PRINCESS PRIVATE EQUITY HOLDING LIMITED

QUARTERLY REPORT Q1 2011

Unaudited financial statements for the period from
1 January 2011 to 31 March 2011

Princess

PRINCESS PRIVATE EQUITY HOLDING LIMITED

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

TABLE OF CONTENTS

1 KEY FIGURES

IN EUR	31 MARCH 2011	31 DECEMBER 2010
Net asset value (NAV)	603'751'854	609'032'745
NAV per share	8.63	8.69
Closing price (Frankfurt)	6.25	6.35
Discount to NAV (Frankfurt)	-27.58%	-26.91%
Closing price (London)	6.27	6.25
Discount to NAV (London)	-27.35%	-28.06%
Cash and cash equivalents	71'368'137	49'148'524
Use of credit facility	32'500'000	32'500'000
Value of private equity investments	562'504'739	588'886'327
Undrawn commitments	176'567'537	210'394'209
Investment level	93.17%	96.69%
Overcommitment	22.41%	31.24%
Overcommitment incl. credit line	11.65%	20.57%

2 INVESTMENT MANAGER'S REPORT

Continued momentum for investment valuations

Having performed well in 2010 with a gain of +18.4%, the net asset value (NAV) of Princess eased by 0.7% in the first quarter of 2011 to close at EUR 8.63 per share.

Revaluations of underlying companies in the Princess portfolio continued the strong momentum of recent quarters and contributed +3.1% to the overall performance of the NAV. The revaluations were largely driven by the improved operating results of the portfolio companies, which benefited from the positive global economic developments.

Foreign exchange movements, however, had an adverse impact on the NAV of -3.0% due to the strong appreciation of the euro against the US dollar in the first quarter of 2011, although this negative impact was partly mitigated by Princess' currency hedging strategy.

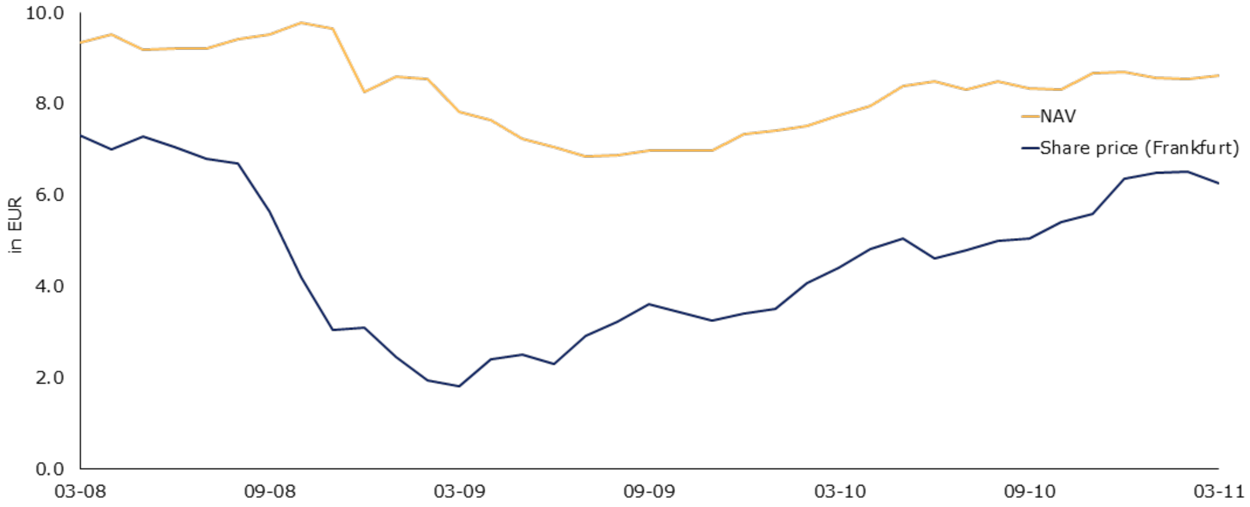
Portfolio companies' strong operational development

The continued positive valuation contributions of Princess' portfolio companies largely reflected their strong operational development over the past few quarters. The 30 largest companies in the Princess portfolio, representing around 25% of the NAV, posted weighted average year-on-year revenue and earnings (EBITDA) growth of +9.0% and +12.8%, respectively. In terms of valuations, the 30 largest portfolio companies were valued at a weighted average multiple of 9.5x EBITDA (based on historical EBTIDA over the past twelve months) as of 31 March 2011. Further details about the valuation metrics can be found in Chapter 4 of this report.

Share price flat after +87.3% gain in 2010

Having performed strongly in 2010 with a gain of +87.3%, the Princess share price declined slightly by -1.6% during the first quarter of

PRICE AND NAV DEVELOPMENT (LAST THREE YEARS)



2011 to close the reporting period at EUR 6.25 per share on the Frankfurt Stock Exchange. Despite having achieved significant milestones with the strategic repositioning of Princess over the past few months, the share was trading at a discount of 27.6% as of the end of March 2011. The Investment Manager believes such a large discount does neither reflect the high quality of the Princess portfolio nor the active management steps taken by the Board and the Investment Manager.

First new direct investment is completed

Princess continued to capitalize on the attractive investment environment in the first quarter of 2011, deploying EUR 22.9 million in new investment opportunities against EUR 24.2 million in the fourth quarter of 2010. In March, Princess completed its first new direct investment by making a EUR 5.6 million direct mezzanine investment in Newcastle Coal Infrastructure Group (NCIG), an Australian operator of a coal export terminal strategically located in the Port of Newcastle, the capacity of which is currently being expanded to 53 million tons per annum.

The Princess portfolio is mature and therefore enjoyed a large number of successful exits during the past quarter, with distribution proceeds from realized portfolio companies totaling EUR 26.9 million, compared to EUR 34.0 million in the fourth quarter of 2010. Princess received distributions from, among others, the realization of Ardian, a developer of catheter-based therapies to treat hypertension and related conditions. The company has raised around USD 66 million in seed funding from investors since it was founded in 2003 and was reportedly sold for at least USD 800 million which translates into an aggregate return of more than 12x the original investment.

Full investment level

Distributions from realizations of portfolio companies exceeded capital deployed in new investments by EUR 4.0 million during the first quarter. In addition, Princess received EUR 21.2 million from the secondary sales program. Consequently, Princess has further strengthened its liquidity position and thus has sufficient cash to carry out new direct investments in order to enable the gradual redirection of its investment focus and the return of capital to shareholders via share buybacks and dividends over the next quarters. Overall, Princess held EUR 71.4 million in cash and cash equivalents as of the end of March 2011 and had drawn down EUR 32.5 million under the credit facility, which currently amounts to EUR 65.0 million and can potentially be increased to EUR 90.0 million. This translated into an investment level of 93.2% and a net liquidity position of 6.8% of NAV, respectively, as of the end of March 2011.

