PRINCESS PRIVATE EQUITY HOLDING LIMITED

HALF-YEARLY REPORT 2011

Unaudited financial statements for the period
from 1 January 2011 to 30 June 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. The portfolio includes direct, primary and secondary fund investments. Princess aims to provide shareholders with long-term capital growth as well as an attractive dividend yield 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.

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1 KEY FIGURES

IN EUR	30 JUNE 2011	31 DECEMBER 2010
Net asset value (NAV)	618'576'924	609'032'745
NAV per share	8.85	8.69
Closing price (Frankfurt)	6.70	6.35
Premium over NAV (Frankfurt)	-24.32%	-26.91%
Closing price (London)	6.67	6.25
Premium over NAV (London)	-24.66%	-28.06%
Cash and cash equivalents	80'682'362	49'148'524
Use of credit facility	32'500'000	32'500'000
Value of private equity investments	581'188'618	588'886'327
Undrawn commitments	164'806'292	210'394'209
Investment level	93.96%	96.69%
Overcommitment	20.60%	31.24%
Overcommitment incl. credit line	10.09%	20.57%

2 INVESTMENT MANAGER'S REPORT

Positive revaluations drive NAV growth

Princess' net asset value (NAV) increased by 4.4% to EUR 8.85 per share over the first half of 2011, adjusted for the interim dividend payment declared in May 2011. This performance demonstrates that the Company continues to build on its strong recent NAV track record, having delivered NAV growth of 18.4% in 2010.

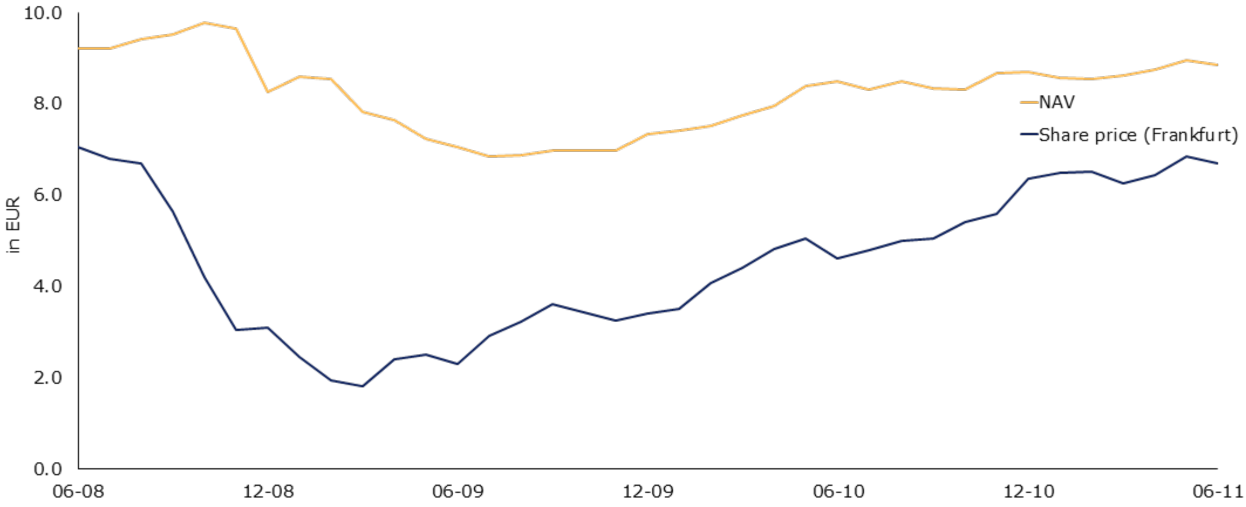
Positive revaluations contributed 9.9% to the growth of Princess' NAV, as several of its portfolio companies experienced valuation write-ups on the back of strong operational earnings and successful exits. Among the more notable realizations over the six-month period were the sale of Swiss pharmaceutical producer Nycomed to Japan's Takeda, and the initial public offering (IPO) of US-based General Nutrition Centers (GNC), the health products retailer and Princess' largest portfolio company. The partial exit of GNC and the Nycomed trade sale both occurred at significant premiums to their previous carrying values. Indeed, the 30 largest portfolio companies, representing approximately 23.0% of the NAV, posted weighted average year-on-year revenue and earnings (EBITDA) growth of 9.1% and 9.6% respectively, thus reflecting their strong operational development over the past 12 months.

