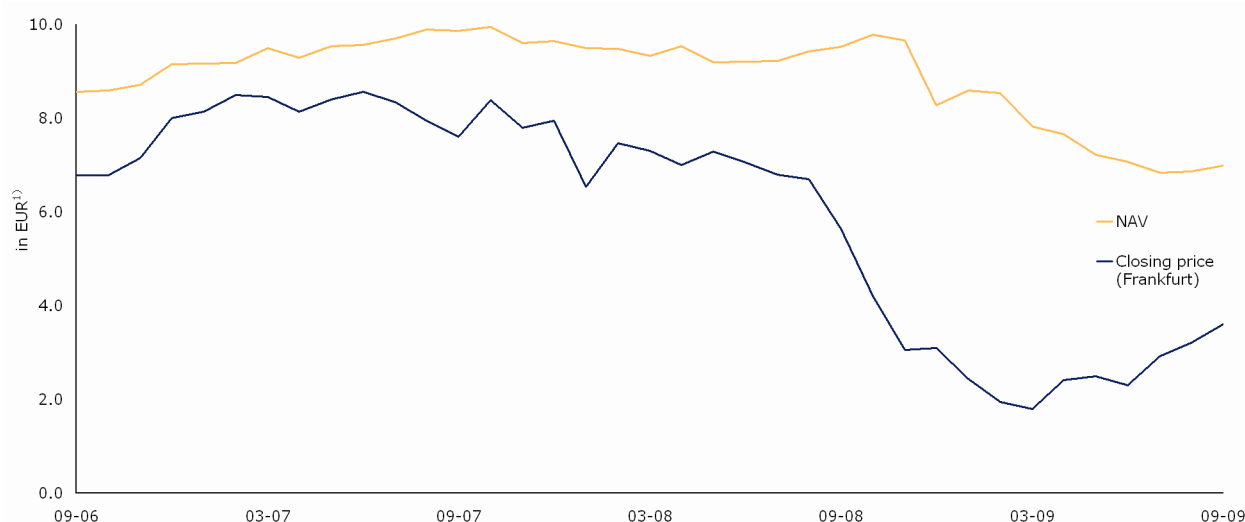
Share price more than doubles from its low in March

Having rebounded sharply in the second quarter, the Princess share price continued to recover in the third quarter, rising 56.5% to close the period at EUR 3.60 per share in Frankfurt. In the first nine months of 2009 it thus gained 16.1%.

Investment pace picks up

Private equity deal activity both in the Princess portfolio and in the wider market has picked

PRICE AND NAV DEVELOPMENT (LAST THREE YEARS)



1) NAV and price prior to conversion stated in USD

up in recent months. During the period under review, from January to September 2009, a total of EUR 33.9 million was called by fund investments. Of this sum, almost half was invested during the third quarter. The pick-up in the investment pace is due in part to increased deal flow generated by large companies wanting to divest non-core businesses. These often represent attractive investment opportunities for private equity players. One such recently announced transaction was the sale of online phone company Skype Technologies by its corporate owner, eBay. While the deal is still pending, an investor group lead by Silver Lake Partners III announced in September its intention to purchase a 65% interest in Skype. Skype, regarded as a successful, fast-growing stand-alone business, did not have significant synergies with eBay's e-commerce and online payment business, and presented an attractive purchase opportunity for private equity buyers.

Analogous to the marked pick-up in the investment pace, Princess saw distributions double in the third quarter compared to the second quarter. During the first nine months, distributions received by Princess amounted to EUR 25.0 million. While the number of exits in the mega and large-cap buyout sectors, which were underweighted already early on in the Princess portfolio, remained limited, small and mid-sized companies in the Princess portfolio continued to be exited successfully. Warburg Pincus Private Equity IX, for example, agreed to sell German payment firm easycash to Ingenico for EUR 290 million.

New credit facility provides further stability

As at the end of September 2009, Princess remained fully invested. Cash and cash equivalents amounted to EUR 7.1 million, and it had drawn down EUR 11.8 million from its credit line.

On 25 September 2009, the Board of Directors of Princess completed the signing of a new three-year credit facility initially set at EUR 40 million, with the potential to increase to EUR 90 million. The purpose of the new credit facility is to secure the financing of Princess' commitment strategy after 31 December 2009, when its existing credit facility expires. With the new credit facility in place, the investment manager considers Princess to be in a comfortable liquidity position with sufficient headroom for future funding obligations.

Outlook

The positive valuation adjustments of the past two months were driven by the strong rebound in public equity markets and a stabilizing of the economy. Provided this trend continues, the investment manager expects no further significant write-downs in the coming months.

The investment manager expects both drawdowns and distributions from the partnerships and direct investments to increase over the coming quarters, whereby the capital called to fund new investment opportunities is likely to exceed the proceeds from exited investments. Any ensuing funding gap should be adequately covered by the new extended credit facility. This, together with the EUR 42.6 million reduction in unfunded commitments with less than 1% impact on NAV, adds further stability to the Princess portfolio and will enable Princess to invest in highly promising investments that arise in the next few years.

Based on a stabilizing of the market environment and the soundness of its balance sheet, the investment manager considers Princess to be well positioned in the current environment.

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2 PRIVATE EQUITY MARKET ENVIRONMENT

The private equity market has shown signs of reaching an inflection point during the third quarter of 2009. The rapid introduction of fiscal and monetary policies to underpin economic growth has translated into an overall pick-up in global GDP, with several developed nations moving out of a technical recession. Private equity investors, who largely stayed on the sidelines during the first half of 2009 to assess the implications of the economic situation on potential acquisition targets, have been gaining greater earnings visibility. The release of the latest macroeconomic data and second-quarter bottom line figures have made the future earnings outlook clearer, promoting an upswing in private equity deal activity.