More than 15% decrease in unfunded commitments

Unfunded commitments in the Princess portfolio decreased by around 16% in the first quarter of 2011 to EUR 176.6 million, down from EUR 210.4 million as of the end of 2010. Around 22% of the Company's unfunded commitments stem from funds with vintage year 2000 and older that are unlikely to call down anymore capital as they should have already completed their investment period.

Further milestones in repositioning are achieved

During the first quarter of 2011, Princess reached significant milestones in its efforts to strategically reposition itself and close the discount to the NAV in the medium to long term. Firstly, Princess completed the secondary sales program, which consisted of interests in nine buyout funds. These were sold at an aggregate discount of 7.7% to the general partners' valuations as of the respective cut-off dates of the transactions, taking post year-end cash flows into account. The secondary sales generated total cash proceeds of EUR 50.1 million as of the end of 2010 and the beginning of 2011. Secondly, Princess started the share buyback program in January 2011. The Company purchased 142'209 of its own shares for EUR 0.9 million in the first quarter. Share repurchases during the first quarter were accretive to Princess' NAV per share by 0.1%. And thirdly, Princess started with the gradual redirection of its investment focus towards direct investments by closing the first new direct private debt investment in Newcastle Coal Infrastructure Group.

Outlook

The companies in the Princess portfolio have performed strongly over the past few quarters, posting substantial increases in overall revenues and earnings. The Investment Manager expects this trend to continue, provided the global economy remains on track. This should result in further positive contributions to Princess' NAV over the months to come.

The Investment Manager expects the exit environment to improve further over the coming quarters and this should have a particularly strong effect on the mature Princess portfolio as 28% of Princess' current investments were made before 2006. These portfolio companies have been developed over the past few years with an eye to being exited in the medium term. Trade sales, secondary buyouts and initial public offerings (IPOs) have all seen increased momentum. As an example, Princess' largest portfolio company General Nutrition Centers (GNC), a US-based retailer of nutritional supplements, completed its IPO on the New York Stock Exchange on 1 April this year. GNC has been growing substantially since Princess made a direct investment in the company in 2007. The exit thus generated a significant gain for Princess, further highlighting the strong direct investments track record of the Company’s Investment Advisor Partners Group.

Considerable progress has been made with the strategic repositioning of Princess over the past few quarters, and the Investment Manager intends to focus on completing further direct investments over the coming months. With the anticipated resumption of dividend payments in the short term with an annual target of 5-8% of NAV and the continuation of the share buyback program, the Investment Manager is confident that these active repositioning measures will create further value for Princess' shareholders.

3 PRIVATE EQUITY MARKET ENVIRONMENT

Promising start to 2011

The year 2011 started promisingly, with the global economy continuing to grow at a healthy rate. In the United States, the outlook for first-quarter GDP growth was revised upwards following an increase in industrial production and improving consumer sentiment at the beginning of the year. Economic growth in the emerging markets remained ahead of that in the developed world, while the ratification of the EU Reform Treaty at the end of March saw an important step being taken to resolve the debt crisis in Europe.

The positive economic conditions were accompanied by the latest corporate results that showed most companies had exceeded expectations for the fourth quarter of 2010. Some 70% of S&P 500 companies had exceeded earnings estimates, by 5.0% on average; and European companies' earnings also came in above expectations. Supported by strong corporate results, equities performed well - for instance, the S&P 500 was up by 5.4% and the Euro Stoxx 50 index by 4.2%.

Unexpected events in the latter part of the quarter affected growth, however. The earthquake and tsunami in Japan along with the human toll and subsequent concerns over nuclear safety as well as unrest in the Middle East and North Africa resulted in a temporary increase in volatility in the financial markets and sent global oil prices soaring. Nevertheless, with the exception of Japan, equities largely managed to weather the storm, signaling market participants' belief that the positive economic trends are sustainable. From an economics perspective, the positive medium- to long-term effects should outweigh the negatives as reconstruction work in Japan should lead to higher GDP growth from the second half of 2011 onwards.

On the other hand, the popular uprisings in the Middle East have resulted in higher oil prices, triggering fears that GDP growth rates for 2011 will have to be revised downwards.

M&As supported by strong business confidence and debt availability

Despite the recent economic uncertainties, improving business confidence and credit availability continued to fuel strong M&A activity during the first quarter of 2011.

Global M&A deal value totaled USD 591 billion in the first quarter of 2011, nearly 30% higher than in the same quarter of 2010. The US market had its biggest quarter in almost four years, with M&As up by 85.1% compared to the same quarter in 2010. It was the strongest first quarter on record for the BRIC region, whereas for the emerging markets M&As dropped by 8.5% against the corresponding period in 2010. European M&A activity had its busiest first quarter in three years with USD 169 billion worth of M&A deals, a 32.7% increase compared to the same period in 2010. The Asia-Pacific region (excluding Japan) saw its most active first quarter in four years with USD 79 billion in deals, up 18.3% from the comparative period in 2010. Energy, mining and utilities were the most active sectors by value in the first quarter with deals totaling USD 155.8 billion, up 49.7% from the first quarter of 2010.

The stronger global M&A deal flow was supported by increased leveraged loan issuance, which more than doubled in the first quarter year on year to EUR 90 billion from EUR 37 billion. In Europe, the leveraged loan volume increased at a lower rate of over 20%, from EUR 9 billion in the first quarter of 2010 to EUR 11 billion in the first quarter of 2011.

Private equity-backed deal flow remains robust

Thanks to corporates' bigger appetite for trade and strategic sales and the availability of debt, private equity deal flow continued to be strong on a year-on-year basis, in line with the overall global M&A trend.

During the first quarter of 2011, there were a total of 623 private equity-backed deals worth a combined USD 50 billion. This was 72% higher than during the same period in 2010. There was a sharp increase in deals originating from Asia and the emerging markets, whereas US and European deal flow saw a slight seasonal weakening over the fourth quarter of 2010. Furthermore, fund managers in these regions focused on exits, which resulted in a lack of large and mega buyout investment activity in the first quarter.

Provided economic momentum remains robust, deal flow will continue to grow, driven by greater availability of leverage and recent successful fundraising activities which will give private equity fund managers additional investment capacity. A good indication of accessibility to debt could be seen in leveraged buyout deals completed in the first quarter.

According to Thomson Reuters, leveraged buyouts accounted for 60% of the aggregate value and just over 40% of the number of deals that took place globally in the first quarter. In the leveraged buyout space, there was a return to large-cap deals, with these accounting for 40% of all leveraged buyouts during the period.