However, foreign exchange movements detracted 3.9% from Princess' NAV growth over the six-month period, as the euro appreciated strongly against the US dollar. Currency effects were partly mitigated by Princess' currency hedging strategy.

Resumption of dividend payments

In May, Princess' Board of Directors declared an interim dividend of EUR 0.22 per share. This translates to an annualized dividend yield of 5.1% based on the NAV per share as of 31 March 2011, or an annualized dividend yield of 6.6% based on the closing price of EUR 6.70 on the Frankfurt Stock Exchange at the end of this reporting period.

PRICE AND NAV DEVELOPMENT (LAST THREE YEARS)



Going forward, the Company intends to pay dividends semi-annually following the publication of its 31 March and 30 September quarterly reports. The intention is also for Princess to pay an annual aggregate dividend of 5% to 8% of NAV per share. The Investment Manager is confident that the strong dividend yield on offer will enhance the attractiveness of Princess to new and existing investors alike.

Share price maintains upward trajectory

After climbing 87.3% in 2010, Princess' share price rose 9.0% to close the six-month reporting period at EUR 6.70 per share on the Frankfurt Stock Exchange (Xetra), adjusted for the interim dividend payment. This result saw Princess outperform the LPX 50 Total Return Index (in euro terms) for listed private equity, which returned -0.2% over the same period. However, despite positive NAV developments and the achievement of significant milestones with the strategic repositioning of the Company over recent months, Princess' share price traded at a 24.3% discount to the NAV as of the end of June 2011. The Investment Manager believes that such a large discount, though in line with its peers, reflects neither the high quality of the Princess portfolio nor the active steps taken by the Board in recent months to address the discount.

Strategic shift towards direct investments

Positive market sentiment and favorable, though moderating, macroeconomic conditions supported strong investment and exit activity across the private equity industry in the first half of 2011. Accordingly, Princess made a total of EUR 39.3 million in new investments during the review period. The Company continued to make progress with the redirection of its investment focus towards direct investments by completing three such direct transactions worth EUR 12.1 million. The remaining EUR 27.2 million of investments was the result of drawdowns by existing fund commitments. It is expected that new direct investments will account for virtually all investment activity in two to three years' time, given that Princess' fund commitments are nearing the end of their investment periods.

In the first quarter of 2011, Princess completed a EUR 5.6 million direct mezzanine investment in Newcastle Coal Infrastructure Group, the Australian coal export terminal operator. This was followed in the second quarter by a EUR 3.8 million buyout investment in a leading European apparel retailer, and a EUR 2.7 million mid-cap buyout investment in BARBRI, a provider of bar exam preparation services in the United States. BARBRI has been active in the bar exam preparation market for over 40 years. It has a presence on almost all major law school campuses across all 50 US states and possesses the largest proprietary content database of any of its competitors.

Similarly, distribution proceeds from exited portfolio companies rose to EUR 58.7 million over the first six months of 2011, up from EUR 39.4 million for the corresponding period last year, thanks to the maturity of Princess' portfolio companies and the favorable exit environment. Among others, Princess received a EUR 3.1 million partial distribution from GNC after the company completed its IPO on 1 April 2011. Another notable exit that distributed funds to Princess was the German online games developer Bigpoint. The USD 350 million partial recapitalization of Bigpoint earned investors a 4x return on their original investment. Further portfolio exits are expected to generate additional cash distributions during the second half of 2011.

Net liquidity position strengthened

Princess' net liquidity position strengthened during the review period, as distributions from successful realizations exceeded new investments. This boosted net cash by EUR 19.4 million. Additionally, the Company received EUR 21.2 million from the secondary sales program that took place in the first quarter. It therefore holds sufficient liquidity on its balance sheet to permit new direct investments and the return of capital to shareholders. Princess had an investment level of 94.0% and net liquidity of EUR 37.4 million (6.0% of NAV) as of the end of June 2011.