Gradual increase in private equity investment

Investment activity was relatively muted during the first half of 2009, with private equity deal volume in the first six months down 82% year on year, according to figures from Thomson Reuters. This state of dormancy mainly reflected general partners waiting for signs of stabilization before making new investments. As macroeconomic conditions began to improve during the third quarter, general partners were able to more accurately assess the value of acquisition targets, thus instilling greater confidence in deal making. As a result, global private equity deal volume totaled over USD 38 billion for 641 deals in the third quarter. This figure represents a more than twofold increase in deal volume compared to the second quarter's total of USD 16 billion for 573 deals.

Good investment opportunities arising in current environment

Many of the private equity deals that are currently being negotiated exhibit attractive characteristics. Although multiples have increased somewhat with the rebound in the equity markets, such deals are still typified by lower valuations providing general partners with attractively priced investment opportunities.

In addition, a meaningful percentage of private equity deal flow comprises of companies that are cash-constrained – because of tight credit conditions – and are turning to private equity investors to drive the next stage of their growth plans through introducing cost-cutting measures and implementing long-term growth plans. A notable number of cash-strapped companies are prime candidates for private equity deals because of their value creation potential.

General partners evaluating exit options for mature portfolio companies

Aside from engaging in investment and value creation activities, general partners have been evaluating exit options for a number of their portfolio companies. Plans to exit mature portfolio companies were postponed during the first half of the year because of the lackluster stock markets and wide bid-ask spreads; this has subsequently changed. The increasing stabilization and signs of a resurgence in the exit markets in the third quarter have emboldened general partners to realize underlying investments.

Private equity firms consider IPOs as investor appetite improves

News of positive macroeconomic trends and greater confidence among financial market participants has had the Dow Jones rallying by more than 50% since hitting a 12-year low in early March. Given the improvement in the public markets, a number of private equity houses have started to prepare several of their portfolio companies for initial public offerings (IPOs).

The private equity industry is seeing momentum building in the IPO market: private equity-backed firms Avago Technologies, an analog interface components supplier, and Emdeon Inc, a health record manager, raised USD 745 million and USD 423 million respectively in their IPOs. Given the recent drought in the IPO market, these developments indicate the quality of these companies and the listing of portfolio companies as a viable exit possibility.

In another example, private equity-backed Talecris Biotherapeutics Holdings Corp, a maker of blood-plasma therapies, had a highly impressive debut when it raised USD 950 million in its IPO. This makes Talecris Biotherapeutic's IPO the second-largest offering in the United States this year and the biggest biopharma IPO in the last three years. The company's IPO reportedly marks a partial exit for its major owners.

Private equity investors could well see distribution levels rise in the quarters to come as a result of full and partial exits, provided the capital markets and macroeconomic conditions continue to stabilize.

Trade buyers resume expansion plans

Just as IPOs are fast gaining momentum, so also are trade sales. Merger and acquisition activity has been on an uptick in the third

quarter, with major corporations such as Disney and Kraft announcing multi-billion dollar acquisitions. The increase in mergers and acquisitions can be attributed to pent-up demand from a notable number of cash-rich conglomerates that had held back from deploying capital for the purpose of acquisitions during the recession.

With visibility improving, these buyers are prepared to acquire good quality companies to strengthen their businesses and pursue expansion plans. General partners looking to realize investments in more mature portfolio companies have been evaluating selling their companies to these trade buyers; many have already succeeded in doing so.

Among the more prominent transactions that took place during the quarter was the successful sale of German payment firm easycash to payment solutions group Ingenico for EUR 290 million. Since being acquired by Warburg Pincus, easycash made six acquisitions, expanded its merchant customer base and achieved a twofold increase in transaction volume.

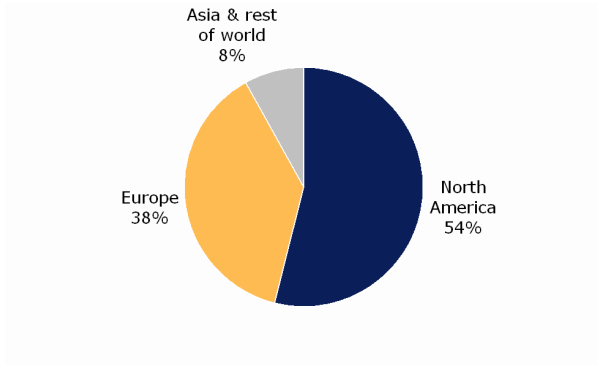
Conditions to become more conducive for investments and exits

To summarize, recent positive financial market developments have stimulated private equity-backed investment and exit activity. However, year-to-date private equity deal volume has yet to reach the levels seen during the same period last year. Nevertheless, the recent upswing in deal activity serves as an encouraging sign for future trends in the private equity landscape, provided that the capital markets continue to show signs of progress.