Private equity-backed exits remained at record levels in the first quarter: private equity firms were not only able to capitalize on a greater appetite for M&As, but also on the buoyant financial markets which increasingly provided an attractive exit route for performing and well-established companies. A total of 254 private equity-backed exits were completed in the first quarter and totaling USD 77 billion in value this was almost on a par with the record levels set in the fourth quarter of 2010.

Initial public offering (IPO) activity in the first quarter of this year was concentrated in the United States, which accounted for more than 90% of total proceeds raised. During the first three months of 2011, total IPO proceeds raised in the United States increased to USD 12.4 billion from USD 4.2 billion in the comparative 2010 period. Private equity-backed IPOs dominated the new listings, with the top three private equity-backed IPOs accounting for over half of total IPO proceeds raised in the United States: Houston-based oil pipeline operator Kinder Morgan raised USD 2.9 billion; marketing and advertising research company Nielsen Holdings raised USD 1.6 billion; and hospital chain HCA Holdings raised USD 3.8 billion. To put this in context, there was only one deal in 2010 which passed the one billion dollar mark and that was the USD 15.8 billion relisting of the General Motors Company.

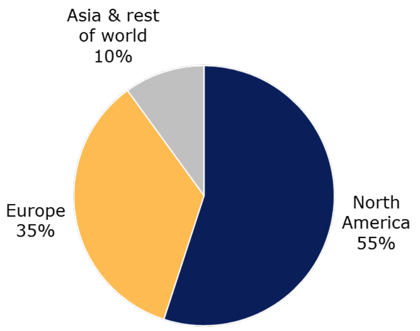
On the fundraising side, US private equity funds secured USD 32 billion for 89 funds during the first quarter, more than double the USD 14 billion raised across 81 funds during the same period last year. European firms collected USD 8 billion during the quarter, up 39% from the USD 6 billion raised a year earlier. Overall, global buyout capacity remains at a relatively high level of approximately USD 412 billion, with 46% of the capacity being held by mega-buyout firms, according to research group Preqin.

Outlook

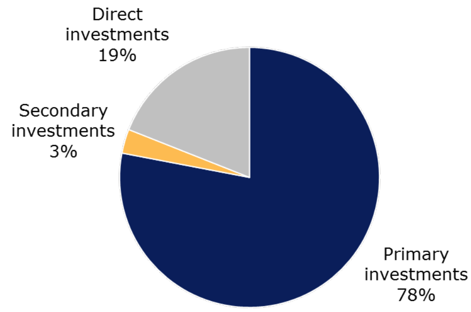
Macro uncertainty is likely to persist into the medium term, but should be offset to some extent by positive sentiments regarding improving economic trends. Concerns about rising inflation and interest rates have had no significant impact on M&A activity so far this year, as it has continued to benefit from growing corporate confidence, increased availability of debt financing and high levels of cash on corporate balance sheets. This should spur investment and exit activity in the private equity industry in the quarters to come.