Unfunded commitments down by more than 20%

Unfunded commitments in the Princess portfolio decreased by around 21.7% in the first half of 2011 to EUR 164.8 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 any more capital as they should have already completed their investment period. The Investment Manager expects unfunded commitments virtually to disappear over the next two to three years, as fund holdings are nearing the end of their investment periods and no new fund commitments are being made under the policy of focusing on direct transactions.

Key milestones achieved

Over the past quarters, 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, the Company completed a secondary sales program, raising EUR 50.1 million from the disposal of nine buyout funds in the fourth quarter of 2010 and the first quarter of 2011. It then announced the resumption of dividend payments, declaring an interim dividend of EUR 0.22 per share. The Company embarked on a share buyback program which thus far this year has seen Princess repurchase shares worth EUR 1.5 million. And finally, the Company began to implement the process of redirecting its investment focus towards direct investments by closing three new direct investments over the six-month review period.

Outlook

The Investment Manager expects Princess to perform well over the remainder of the year, as the exit environment is likely to remain favorable and portfolio companies should continue to post revenue and earnings growth. Additional support is also expected to come from the high quality and mature nature of Princess' portfolio companies, around 28% of which were acquired prior to 2006 and are therefore at or near the end of their value creation lifecycle. These valuation developments could be tempered somewhat should sovereign debt concerns in Europe continue unabated and attempts at budget deficit reduction in the United States prove insufficient.

The Investment Manager also expects to complete further direct investments on a global basis over the remainder of the year. Support for this is likely to come from its strong liquidity position and from distribution proceeds from new and already announced realizations.

On the corporate side, the Princess' Board of Directors completed the signing of a new EUR 80 million credit facility after quarter-end. This replaces the credit facility that was in place and due to expire in September 2012. The new credit line offers more attractive pricing than the previous facility, and is structured as a senior revolving facility with a term of three years, maturing in July 2014.

To conclude, 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. The Investment Manager also remains confident that the attractive dividend yield on offer will further enhance value for Princess' shareholders.

3 PRIVATE EQUITY MARKET ENVIRONMENT

Global economic activity eases in the second quarter

Global economic growth eased in the second quarter of 2011. The International Monetary Fund (IMF) has now revised its growth forecasts for global economic activity for 2011 downwards slightly from 4.4% to 4.3%. The downward revision was mainly caused by the high oil price, which depressed private consumption, as well as the effect of global supply disruptions from the earthquake in Japan. Growth in gross domestic product (GDP) in core Europe (powered by Germany and France) is expected to have remained strong, while growth in most emerging economies is still outpacing that of their advanced-world peers.

At the same time, risks for the recovery have increased during the past quarter. The sovereign debt crisis in Europe's periphery, the still fragile recovery of the United States and rising inflation in the emerging as well as in the advanced economies pose challenges. Amid overheating pressures in key emerging economies such as China and Brazil, central banks have continued their monetary tightening process. Nonetheless, the fundamental drivers of growth remain in place, as global demand continues to improve and the long-term growth potential of the emerging markets is still intact.

High level of merger and acquisition activity

Announced merger and acquisition (M&A) deals totaled more than USD 1.2 trillion in the first half of the year, according to data from Bloomberg, representing the strongest start to deal-making since the financial crisis.

Despite macroeconomic uncertainties, global M&A activity was more than USD 600 billion in the second quarter of 2011, nearly 40% higher than in the same period last year. M&A activity during the quarter was driven by corporate activity as well as increased availability of debt financing.

M&A activity in the advanced economies remained strong, with deals in the United States and Europe growing by approximately 40% and 30% year on year respectively. Deal-making in the emerging economies also showed steady growth, with M&As in Asia and Latin America growing by almost a third compared to the same period last year.