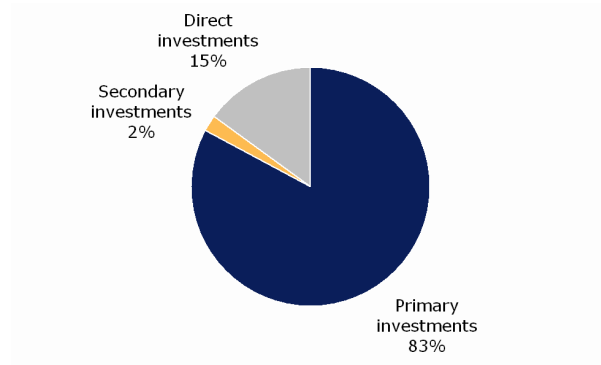
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3 PORTFOLIO ALLOCATION

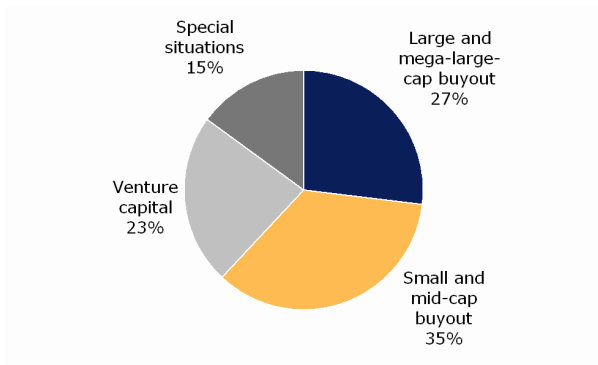
INVESTMENTS* BY GEOGRAPHIC REGION



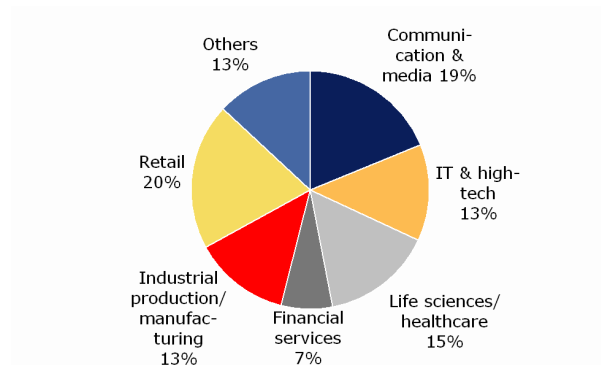
INVESTMENTS* BY INVESTMENT TYPE



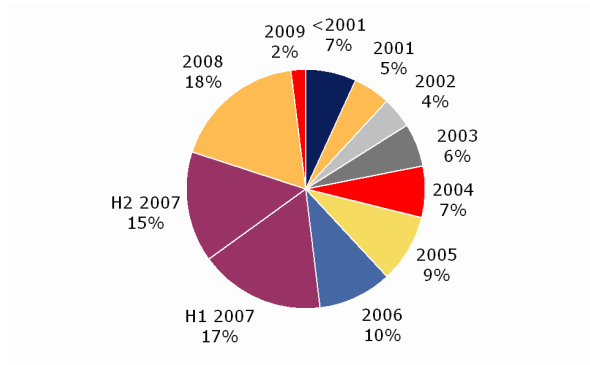
INVESTMENTS* BY FINANCING STAGE



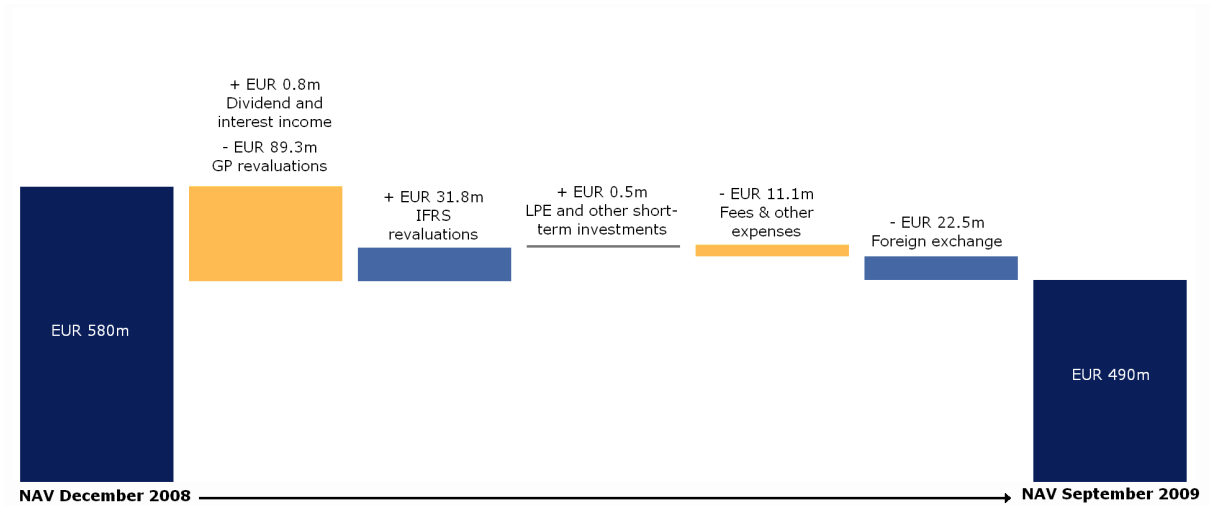
INVESTMENTS* BY INDUSTRY SECTOR



INVESTMENTS* BY INVESTMENT YEAR



NAV PERFORMANCE ATTRIBUTION IN 2009



* based on value of private equity investments

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4 PORTFOLIO

In 2009, Princess funded EUR 34 million in capital calls from partnerships and received EUR 25 million in distributions. Unfunded commitments at the end of the quarter totaled EUR 297 million.

Selected investments

- Apax Europe VII – B, L.P. and Apax US VII, L.P.

In July, Apax Europe VII and Apax US VII, entered into a definitive agreement to acquire Bankrate, Inc., a leading operator of internet consumer banking and personal finance networks. Bankrate aggregates rates and other information on financial products and has a strong market position in the online financial services market. Its extensive network of companies that helps consumers make informed decisions about their personal finance matters serves as a sound platform for further growth. Apax successfully launched a tender offer to acquire all of Bankrate's outstanding common stock for an estimated USD 571 million in cash. The transaction is amongst the biggest private equity deals in 2009, and was successfully completed in September 2009.