4 PORTFOLIO COMPOSITION

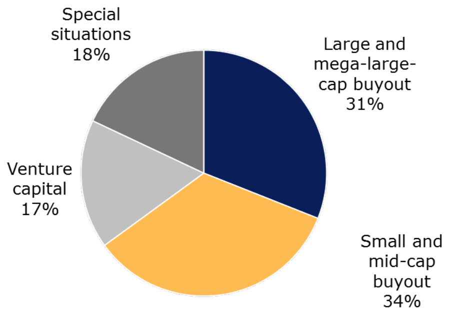
INVESTMENTS BY GEOGRAPHIC REGION



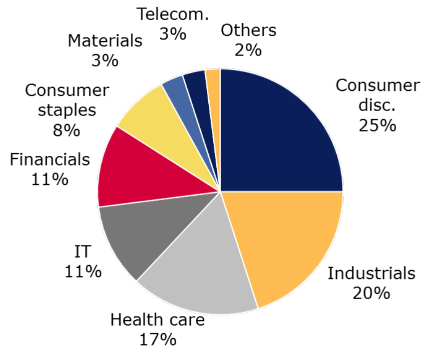
INVESTMENTS BY INVESTMENT TYPE



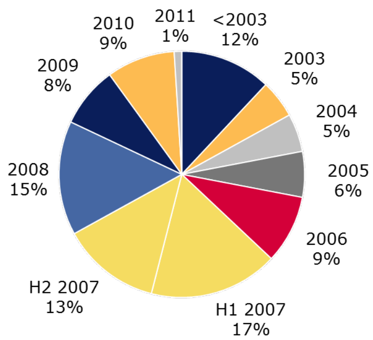
INVESTMENTS BY FINANCING STAGE



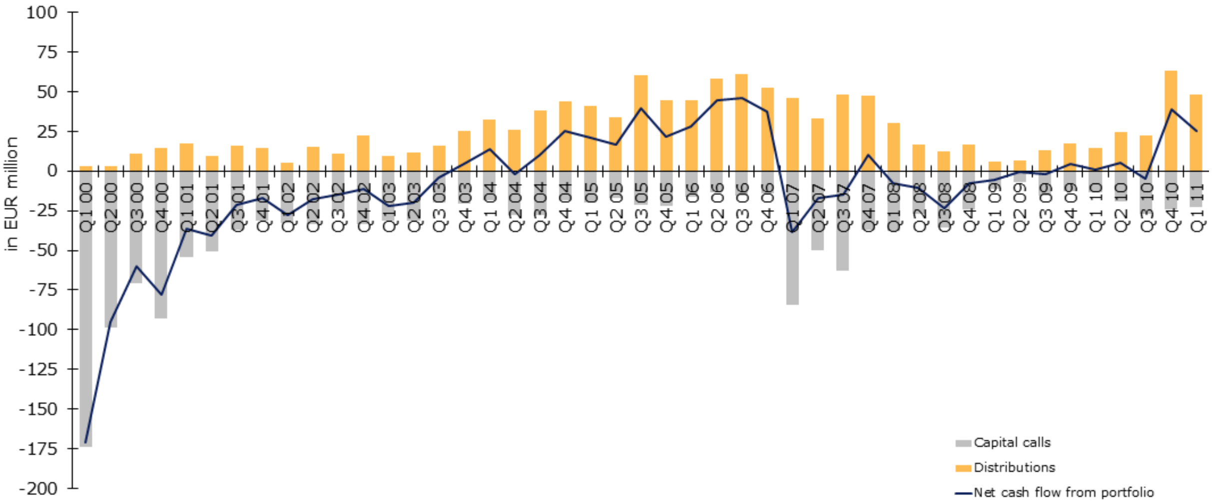
INVESTMENTS BY INDUSTRY SECTOR



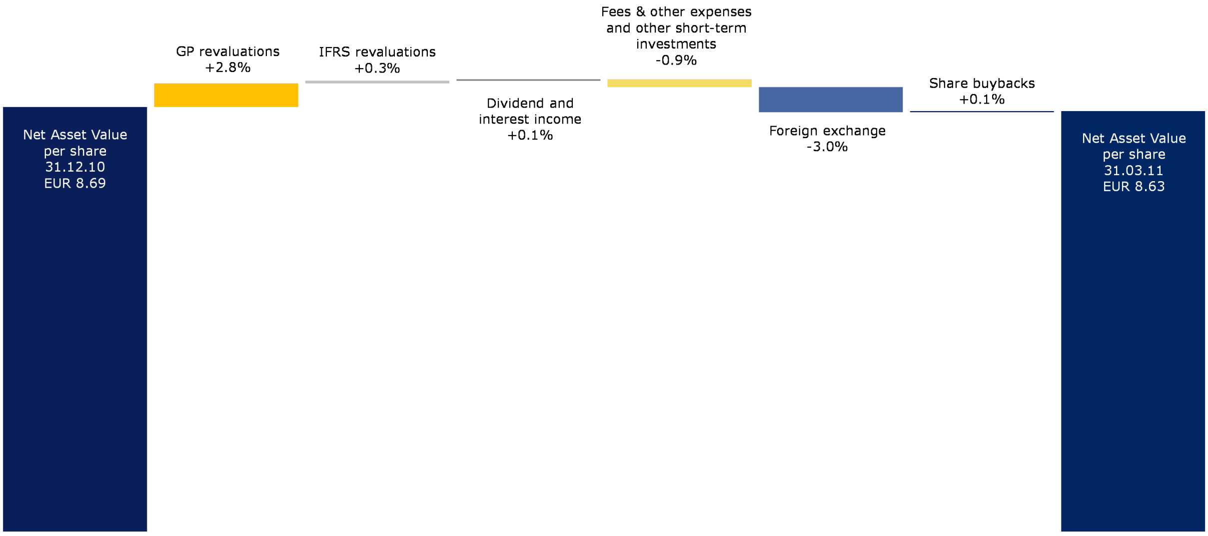
INVESTMENTS BY INVESTMENT YEAR



DEVELOPMENT OF NET CASH FLOWS



NAV PERFORMANCE ATTRIBUTION IN 2011



VALUATION METRICS OF 30 LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Princess-Portfolio			Aktuelle Transaktionen	
	Top 10	Top 20	Top 30	Europa	USA
Unternehmenswert/ EBITDA	9.2x	9.4x	9.5x	9.2x	8.5x
Fremdkapital/ EBITDA	3.7x	3.9x	4.2x	4.2x	3.9x
Verschuldungsgrad	39.4%	43.1%	45.0%	49.4%	56.2%

"Investments" refers to the value of investments.

*As of 31 March 2011 and based on available information. Valuation and performance metrics are weighted averages based on the value of the underlying portfolio companies in the latest general partner report; the 30 largest underlying private portfolio companies exclude listed investments, fully realized investments and distressed debt investments. Source for current transactions: S&P LCD Leveraged Loan Review Q4 2010, current transactions represent the period from 1 January 2010 – 31 December 2010, leverage for current transactions based on average equity contribution (including rollover equity). Debt / EBITDA ratio based on net debt for Princess and gross debt for current transactions.

The above allocations are provided for additional investor information only and do not necessarily constitute nor are necessarily managed as separate reportable segments by the Investment Manager, the Investment Advisor and Company.

5 PORTFOLIO TRANSACTIONS

So far in 2011, Princess funded EUR 22.9 million for new investments and received EUR 26.9 million in distributions from realized portfolio companies. Unfunded commitments at the end of March 2011 totaled EUR 176.6 million.

Selected investments

■ Brit Insurance Holding

In February, Apollo Overseas Partners VII called capital from Princess to fund the previously announced acquisition of Brit Insurance Holding, a general insurance and reinsurance group providing commercial insurance products. The deal values the insurer at up to GBP 888 million. The currently high dividend yield of more than 8% reflects Brit's strong cash resources making it an attractive private equity investment opportunity. Brit has offices in Europe, North America, Asia and Australia and offers worldwide protection with its diverse portfolio of over 70 classes of insurance and reinsurance offerings.

■ Newcastle Coal Infrastructure Group

In March, Princess completed a direct mezzanine investment into Newcastle Coal Infrastructure Group, an Australian coal export terminal located in the Port of Newcastle and currently being expanded to a capacity of 53 million tons per annum. The subordinated debt tranche worth EUR 5.6 million offers attractive terms with strong downside protection due to secure revenue streams which are based on long-term "ship or pay" agreements, wherein a buyer agrees to pay for contracted transportation capacity regardless of actually transported volumes.

■ Gerflor

Also in March, Princess received a capital call for the EUR 500 million acquisition of Gerflor, an international flooring specialist headquartered in France. Gerflor employs around 2'000 people across its 12 manufacturing plants and logistic hubs worldwide, has sales in more than 100 countries and achieved a turnover of EUR 448 million in 2010. ICG European Fund 2006 is buying Gerflor from AXA Private Equity and aims to support the management to execute its development strategy including further international expansion both organically and through acquisitions.

Selected exits

■ Ardian

In January, Princess received a distribution from the exit of Ardian, a company located in California that develops catheter-based therapies to treat hypertension and related conditions. Ardian was recently acquired by US medical technology company Medtronic for a cash payment of USD 800 million plus potential additional payments based on the company's annual revenue growth over the next four and a half years. Over the past few years, Ardian has been developing a catheter designed to help treat people with drug-resistant hypertension. It recently completed human trials in Europe, where the device has already been cleared for sale. Ardian raised seed funding of around USD 66 million from investors including Morgenthaler Partners VII since it was founded in 2003 which, compared to the reported sales price of at least USD 800 million, is an aggregate return of more than 12x the original investment.

- Plexxikon

In February, Advanced Technology Ventures VI announced the exit of Plexxikon, a pharmaceutical company based in California. Plexxikon is a leader in the discovery and development of novel pharmaceuticals. Since the company was founded in 2001, Plexxikon has utilized its proprietary discovery platform to successfully develop a portfolio of clinical and preclinical stage programs in a number of therapeutic areas, including oncology, the central nervous system, metabolic diseases and cardio-renal diseases. Plexxikon was sold for an USD 805 million payment plus potential additional payments of USD 130 million, which are subject to the approval of one of Plexxikon's late-stage oncology products. The exit generated a return of more than 10x the original investment.

- General Nutrition Centers

On 31 March 2011, Princess' largest portfolio company General Nutrition Centers (GNC) announced its IPO on the New York Stock Exchange at an issue price of USD 16.00 per share. The company raised a total of USD 414 million in the IPO with trading commencing on 1 April 2011. GNC sells health and wellness products, including vitamins, minerals and herbal supplements, through its worldwide network of more than 7'200 locations and its website. Since Princess' investment in 2007, the company has been growing significantly, with revenue in 2010 increasing by 6.8% to USD 1.8 billion compared to 2009 and net income increasing by 41.0%. Princess sold part of its holding in GNC during the IPO and received cash proceeds of EUR 3.1 million in April 2011.