Increased private equity investment activity …

In line with the robust level of overall M&A activity, private equity deal flow continued to be strong during the quarter. According to data from Bloomberg, there were more than 1'000 deals involving a private equity transaction during the second quarter of 2011. The aggregate value of transactions, which totaled USD 66 billion, was more than 2.5 times the amount invested during the same period of 2010, reaching levels not seen since 2007. The increase in deal flow can be partly attributed to an increase in larger deals, with 16 deals valued at over USD 1 billion being announced during the second quarter of 2011 compared to ten such deals in the preceding quarter. While some of this activity was driven by more mature private equity funds needing to deploy capital, strategic corporate divestitures also accounted for a portion of the deal flow.

Private equity transactions involving Asian targets totaled USD 20 billion during the quarter. Excluding a USD 11 billion deal involving the sale of Nomura Tochi Tatemono to Nomura Holdings, investment activity in Asia was broadly maintained. In Europe, on the other hand, the value of deals more than tripled year on year to EUR 42 billion, making it the busiest quarter in five years. Deal growth in the United States was more moderate, with the USD 44 billion in announced transactions being some 35% higher than in the same period last year.

While buyout firms are still poised to benefit from the positive M&A environment, they are facing more constraints than they did in the credit boom. The growth of high-yield loan issuance slowed towards the end of the quarter, while banks are seen to be somewhat more conservative in terms of underwriting larger transactions. Furthermore, with corporate buyers active in the M&A market, private equity firms are increasingly finding themselves outpriced in competitive auctions.

... and exits, with trade sales and secondary buyouts dominating

Private equity exit activity also reached record levels during the quarter, with 309 exits totaling USD 120 billion, surpassing the previous record of USD 82 billion in the fourth quarter of 2010, according to data from research provider Preqin. As credit markets and corporate demand continued to support M&A activity, trade sales featured strongly during the quarter, with each of the five largest private equity exits featuring a strategic acquirer. The record amount of private equity exits was mostly driven by the Nordic Capital-led consortium's EUR 9.6 billion exit of Switzerland-based pharmaceutical group Nycomed to Japanese drugmaker Takeda and the USD 8.6 billion sale of internet communications provider Skype by Silver Lake and its co-investors to Microsoft.

IPOs remained an exit option for some private equity firms, despite the recent volatility seen in the public markets. According to Ernst & Young, a total of 378 global IPOs raised USD 64.6 billion in the second quarter of 2011, up by nearly 40% from the preceding quarter and the prior-year period. While activity was strong, returns were relatively muted, especially in Asia, owing to renewed macroeconomic concerns. 45 private equity-backed IPOs totaling USD 17.2 billion were completed during the quarter. The USD 1.25 billion (HKD 9.73 billion) listing of luggage maker Samsonite in Hong Kong in mid-June by CVC Partners was the largest private equity-backed IPO during the review period.

Secondary buyouts continued to be an exit option amongst private equity firms and, in line with the general exit environment exceeded recent levels. According to data from Bloomberg, there were 95 secondary transactions in the second quarter of 2011. Totaling USD 21 billion, the aggregate value of these deals was more than 2.5 times the amount transacted during the same period last year and reaching levels not seen since 2007. Two notable secondary buyout transactions during the quarter were EQT Partners' sale of Swedish alarm systems company Securitas Direct to Bain Capital and Hellman & Friedman for SEK 21 billion in June; and PAI Partners' sale of French engineering company Spie to a consortium comprising Axa Private Equity, Clayton Dubilier & Rice and La Caisse de dépôt et placement du Québec for EUR 2.1 billion in May.

Private equity fundraising building momentum

According to preliminary data from Preqin, 120 private equity funds worldwide reached a final close in the second quarter of 2011, raising an aggregate of USD 66 billion, up from USD 62 billion collected in the previous quarter. As distribution levels have begun to increase, with funds exiting investments made in the boom years of 2005-2008, investors are becoming more active in committing to new funds in order to maintain their allocation to private equity. The average time spent marketing funds that closed in the second quarter of 2011 was 15 months. This was down from an average of 20 months for funds that closed in 2010, reflecting the positive momentum of fundraising activity. In terms of geography, funds focused primarily on the United States raised the most capital during the second quarter of 2011, with 54 funds raising a total of USD 40.7 billion. 41 funds focusing primarily on Asia and the Rest of the World raised USD 15.5 billion. 25 Europe-focused funds raised an aggregate USD 9.8 billion.