- First Reserve Fund XI, L.P.

In July, Dresser, a portfolio company of First Reserve Fund XI and a leading provider of highly engineered infrastructure products for the international energy markets, entered an agreement to acquire assets of iMeter, a global supplier of natural gas metering equipment. iMeter is known for its innovative product design capabilities and engineering expertise, which will strengthen Dresser's product portfolio for the worldwide natural

gas distribution and transmission markets. Dresser intends to build on iMeter's engineering innovations by leveraging its world-class manufacturing operations to supply iMeter products to its customer base globally.

- Summit Ventures VI-B, L.P.

In August, Summit Ventures VI-B's portfolio company FleetCor, the worldwide leader in managing and processing commercial fuel cards, acquired the UK and Ireland fuel card business of Retail Decisions. The acquisition marks the ninth European acquisition since 2006 and will provide significant benefits to FleetCor's customers via a larger acceptance network. The businesses have significant complementary strengths. The acquisition will enable FleetCor to continue its growth strategy through expansion into international markets.

Selected exit

- Warburg Pincus Private Equity IX, L.P.

In September, Warburg Pincus Private Equity IX agreed to sell 100% of German payment firm easycash to payment solutions group Ingenico for EUR 290 million. Since Warburg Pincus acquired the Munich-based easycash in 2006, the company has grown significantly, both organically and via six acquisitions, consolidating its position as a major participant in the German payment sector. The transaction is subject to regulatory review and customary closing conditions.

5 PORTFOLIO OVERVIEW

Primary

Europe - Buyout

3i Eurofund Vb
 3i Europartners IIIA, L.P.
 Advent International GPE VI, L.P.
 Anonymized European Buyout Fund 3
 Anonymized European Buyout Fund 7
 APAX Europe VII - B, L.P.
 August Equity Partners II A, L.P.
 AXA LBO Fund IV
 BC European Capital VIII, L.P.
 Bridgepoint Europe I 'D', L.P.
 Bridgepoint Europe III, L.P.
 Candover 2005 Fund, L.P.
 Clessidra Capital Partners II
 Doughty Hanson & Co V
 ECI 9, L.P.
 Fourth Cinven Fund, L.P.
 Graphite Capital Partners V, L.P.
 HitecVision V, L.P.
 Industri Kapital 2000, L.P.
 Industri Kapital 2007 Fund, L.P.
 Magenta, L.P.
 Mercapital Spanish Private Equity Fund II, L.P.
 Nmas1 Private Equity Fund II, L.P.
 Nordic Capital IV, L.P.
 Nordic Capital VI, L.P.
 Palamon European Equity 'C', L.P.
 Partners Group Direct Investments 2006, L.P.
 Partners Private Equity, L.P.
 Permira Europe II, L.P.
 Quadriga Capital Private Equity Fund II, L.P.
 Quadriga Capital Private Equity Fund III, L.P.
 Segulah II, L.P.
 Terra Firma Capital Partners III, L.P.
 Warburg Pincus International Partners, L.P.

Europe - Venture capital

Abingworth Bioventures III, L.P.
 DFJ Esprit Capital III, L.P.
 European E-Commerce Fund
 European Equity Partners (III), L.P.
 European Equity Partners (IV), L.P.
 GMT Communications Partners II, L.P.

GMT Communications Partners III, L.P.
 Index Ventures Growth I (Jersey), L.P.
 Index Ventures I (Jersey), L.P.
 Sofinnova Capital VI FCPR
 Summit Partners Europe Private Equity Fund, L.P.
 SV Life Sciences Fund II, L.P.
 Ventizz Capital Fund IV, L.P.
 Wellington Partners II, L.P.

Europe - Special situations

AP Investment Europe Limited
 Apollo European Principal Finance Fund (Feeder)
 Collier International Partners III, L.P.
 EQT Infrastructure (No.1) Limited Partnership
 ICG European Fund 2006, L.P.
 ICG Mezzanine Fund 2000 L.P. No. 2
 Innisfree PFI Secondary Fund
 Mezzanine Management Fund III, L.P.
 Penta CLO I S.A..
 Perusa Partners 1, L.P.
 Rutland Fund, The
 Value Enhancement Partners Special Sit. Fund I

Europe - Real estate

Doughty Hanson & Co. European Real Estate Fund
 Partners Group Global Real Estate 2008 LP

North America - Buyout

American Securities Partners III, L.P.
 Anonymized US Buyout Fund 2
 Anonymized US Buyout Fund 8
 Anonymized US Buyout Fund 9
 Apax US VII, L.P.
 Apollo Investment Fund V, L.P.
 Apollo Overseas Partners VI, L.P.
 Apollo Overseas Partners VII, L.P.
 Avista Capital Partners (Offshore), L.P.
 Blackstone Communications Partners I, L.P.
 Bruckmann, Rosser, Sherrill & Co. II, L.P.
 Carlyle Partners III, L.P.
 Clayton, Dubilier & Rice Fund VII L.P.
 Clayton, Dubilier & Rice Fund VIII, L.P.
 Fenway Partners Capital Fund II, L.P.
 Green Equity Investors Side V, L.P.