6 LARGEST PORTFOLIO HOLDINGS

for the period ended 31 March 2011 (in EUR)

						Since inception
Investment	**Type of investment**	**Financing stage**	**Regional focus**	**Vintage year**	**Total commitments**	**Contributions**
AHT Cooling Systems GmbH	Direct	Special situations	Europe	2007	5'129'636	n.a.
Arcos Dorados Limited	Direct	Buyout	Rest of World	2007	309'789	n.a.
AWAS Aviation Holding	Direct	Buyout	Europe	2006	5'970'444	5'970'444
Bartec GmbH	Direct	Buyout	Europe	2008	1'773'019	1'769'352
Bausch & Lomb, Inc	Direct	Buyout	North America	2007	1'086'188	n.a.
Direct marketing and sales company	Direct	Buyout	Rest of World	2007	n.a.	n.a.
Education publisher	Direct	Buyout	North America	2007	n.a.	n.a.
Essmann	Direct	Special situations	Europe	2007	2'705'065	n.a.
EXCO Resources, Inc.	Direct	Buyout	North America	2007	1'482'153	1'482'153
Food company 1	Direct	Buyout	North America	2007	2'369'456	2'369'456
General Nutrition Centers, Inc.	Direct	Buyout	North America	2007	6'159'644	6'159'644
Healthcare operator 1	Direct	Buyout	Europe	2006	588'178	588'178
Healthcare operator 4	Direct	Buyout	Europe	2007	n.a.	n.a.
Information service company	Direct	Buyout	North America	2007	4'545'447	4'546'736
Media company	Direct	Buyout	Asia-Pacific	2007	1'867'827	1'867'791
Newcastle Coal Infrastructure Group	Direct	Special situations	Asia-Pacific	2010	n.a.	n.a.
Plantasjen ASA	Direct	Special situations	Europe	2007	3'363'816	3'363'816
Schenck Process GmbH	Direct	Buyout	Europe	2007	941'381	951'350
Universal Hospital Services, Inc.	Direct	Buyout	North America	2007	3'642'548	3'642'548
US entertainment company	Direct	Buyout	North America	2008	n.a.	n.a.
3i Eurofund Vb	Primary	Buyout	Europe	2006	10'000'000	7'962'329
Advent Latin American Private Equity Fund IV, L.P.	Primary	Buyout	Rest of World	2007	3'776'632	2'781'587
Aksia Capital III, L.P.	Secondary	Buyout	Europe	2005	5'500'000	4'996'231
Anonymized European Buyout Fund 9	Primary	Buyout	Europe	2009	9'307'662	7'810'680
Anonymized US Buyout Fund 2	Primary	Buyout	North America	2007	n.a.	n.a.
APAX Europe VII - B, L.P.	Primary	Buyout	Europe	2007	4'487'230	3'185'933
Apax US VII, L.P.	Primary	Buyout	North America	2006	7'228'033	6'185'061
Apollo Overseas Partners VI, L.P.	Primary	Buyout	North America	2005	18'085'021	21'171'534
Apollo Overseas Partners VII, L.P.	Primary	Buyout	North America	2008	14'426'704	9'862'907
Ares Corporate Opportunities Fund II, L.P.	Primary	Special situations	North America	2006	14'133'387	14'623'757
Ares Corporate Opportunities Fund III, L.P.	Primary	Special situations	North America	2008	7'541'695	4'639'682
August Equity Partners II A, L.P.	Primary	Buyout	Europe	2007	8'353'988	n.a.
Avista Capital Partners (Offshore), L.P.	Primary	Buyout	North America	2005	13'992'369	16'185'048
Bruckmann, Rosser, Sherrill & Co. II, L.P.	Primary	Buyout	North America	1999	13'697'372	14'335'363

Investment	Type of investment	Financing stage	Regional focus	Vintage year	Since inception Total commitments	Contributions
Candover 2005 Fund, L.P.	Primary	Buyout	Europe	2005	10'000'000	9'762'329
Carmel Software Fund (Cayman), L.P.	Primary	Venture capital	Rest of World	2000	9'254'930	9'503'599
Catterton Partners IV Offshore, L.P.	Primary	Venture capital	North America	1999	15'634'621	17'071'346
Chancellor V, L.P.	Primary	Venture capital	North America	1999	19'009'099	17'311'014
Crimson Velocity Fund, L.P.	Primary	Venture capital	Asia-Pacific	2000	4'561'604	5'849'201
Fenway Partners Capital Fund II, L.P.	Primary	Buyout	North America	1998	29'156'620	31'634'336
Fourth Cinven Fund, L.P.	Primary	Buyout	Europe	2006	7'500'000	5'235'998
GMT Communications Partners II, L.P.	Primary	Venture capital	Europe	2000	14'000'000	15'313'252
GMT Communications Partners III, L.P.	Primary	Buyout	Europe	2006	10'000'000	6'671'928
Green Equity Investors Side V, L.P.	Primary	Buyout	North America	2007	9'085'321	6'256'900
ICG European Fund 2006, L.P.	Primary	Special situations	Europe	2006	15'000'000	15'139'493
Industri Kapital 2007 Fund, L.P.	Primary	Buyout	Europe	2007	15'000'000	10'885'635
INVESCO U.S. Buyout Partnership Fund II, L.P.	Primary	Buyout	North America	2000	28'351'047	26'608'454
INVESCO Venture Partnership Fund II, L.P.	Primary	Venture capital	North America	1999	58'592'530	54'930'788
INVESCO Venture Partnership Fund II-A, L.P.	Primary	Venture capital	North America	2000	33'405'276	32'115'665
Kohlberg TE Investors VI, L.P.	Primary	Buyout	North America	2007	8'880'847	6'433'472
Levine Leichtman Capital Partners II, L.P.	Primary	Special situations	North America	1998	30'647'226	35'633'016
MatlinPatterson Global Opportunities Partners III	Primary	Special situations	North America	2007	7'107'192	6'911'972
Mercapital Spanish Private Equity Fund II, L.P.	Primary	Buyout	Europe	2000	7'000'000	7'122'224
Mezzanine Management Fund III, L.P.	Primary	Special situations	Europe	1999	14'380'357	14'084'689
Nordic Capital VI, L.P.	Primary	Buyout	Europe	2005	7'500'000	7'544'135
OCM Mezzanine Fund II, L.P.	Primary	Special situations	North America	2005	11'463'100	12'706'849
Palamon European Equity 'C', L.P.	Primary	Buyout	Europe	1999	10'000'000	12'227'536
Partners Group Global Real Estate 2008 LP	Primary	Real estate	Europe	2008	20'000'000	12'337'364
Partners Group SPP1 Limited	Secondary	Special situations	North America	1996	41'894'150	40'112'114
Pitango Venture Capital Fund III	Primary	Venture capital	Rest of World	2000	11'559'197	11'559'197
Providence Equity Partners VI-A, L.P.	Primary	Buyout	North America	2007	18'373'026	15'455'523
Quadriga Capital Private Equity Fund II, L.P.	Primary	Buyout	Europe	1999	8'173'977	9'513'135
Quadriga Capital Private Equity Fund III, L.P.	Primary	Buyout	Europe	2006	10'000'000	7'457'558
Sierra Ventures VIII-A, L.P.	Primary	Venture capital	North America	2000	8'881'970	8'881'970
Sterling Investment Partners II, L.P.	Primary	Buyout	North America	2005	7'326'447	4'887'338
Terra Firma Capital Partners III, L.P.	Primary	Buyout	Europe	2006	20'000'000	14'369'490
The Peninsula Fund IV, L.P.	Primary	Special situations	North America	2005	7'452'572	6'536'455
Thomas H. Lee Parallel Fund VI, L.P.	Primary	Buyout	North America	2006	18'030'381	13'066'833
Warburg Pincus Private Equity IX, L.P	Primary	Buyout	North America	2005	11'358'827	11'358'827