While the increase in fundraising activity is encouraging, the high number of funds on the road, currently standing at more than 1’600, means that the fundraising environment remains very competitive. Nonetheless, fundraising momentum is expected to accelerate – especially in the small- and mid-cap space – as the pace of new investment increases and investors commit new capital to successor funds.

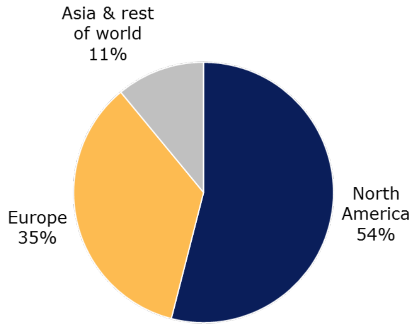
Outlook

While there remain some macroeconomic uncertainties due to the fiscal problems in Europe’s periphery and the fragile nature of the US recovery, the growth prospects for the core euro zone and the emerging economies are positive and to some extent ought to outweigh these negatives. Policymakers are still exercising monetary tightening and currency controls as inflationary pressures continue to build in emerging economies.

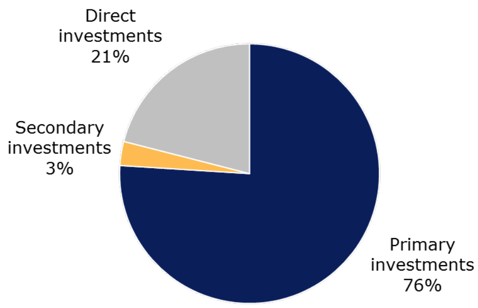
With banks beginning to reduce their risky credit exposure and high-yield bond issuance slowing down towards the end of the quarter, investment activity can be expected to be dominated by small- and mid-cap transactions, which are generally less leveraged. While the recent volatility experienced by public markets have made IPO conditions less favorable in the near term, trade sales and secondary buyouts should continue prove viable exit routes for private equity managers, with strategic buyers driving the exit activity.