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Heritage Fund III, L.P.
 INVESCO U.S. Buyout Partnership Fund II, L.P.
 Kohlberg Investors IV, L.P.
 Kohlberg TE Investors VI, L.P.
 Providence Equity Partners IV, L.P.
 Providence Equity Partners VI-A, L.P.
 Silver Lake Partners III, L.P.
 Silver Lake Partners, L.P.
 Sterling Investment Partners II, L.P.
 T3 Partners, L.P.
 Thomas H. Lee Parallel Fund V, L.P.
 Thomas H. Lee Parallel Fund VI, L.P.
 TPG Partners III, L.P.
 TPG VI, L.P.
 Vestar Capital Partners IV, L.P.
 Warburg Pincus Private Equity X, L.P.

North America - Venture capital

Advanced Technology Ventures VI, L.P.
 APAX Excelsior VI, L.P.
 Austin Ventures VII, L.P.
 Battery Ventures VI, L.P.
 Cardinal Health Partners II, L.P.
 Catterton Partners IV Offshore, L.P.
 Chancellor V, L.P.
 Columbia Capital Equity Partners III (Cayman)
 Dolphin Communications Fund, L.P.
 Draper Fisher Jurvetson Fund VII, L.P.
 EnerTech Capital Partners II, L.P.
 Infinity Capital Venture Fund 1999, L.P.
 INVESCO Venture Partnership Fund II, L.P.
 INVESCO Venture Partnership Fund II-A, L.P.
 Lightspeed Venture Partners VI, L.P.
 Menlo Ventures IX, L.P.
 Morgan Stanley Dean Witter Venture Partners IV LP
 Morgenthaler Partners VII, L.P.
 Prism Venture Partners IV, L.P.
 Sevin Rosen Fund VIII, L.P.
 Sierra Ventures VIII-A, L.P.
 Summit Ventures VI-B, L.P.
 SV Life Sciences Fund IV, L.P.
 TA IX, L.P.
 TH Lee Putnam Parallel Ventures, L.P.
 Thomas Weisel Capital Partners, L.P. (Tailwind)
 Vortex Corporate Development Fund, L.P.
 Worldview Technology Partners III, L.P.
 Worldview Technology Partners IV, L.P.

North America - Special situations

Alinda Infrastructure Parallel Fund II, L.P.
 Ares Corporate Opportunities Fund II, L.P.
 Ares Corporate Opportunities Fund III, L.P.
 Blackstone Mezzanine Partners, L.P.
 First Reserve Fund XI, L.P.
 H.I.G Bayside Debt & LBO Fund II, L.P.
 Levine Leichtman Capital Partners II, L.P.
 MatlinPatterson Global Opportunities Partners III
 OCM Mezzanine Fund II, L.P.
 OCM Opportunities Fund III, L.P.
 OCM/GFI Power Opportunities Fund, L.P.
 Pegasus Partners II, L.P.
 Peninsula Fund IV, L.P.
 TCW/Crescent Mezzanine Partners III, L.P.

Asia & Rest of World - Buyout

Abris CEE Mid-Market Fund, L.P.
 Advent Central & Eastern Europe IV, L.P.
 Advent Latin American Private Equity Fund II, L.P.
 Advent Latin American Private Equity Fund IV, L.P.
 Advent Latin American Private Equity Fund V, L.P.
 Affinity Asia Pacific Fund III, L.P.
 Anonymized Asian Buyout Fund 3
 Anonymized Emerging Markets Buyout Fund 1
 Archer Capital Fund 4, L.P.
 CVC Capital Partners Asia Pacific III, L.P.
 DLJ SAP International, LLC
 Exxel Capital Partners VI, L.P.
 GP Capital Partners IV, L.P.
 GP Capital Partners V, L.P.
 Hony Capital Fund 2008, L.P.
 Indium III (Mauritius) Holdings Limited
 Indium IV (Mauritius) Holdings Limited
 Navis Asia Fund V, L.P.
 Navis Asia Fund VI, L.P.
 Newbridge Asia III, L.P.
 Pacific Equity Partners Fund IV, L.P.
 Polish Enterprise Fund IV, L.P.
 Project GIH/Baring Asia
 Russia Partners III, L.P.
 Southern Cross Latin America PE Fund III
 TPG Asia V, L.P.
 Unison Capital Partners III, (B) L.P.

Asia & Rest of World - Venture capital

Anonymized Asian Venture Fund 1
 Anonymized Emerging Markets Venture Fund 2
 Baring Asia Private Equity Fund IV, L.P.
 Carlyle Asia Growth Partners IV, L.P.

Carmel Software Fund (Cayman), L.P.
 CDH Fund IV, L.P.
 ChrysCapital V, LLC
 Crimson Velocity Fund, L.P.
 Enterprise Venture Fund I, L.P.
 Genesis Partners II LDC
 IDG-Accel China Capital Fund
 Jerusalem Venture Partners III, L.P.
 NewMargin Growth Fund, L.P.
 Pitango Venture Capital Fund III
 SBCVC Fund II-Annex, L.P.
 SBCVC Fund III, L.P.

Asia & Rest of World - Special situations

3i India Infrastructure Fund D L.P.
 IDFC Private Equity (Mauritius) Fund III
 Intermediate Capital Asia Pacific Fund 2008
 Standard Chartered IL&FS Asia Infra Growth Fund

Secondary

Affinity Asia Pacific Fund II, L.P.
 Aksia Capital III, L.P.
 Apollo Overseas Partners (Delaware) VII, L.P.
 Ares Corporate Opportunities Fund III, L.P.
 AsiaVest Opportunities Fund IV
 Axcel III K / S 2
 CapVis Equity II, L.P.
 Chase 1998 Pool Participation Fund, L.P.
 Coller International Partners III NW1, L.P.
 Coller International Partners III NW2, L.P.
 Cybernaut Growth Fund, L.P.
 Doughty Hanson & Co. Fund III, L.P.
 Esprit Capital I Fund, L.P.
 Partners Group SPP1 Limited
 Project Razor
 Second Cinven Fund (No.2), L.P.
 Taiwan Special Opportunities Fund III
 William Blair Capital Partners VI, L.P.