						Since inception
Investment	Type of investment	Financing stage	Regional focus	Vintage year	Total commitments	Contributions
Warburg Pincus Private Equity X, L.P.	Primary	Buyout	North America	2007	14'331'432	10'258'234

Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. Please note that contributions may exceed total commitments due to foreign currency movements. The overview shows the 20 largest direct investments and the 50 largest partnerships based on NAV.

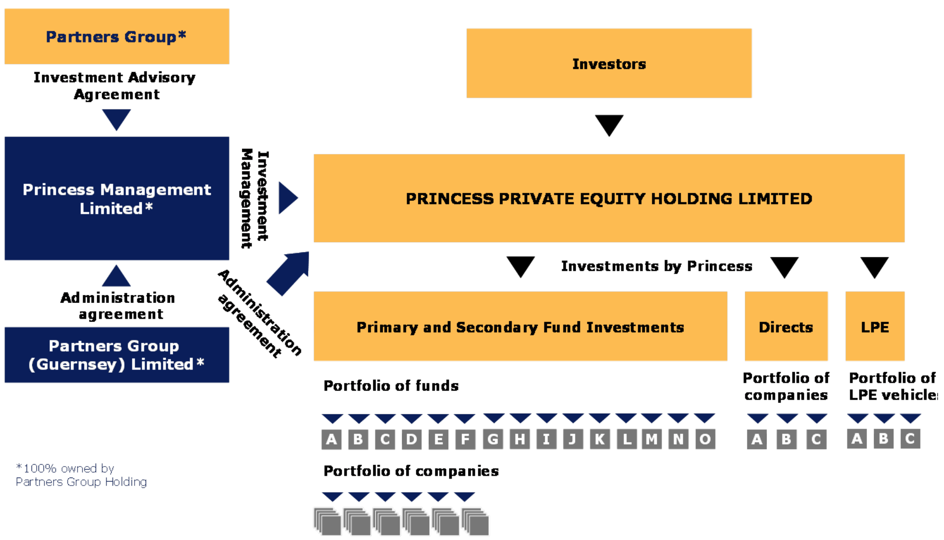
7 STRUCTURAL OVERVIEW

Princess Private Equity Holding Limited is a Guernsey-registered private equity holding company founded in May 1999 that invests in private market investments. In 1999 Princess raised USD 700 million through the issue of a convertible bond and invested the capital by way of commitments to private equity partnerships. The convertible bond was converted into shares in December 2006. Concurrently, the investment guidelines were amended and the reporting currency changed from the US dollar to euro. The Princess shares were introduced for trading on the Frankfurt Stock Exchange (trading symbol: PEY1) on 13 December 2006 and on the London Stock Exchange (trading symbol: PEY) on 1 November 2007.

Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield in the mid to long term.

The investments of Princess are managed on a discretionary basis by Princess Management Limited, the Investment Manager of Princess, a wholly-owned subsidiary of Partners Group Holding, registered in Guernsey. The Investment Manager is responsible for, inter alia, selecting, acquiring and disposing of investments and carrying out financing and cash management services.

The Investment Manager is permitted to delegate some or all of its obligations and has entered into an advisory agreement with Partners Group AG. Partners Group is a global private markets investment management firm with over EUR 20 billion in investment programs under management in private equity, private debt, private real estate and private infrastructure. Through the advisory agreement, Princess benefits from the global presence, the size and experience of the investment team and relationships with many of the world's leading private equity firms.



8 FACTS AND FIGURES

Company	Princess Private Equity Holding Limited
Currency denomination	Euro
Designated sponsors	Frankfurt Stock Exchange: Conrad Hinrich Donner Bank AG London Stock Exchange: JPMorgan Cazenove
Dividends	Princess intends to pay a dividend of 5-8% p.a. on NAV
Incentive fee	No incentive fee on primary investments; 10% incentive fee per secondary investment; 15% incentive fee per direct investment; subject in each case to a 8% p.a. preferred return (with catch-up)
Incorporation	1999
Listing	Frankfurt Stock Exchange London Stock Exchange
Management fee	0.375% per quarter of the higher of (i) NAV or (ii) value of Princess' assets less any temporary investments plus unfunded commitments, plus 0.0625% per quarter in respect of secondary investments and 0.125% per quarter in respect of direct investments
Securities	Fully paid-up ordinary registered shares
Structure	Guernsey Company, Authorized closed-ended fund in Guernsey
Trading information (Frankfurt Stock Exchange)	WKN: A0LBRM ISIN: DE000A0LBRM2 Trading symbol: PEY1 Bloomberg: PEY1 GY Reuters: PEYGz.DE / PEYGz.F
Trading information (London Stock Exchange)	WKN: A0LBRL ISIN: GG00B28C2R28 Trading symbol: PEY Bloomberg: PEY LN Reuters: PEY.L

Voting rights	Each ordinary registered share represents one voting right

9 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

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Unaudited consolidated statement of comprehensive income
for the period from 01 January 2011 to 31 March 2011

In thousands of EUR	**Notes**	**01.01.2011 31.03.2011**	**01.01.2010 31.03.2010**
Net income from financial assets at fair value through profit or loss		**(1'030)**	**38'616**
Private equity		*(426)*	*37'220*
Revaluation	6	18'729	18'406
Net foreign exchange gains / (losses)	6	(19'155)	18'814
Private debt		*(305)*	*1'873*
Interest income (including PIK)		358	318
Revaluation	6	450	216
Net foreign exchange gains / (losses)	6	(1'113)	1'339
Private real estate		*(180)*	*(477)*
Revaluation	6	(161)	(501)
Net foreign exchange gains / (losses)	6	(19)	24
Private infrastructure		*(119)*	-
Revaluation	6	(119)	-
Net income from cash and cash equivalents and other income		**116**	**17**
Interest income		51	2
Net foreign exchange gains / (losses)		65	15
Total net income		**(914)**	**38'633**
Operating expenses		**(4'912)**	**(3'888)**
Management fees		(3'001)	(3'239)
Incentive fees		(994)	(469)
Administration fees		(76)	(65)
Other operating expenses		(608)	(114)
Other net foreign exchange gains / (losses)		(233)	(1)
Other financial activities		**1'431**	**(5'711)**
Setup expenses - credit facility		-	(11)
Interest expense - credit facility		(980)	(511)
Other finance cost		(10)	(2)
Net gains / (losses) from hedging activities		2'421	(5'187)
Surplus / (loss) for the financial period		**(4'395)**	**29'034**
Other comprehensive income for the period; net of tax		-	-
Total comprehensive income for the period		**(4'395)**	**29'034**
Earnings per share			
Weighted average number of shares outstanding		69'957'791	70'100'000
Basic surplus / (loss) per share for the financial period		(0.06)	0.41
Diluted surplus / (loss) per share for the financial period		(0.06)	0.41

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

Unaudited consolidated statement of financial position

As at 31 March 2011

In thousands of EUR	Notes		31.03.2011		31.12.2010
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	6	491'016		524'887	
Private debt	6	55'223		49'347	
Private real estate	6	13'754		12'306	
Private infrastructure	6	2'512		2'345	
Non-current assets			**562'505**		**588'885**
Other short-term receivables		370		1'696	
Hedging assets		10'681		9'571	
Cash and cash equivalents	7	71'368		49'149	
Current assets			**82'419**		**60'416**
TOTAL ASSETS			**644'924**		**649'301**
EQUITY AND LIABILITIES					
Share capital	8	70		70	
Reserves	8	667'999		668'882	
Retained earnings		(64'314)		(59'919)	
Total Equity			**603'755**		**609'033**
Short-term credit facilities	10	32'500		32'500	
Other short-term payables		8'669		7'768	
Liabilities falling due within one year			**41'169**		**40'268**
TOTAL EQUITY AND LIABILITIES			**644'924**		**649'301**

Unaudited consolidated statement of changes in equity

for the period from 01 January 2011 to 31 March 2011

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Equity at beginning of reporting period	70	668'882	(59'919)	609'033
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	-	(883)	-	(883)
Surplus / (loss) for the financial period	-	-	(4'395)	(4'395)
Equity at end of reporting period	**70**	**667'999**	**(64'314)**	**603'755**

for the period from 01 January 2010 to 31 March 2010

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Equity at beginning of reporting period	70	668'882	(154'655)	514'297
Other comprehensive income for the period; net of tax	-	-	-	-
Surplus / (loss) for the financial period	-	-	29'034	29'034
Equity at end of reporting period	**70**	**668'882**	**(125'621)**	**543'331**

Unaudited consolidated cash flow statement

for the period from 01 January 2011 to 31 March 2011

In thousands of EUR	Notes	01.01.2011 31.03.2011	01.01.2010 31.03.2010
Operating activities			
Surplus / (loss) for the financial period		(4'395)	29'034
Adjustments:			
Net foreign exchange (gains) / losses		20'455	(20'191)
Investment revaluation		(18'899)	(18'121)
Net (gain) / loss on interest and dividends		571	191
(Increase) / decrease in receivables		(38)	5'827
Increase / (decrease) in payables		922	741
Purchase of private equity investments	6	(11'079)	(10'387)
Purchase of private debt investments	6	(9'110)	(1'849)
Purchase of private real estate investments	6	(1'992)	(992)
Purchase of private infrastructure investments	6	(688)	(300)
Distributions from and proceeds from sales of private equity investments	6	44'524	12'840
Distributions from and proceeds from sales of private debt investments	6	2'796	2'061
Distributions from and proceeds from sales of private real estate investments	6	364	-
Distributions from and proceeds from sales of private infrastructure investments	6	402	-
Interest and dividends received		184	164
Net cash from / (used in) operating activities		**24'017**	**(982)**
Financing activities			
Increase / (decrease) in credit facilities		-	(5'000)
Interest expense - credit facility		(980)	(511)
Share buyback and cancellation	9	(883)	-
Net cash from / (used in) financing activities		**(1'863)**	**(5'511)**
Net increase / (decrease) in cash and cash equivalents		**22'154**	**(6'493)**
Cash and cash equivalents at beginning of reporting period	**7**	**49'149**	**15'251**
Movement in exchange rates		65	15
Cash and cash equivalents at end of reporting period	**7**	**71'368**	**8'773**

Notes to the unaudited consolidated financial statements
for the period from 01 January 2011 to 31 March 2011

1 Organization and business activity

Princess Private Equity Holding Limited (the "Company") is an investment holding company established on 12 May 1999. The Company's registered office is Tudor House, St. Peter Port, Guernsey, GY1 1BT. The Company is a Guernsey limited liability company that invests in a broadly diversified portfolio of private market investments through its wholly-owned subsidiary, Princess Private Equity Subholding Limited (the "Subsidiary"), in private market investments. The Subsidiary together with the Company form a group (the "Group").

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 main market of 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 consolidated 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 period ended 31 December 2010.

The accounting policies adopted in the preparation of the condensed consolidated annual financial statements are consistent with those followed in the preparation of the Group's consolidated annual financial statements for the period ended 31 December 2010, except for the adoption of the following amendments mandatory for annual periods beginning on or after 1 January 2011.

IAS 24 - Related party transactions
IAS 32 - Financial instruments: presentation
IAS 34 – Interim financial reporting

IFRIC 14 - Prepayments of a minimum funding requirement
IFRIC 19 - Extinguishing financial liabilities with equity instruments

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 following standards, interpretations and amendments to published standards that are mandatory for future accounting periods, but where early adoption is permitted now have not been duly adopted.

IFRS 7 (effective 1 July 2011) – Financial instruments: disclosures
IFRS 9 (effective 1 January 2013) – Financial instruments
IAS 12 (effective 1 January 2012) – Deferred tax

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

3 Shareholders above 3% of Ordinary shares issued

CVP/CAP Coop Personalversicherung holds 3'551'206 shares which is 5.08% of all ordinary shares issued. Deutsche Asset Management Investmentgesellschaft mbH holds 6'095'900 shares which is 8.71% of all ordinary shares issued. Vega Invest Fund plc holds 6'000'000 shares which is 8.58% of all ordinary shares issued. Societe Generale Option Europe holds 3'724'557 shares which is 5.32% of all ordinary shares issued.