Direct

AHT Cooling Systems GmbH
 Arcos Dorados Limited
 AWAS Aviation Holding
 China Forestry Holdings Co. Ltd.
 Diagnostic imaging company
 Direct marketing and sales company
 Distressed debt purchase
 Education publisher

Essmann
 Food company 1
 Health product retailer
 Healthcare operator2
 Healthcare operator4
 Indian communications company
 Information service company
 Japanese financial institution
 Kofola S.A.
 Luxury good company
 Media and communications company
 Media company
 Myriad Group AG
 Non-performing loan portfolio II
 Opportunistic Direct Investments
 Plantasjen ASA
 The Readers' Digest Association, Inc.
 Universal Hospital Services, Inc.
 US entertainment company

Listed

Partners Group Private Equity Performance Holding

Some names may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees.

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6 FINANCIAL STATEMENTS

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Income statement

for the period from 01 January 2009 to 30 September 2009

In thousands of EUR

	Notes	01.07.2009 30.09.2009	01.01.2009 30.09.2009	01.07.2008 30.09.2008	01.01.2008 30.09.2008
Net income from designated financial assets at fair value through profit or loss		(1'284)	(69'118)	32'849	15'586
<i>Private Equity</i>		(3'013)	(60'969)	28'555	12'603
Interest & dividend income		-	(138)	5	7
Revaluation	5	9'875	(48'277)	(10'338)	(615)
Net foreign exchange gains / (losses)	5	(12'888)	(12'554)	38'888	13'211
<i>Private Debt</i>		3'138	(8'678)	4'211	2'691
Interest income (including PIK)		302	905	525	1'516
Revaluation	5	2'974	(9'777)	556	48
Net foreign exchange gains / (losses)	5	(138)	194	3'130	1'127
<i>Private Real Estate</i>		(1'409)	(17)	83	292
Revaluation	5	(1'393)	(14)	-	284
Net foreign exchange gains / (losses)	5	(16)	(3)	83	8
<i>Private Infrastructure</i>		-	546	-	-
Revaluation	5	-	546	-	-
Net income from financial assets at fair value through profit or loss held for trading		341	479	(2'883)	(7'997)
<i>Net income from opportunistic investments</i>		341	479	(2'883)	(7'997)
Revaluation	6	341	479	(2'883)	(7'997)
Net income from cash & cash equivalents and other income		111	342	528	1'578
Interest income		6	28	484	1'978
Net foreign exchange gains / (losses)		105	314	44	(400)
Total Net Income		(832)	(68'297)	30'494	9'167
Operating expenses		(3'470)	(10'160)	(4'731)	(12'721)
Management fee		(2'997)	(9'561)	(3'823)	(10'980)
Incentive fee		(533)	(333)	(503)	(797)
Administration fee		(62)	(171)	(80)	(245)
Other operating expenses		(120)	(396)	(141)	(531)
Other net foreign exchange gains / (losses)		242	301	(184)	(168)
Other financial activities		(871)	(11'342)	(3'325)	15'769
Setup expenses - credit facility		(415)	(415)	-	-
Interest expense - credit facility		(79)	(176)	(34)	(101)
Other interest expense		(5)	(6)	-	-
Other finance cost		(3)	(4)	(1)	(3)
Net result from hedging activities		(369)	(10'741)	(3'290)	15'873
Surplus / (loss) for the financial period		(5'173)	(89'799)	22'438	12'215
Other comprehensive income for the period; net of tax		-	-	-	-
Total comprehensive income for the period		(5'173)	(89'799)	22'438	12'215

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Earnings per share

Weighted average number of shares outstanding	70'100'000	70'100'000	70'100'000	70'100'000
Basic surplus / (loss) per share for the financial period	(0.07)	(1.28)	0.32	0.17

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

Balance sheet
as at 30 September 2009

<i>In thousands of EUR</i>	Notes	30.09.2009	31.12.2008
ASSETS			
<i>Designated assets at fair value through profit or loss</i>			
Private Equity	5	444'204	496'102
Private Debt	5	39'603	49'167
Private Real Estate	5	3'895	5'113
Private Infrastructure	5	2'057	-
Non-current assets		489'759	550'382
Financial assets at fair value through profit or loss held for trading	6	710	6'830
Other short-term receivables		1'313	784
Hedging assets		7'457	12'559
Cash and cash equivalents	7	7'079	13'707
Current assets		16'559	33'880
TOTAL ASSETS		506'318	584'262
LIABILITIES			
Share capital		70	70
Reserves	8	668'882	668'882
Retained Earnings		(179'092)	(89'293)
Total Equity		489'860	579'659
Short term credit facilities	10	11'829	-
Other short-term payables		4'629	4'603
Liabilities falling due within one year		16'458	4'603
TOTAL LIABILITIES		506'318	584'262

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Statement of changes in equity

for the period from 01 January 2009 to 30 September 2009

<i>In thousands of EUR</i>	Share capital	Reserves	Retained Earnings	Total
Equity at beginning of reporting period	70	668'882	(89'293)	579'659
Other comprehensive income for the period; net of tax			-	-
Surplus / (loss) for the financial period			(89'799)	(89'799)
Equity at end of reporting period	70	668'882	(179'092)	489'860

for the period from 01 January 2008 to 30 September 2008

<i>In thousands of EUR</i>	Share capital	Reserves	Retained Earnings	Total
Equity at beginning of previous period	70	689'912	(13'775)	676'207
Dividend paid	-	(21'030)	-	(21'030)
Other comprehensive income for the period; net of tax			-	-
Surplus / (loss) for the financial period		-	12'215	12'215
Equity at end of previous period	70	668'882	(1'560)	667'392