4 Earnings per share

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

5 Segment calculation

In thousands of EUR	**Private Equity**		**Private Debt**		**Private Real Estate**		**Private Infrastructure**		**Non attributable**		**Total**	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Interest and dividend income	-	-	358	318	-	-	-	-	51	2	409	320
Revaluation	18'729	18'406	450	216	(161)	(501)	(119)	-	-	-	18'899	18'121
Net foreign exchange gains / (losses)	(19'155)	18'814	(1'113)	1'339	(19)	24	-	-	65	15	(20'222)	20'192
Total Net Income	**(426)**	**37'220**	**(305)**	**1'873**	**(180)**	**(477)**	**(119)**	**-**	**116**	**17**	**(914)**	**38'633**
Segment Result	**(426)**	**37'220**	**(305)**	**1'873**	**(180)**	**(477)**	**(119)**	**-**	**(4'796)**	**(3'871)**	**(5'826)**	**34'745**
Other financial activities not allocated											1'431	(5'711)
Surplus / (loss) for the financial period											**(4'395)**	**29'034**

6 Financial assets at fair value through profit or loss

6.1 Private equity

In thousands of EUR	**31.03.2011**	**31.12.2010**
Balance at beginning of period	524'887	467'992
Purchase of limited partnerships and direct investments	11'079	73'163
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(44'524)	(118'234)
Revaluation	18'729	77'407
Foreign exchange gains / (losses)	(19'155)	24'559
Balance at end of period	**491'016**	**524'887**

6.2 Private debt

In thousands of EUR	**31.03.2011**	**31.12.2010**
Balance at beginning of period	49'347	40'912
Purchase of limited partnerships and direct investments	9'110	5'048
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(2'796)	(5'102)
Accrued cash and PIK interest	225	917
Revaluation	450	6'017
Foreign exchange gains / (losses)	(1'113)	1'555
Balance at end of period	**55'223**	**49'347**

6.3 Private real estate

In thousands of EUR	**31.03.2011**	**31.12.2010**
Balance at beginning of period	12'306	6'095
Purchase of limited partnerships and direct investments	1'992	5'251
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(364)	(661)
Revaluation	(161)	1'589
Foreign exchange gains / (losses)	(19)	32
Balance at end of period	**13'754**	**12'306**

6.4 Private infrastructure

In thousands of EUR	**31.03.2011**	**31.12.2010**
Balance at beginning of period	2'345	1'929
Purchase of limited partnerships and direct investments	688	300
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(402)	(86)
Revaluation	(119)	202
Balance at end of period	**2'512**	**2'345**

7 Cash and cash equivalents

In thousands of EUR	**31.03.2011**	**31.12.2010**
Cash at banks	4'402	25'149
Cash equivalents	66'966	24'000
Total cash and cash equivalents	**71'368**	**49'149**

8 Capital

8.1 Capital

In thousands of EUR	**31.03.2011**	**31.12.2010**
Authorized		
200'100'000 Ordinary shares of EUR 0.001 each	200	200
	200	200
Issued and fully paid		
69'957'791 Ordinary shares of EUR 0.001 each out of the bond conversion	70	70
	70	70

8.2 Reserves

In thousands of EUR	**31.03.2011**	**31.12.2010**
Distributable reserves		
Distributable reserves at beginning of reporting period	668'882	668'882
Share buyback and cancellation	(883)	-
Total distributable reserves at end of reporting period	**667'999**	**668'882**

9 Share buyback program

The Board of Directors of Princess Private Equity Holding Limited passed a resolution to implement a share buyback program on 13 December 2010. Pursuant to this resolution, a total of 142'209 shares were repurchased, at a weighted average discount of 27.6% to net asset value, and cancelled during the financial reporting period. The total amount paid to acquire the shares was EUR 882'971 and this was presented as a reduction of distributable reserves in the equity. As at 31 March 2011, there were 69'957'791 shares outstanding (2010: 70'100'000).

10 Short-term credit facilities

As of 25 September 2009, the Company entered into a 3–year credit facility, with a large international bank and other lenders, of initially EUR 40m and the potential to increase to EUR 90m. The credit facility is structured as a combination of committed senior term and revolving facilities and a subordinated term facility. The Company may redesignate its senior revolving facility, fully or partially, to a senior term loan. No such re-designation has taken place as at the end of the reporting period. The purpose of the facility is, inter alia, to meet potential upcoming liquidity constraints. The credit facilities are due to terminate on 25 September 2012.

The credit facilities of the Company form part of EUR 170m syndicated term loan and revolving facilities (the "Syndicated Facilities") available to the Company, Pearl Holding Limited and Partners Group Global Opportunities Limited (each a "Borrower"). Each Borrower is independently responsible for its borrowings and the default of one Borrower does not trigger the default of any other Borrower under the Syndicated Facilities.

The Syndicated Facilities may be allocated among the Borrowers as per individual demand and as determined by Partners Group AG (the "Allocation Agent") subject to certain minimum and maximum limits.

As at the end of the reporting period, the facility amounts as adjusted, by the Allocation Agent, are: EUR 32.5m under the senior revolving facility and EUR 32.5m under the junior facility. The Company has drawn down EUR 32.5m under the junior facility and EUR nil under the senior facility.

In relation to the senior revolving facility, interest on drawn amounts is calculated at a rate of 5% per annum (calculated as a margin of 2.75% on drawn amounts plus a facility fee of 2.25% on the applicable senior facility amount) above the applicable EURIBOR rate. In addition there is a facility fee of 2.25% per annum on the remaining undrawn applicable senior facility amount.

The margin on drawn amounts under the junior facility is 8.75% per annum above EURIBOR. No facility fee is due under the junior facility.

The Company may not, fully or partially, repay any amount of the junior facility before its senior facility has been repaid in full.

In thousands of EUR	**31.03.2011**	**31.12.2010**
Balance at end of period	**32'500**	**32'500**

11 Commitments

In thousands of EUR	**31.03.2011**	**31.12.2010**
Unfunded commitments translated at the rate prevailing at the balance sheet date	176'568	210'394

12 Net assets and diluted assets per share

In thousands of EUR	**31.03.2011**	**31.12.2010**
Net assets of the Company	603'755	609'033
Outstanding shares at the balance sheet date	69'957'791	70'100'000
Net assets per share at period-end	8.63	8.69

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Administrator
Partners Group (Guernsey) Limited
Guernsey, Channel Islands

Investment manager
Princess Management Limited
Guernsey, Channel Islands

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 GY	PEY LN
Reuters	PEYGz.DE/PEYGz.F	PEY.L
Designated sponsor	Conrad Hinrich Donner Bank	JPMorgan Cazenove

Princess