Cash flow statement

for the period from 01 January 2009 to 30 September 2009

<i>In thousands of EUR</i>	Notes	01.01.2009 30.09.2009	01.01.2008 30.09.2008
Operating activities			
Surplus / (loss) for the financial period		(89'799)	12'215
<i>Adjustments:</i>			
Foreign exchange result		11'748	(13'778)
Investment revaluation		57'043	8'280
Net gain / (loss) on interest & dividends		(613)	(3'400)
(Increase) / decrease in receivables		4'587	(2'253)
Increase / (decrease) in payables		111	3'613
Purchase of private equity investments	5	(32'422)	(93'477)
Purchase of private debt investments	5	(1'139)	(4'743)
Purchase of private real estate investments	5	1'201	(2'790)
Purchase of private infrastructure investments	5	(1'511)	(590)
Distributions of private equity investments	5	23'489	54'267
Distributions of private debt investments	5	1'523	1'498
Distributions of private real estate investments	5	-	407
Sale of opportunistic investments	6	6'599	6'367
Interest & dividends received		391	4'415
Net cash from / (used in) operating activities		(18'792)	(29'969)
Financing activities			
Increase / (decrease) in credit facilities		12'032	-
Interest expense - credit facility		(176)	(101)
Interest expense on prepayments		(6)	-
Distribution of dividends		-	(21'030)
Net cash from / (used in) financing activities		11'850	(21'131)
Net increase / (decrease) in cash and cash equivalents		(6'942)	(51'100)
Cash and cash equivalents at beginning of reporting period	7	13'707	80'259
Movement in exchange rates		314	(400)
Cash and cash equivalents at end of reporting period	7	7'079	28'759

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Notes to the financial statements

for the period from 01 January 2009 to 30 September 2009

1 Organisation 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 operates in the private equity and private debt market and invests directly or through its wholly-owned subsidiary, Princess Private Equity Subholding Limited ("the Subsidiary"), in private market investments.

Since 13 December 2006 the shares of the Company have been listed on the Prime Standard of the Frankfurt Stock Exchange. As of 1 November 2007 the shares have also been listed on the London Stock Exchange.

2 Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed financial statements do not include all the information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 December 2008.

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated annual financial statements for the year ended 31 December 2008, except for the adoption of the following amendments mandatory for annual periods beginning on or after 1 January 2009.

IFRS 2 - Share based payments
IFRS 7 - Financial instruments
IFRS 8 - Operating segments

IAS 1 - Presentation of financial statements
IAS 16 - Property, plant and equipment
IAS 19 - Employee benefits
IAS 20 - Government grants and disclosure of government assistance
IAS 23 - Borrowing costs
IAS 27 - Consolidated and separate financial statements
IAS 28 - Investment in associates
IAS 31 - Interests in joint ventures
IAS 32 - Financial instruments: presentation
IAS 36 - Impairment of assets
IAS 38 - Intangible assets
IAS 39 - Recognition and measurement
IAS 40 - Investment property
IAS 41 - Agriculture

IFRIC 15 - Agreements for the construction of real estate
IFRIC 16 - Hedges of a net investment in a foreign operation

The board of Directors has assessed the impact of these amendments and concluded that these standards and new interpretations will not affect the Group's results of operations or financial position.

The adoption of IFRS 8 - Operating segments requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes and therefore results in presentational changes within these financial statements. Operating segments are reported in a manner consistent with the internal reporting of Partners Group AG, the investment advisor and are based on the following segments: private equity, private debt, private real estate, private infrastructure and private resources.

The investment advisor assesses the performance of the operating segments based on net income from designated financial assets at fair value through profit or loss. This measurement basis excludes additional income and expenses which are not allocated to segments but are managed by the administrator on a central basis.

3 Change in accounting policy

With effect from 1 January 2009, interest and dividend income received from financial assets at fair value through profit or loss, other than those derived from assets within the operating segment private debt or where the fund holds a direct interest, are recognized against the cost or fair value of the applicable financial asset in the period in which they arise or the right to receive payments is established.

As in previous accounting periods, gains and losses arising from changes in the fair value of the "financial assets or financial liabilities at fair value through profit or loss" category are presented in the income statement in the period in which they arise.

Interest and dividend income derived from assets within the operating segment private debt or where the fund holds a direct interest continue to be recognized in the income statement within interest and dividend income, when the right to receive payments is established.

4 Segment calculation

<i>In thousands of EUR</i>	Private Equity		Private Debt		Private Real Estate		Private Infrastructure		Non attributable		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Interest & dividend income	(138)	7	905	1'516	-	-	-	-	28	1'978	795	3'501
Revaluation	(48'277)	(615)	(9'777)	48	(14)	284	546	-	479	(7'997)	(57'043)	(8'280)
Net foreign exchange gains / (losses)	(12'554)	13'211	194	1'127	(3)	8	-	-	314	(400)	(12'049)	13'946
Total Net Income	(60'969)	12'603	(8'678)	2'691	(17)	292	546	-	821	(6'419)	(68'297)	9'167
Segment Result	(60'969)	12'603	(8'678)	2'691	(17)	292	546	-	(9'339)	(19'140)	(78'457)	(3'554)
Other financial activities not allocated											(11'342)	15'769
Surplus / (loss) for the financial period											(89'799)	12'215

5 Designated assets at fair value through profit or loss

5.1 Private Equity

<i>In thousands of EUR</i>	30.09.2009	31.12.2008
Balance at beginning of period		496'102
Purchase of limited partnerships and directly held investments		32'422
Distributions from limited partnerships and directly held investments; net		(23'489)
Revaluation		(48'277)
Foreign exchange gains / (losses)		(12'554)
Reclassification		13'466
Balance at end of period	444'204	496'102

5.2 Private Debt

<i>In thousands of EUR</i>	30.09.2009	31.12.2008
Balance at beginning of period		49'167
Purchase of limited partnerships and directly held investments		1'139
Distributions from limited partnerships and directly held investments; net		(1'523)
Accrued cash and PIK interest		403
Revaluation		(9'777)
Foreign exchange gains / (losses)		194
Balance at end of period	39'603	49'167

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5.3 Private Real Estate

In thousands of EUR

	30.09.2009	31.12.2008
Balance at beginning of period	5'113	870
Purchase of limited partnerships and directly held investments	(1'201)	4'650
Distributions from limited partnerships and directly held investments; net	-	(500)
Revaluation	(14)	(265)
Foreign exchange gains / (losses)	(3)	358
Balance at end of period	3'895	5'113

5.4 Private Infrastructure

In thousands of EUR

	30.09.2009	31.12.2008
Purchase of limited partnerships and directly held investments	1'511	-
Revaluation	546	-
Balance at end of period	2'057	-

6 Financial assets at fair value through profit or loss held for trading

In thousands of EUR

	30.09.2009	31.12.2008
Balance at beginning of period	6'830	31'284
Sale of listed private equity investments	(6'599)	-
Revaluation	479	(24'454)
Balance at end of period	710	6'830

7 Cash and cash equivalents

In thousands of EUR

	30.09.2009	31.12.2008
Bank balances	4'079	13'707
Cash equivalents	3'000	-
Total cash and cash equivalents	7'079	13'707

8 Capital

Reserves

In thousands of EUR

	30.09.2009	31.12.2008
Distributable reserves		
Distributable reserves at beginning of reporting period	668'882	689'912
Dividend payment	-	(21'030)
Total distributable reserves at end of reporting period	668'882	668'882

9 Long term credit facility

As of 25 September 2009, the Company entered into a long term credit facility with among others a large international bank, consisting initially of a senior revolving facility of EUR 20 million and a junior facility of another EUR 20 million. The purpose of the overall facility is, inter alia, to be able to meet future capital payments to the extent they exceed distributions received.

The facility amounts may be adjusted subject to the financial requirements of the Company and in line with the terms of the facility agreements. As at 30 September 2009, the facility amounts were; senior revolving facility EUR 20 million and junior facility EUR 20 million.

The credit facilities are due to terminate on 25 September 2012.

Interest is calculated using the EURIBOR rate on the date of the advance plus a margin. The margin, on any drawdowns, of the senior tranche is 5% p.a. and on the junior tranche is 8.75% p.a.

There is a non utilisation fee which is payable quarterly in arrears and is calculated at 2.25% per annum on the amount of the senior revolving facility; no such fee is due on the junior facility.

The facilities are secured, inter alia, by way of a security agreement over the entire issued share capital of Princess Private Equity Subholding Limited and a pledge over the bank accounts.

10 Short term credit facility

In thousands of EUR

30.09.2009 **31.12.2008**

Balance at end of period

11'829 **-**

The Company entered into a revolving credit facility with Bank of Scotland on 31 December 2002 for a maximum of USD 130'000'000. Security is inter alia, by way of a security agreement over the entire issued share capital of Princess Private Equity Subholding Limited. The credit facility has been reduced to USD 50'000'000 by the Company.

The credit facility is due to terminate on 31 December 2009.

Interest is calculated using a LIBOR rate on the day of the advance plus a margin. The margin depends on the total drawdown amount. An additional margin may be added if the ratio of Net Asset Value to the borrowings due to Bank of Scotland (including capitalised interest) is less than 5:1.

There is a non utilisation fee which is payable yearly in arrears and this is calculated at 0.40% per annum on the average undrawn amount of the revolving credit during the period.

11 Commitments

In thousands of EUR

30.09.2009 **31.12.2008**

Unfunded commitments translated at the rate prevailing at the balance sheet date

296'695 374'928

12 Net assets and diluted assets per share

In thousands of EUR

30.09.2009 **31.12.2008**

Net assets of the Company

489'860 579'659

Outstanding shares at the balance sheet date

70'100'000 70'100'000

Net assets per share at period-end

6.99 8.27

13 Shareholders above 3% of Ordinary shares issued

Shares held

3'551'206 (5.07%; CVP/CAP)

6'095'900 (8.70%; Deutsche Asset Management Investmentgesellschaft GmbH)

6'000'000 (8.56%; VEGA Invest Fund PLC)

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Registered number: 35241

Investment manager

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Guernsey, Channel Islands

Auditor

PricewaterhouseCoopers CI LLP

Trading information

Listing	Frankfurt Stock Exchange	London Stock Exchange
ISIN	DE000A0LBRM2	GG00B28C2R28
WKN	A0LBRM	A0LBRL
Valor	2 830 461	2 830 461
Trading symbol	PEY1	PEY
Bloomberg	PEY1 GR	PEY LN
Reuters	PEYGz.DE/PEYGz.F	PEY.L
Designated sponsor	Sal. Oppenheim jr. & Cie.	JPMorgan Cazenove