4 PORTFOLIO COMPOSITION

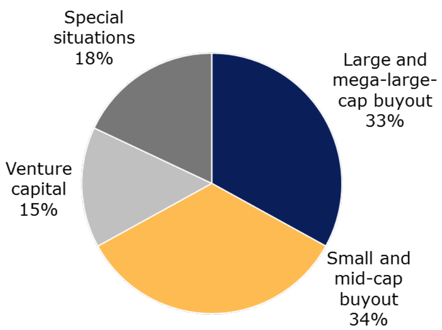
INVESTMENTS BY GEOGRAPHIC REGION



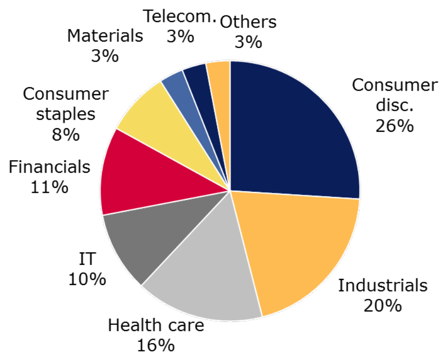
INVESTMENTS BY INVESTMENT TYPE



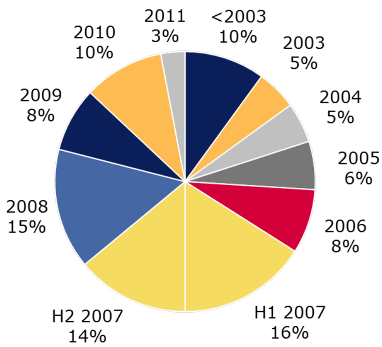
INVESTMENTS BY FINANCING STAGE



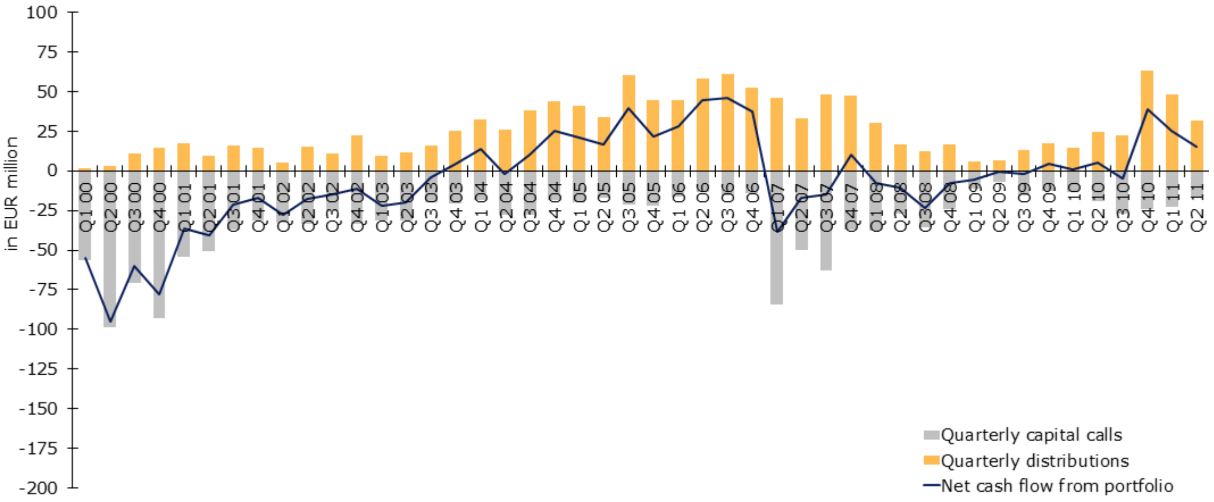
INVESTMENTS BY INDUSTRY SECTOR



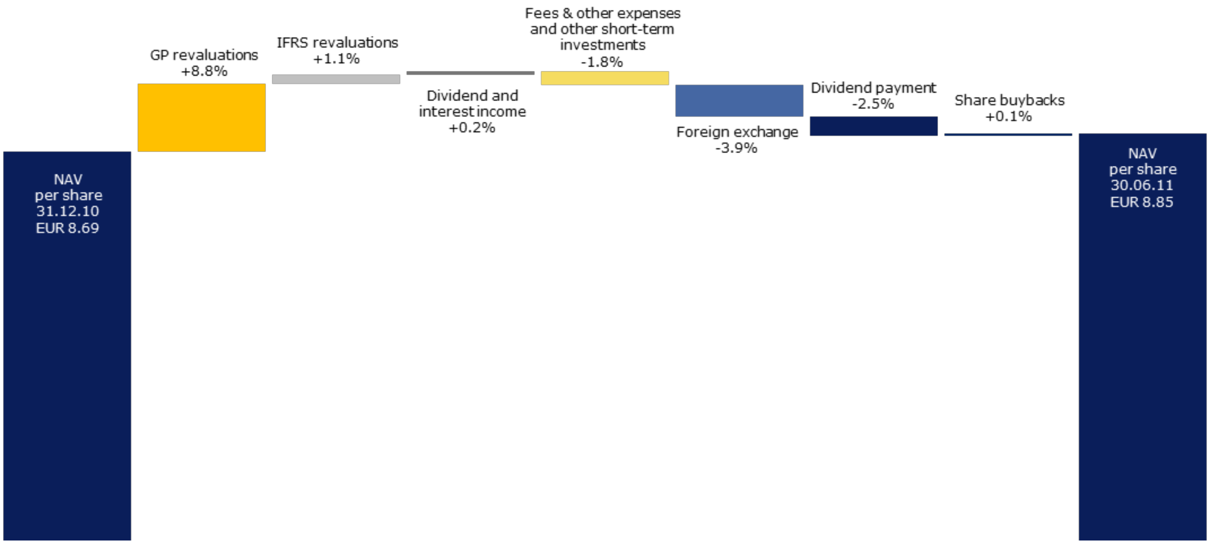
INVESTMENTS BY INVESTMENT YEAR



DEVELOPMENT OF NET CASH FLOWS



NAV PERFORMANCE ATTRIBUTION IN 2011



VALUATION METRICS OF 30 LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Princess portfolio			Current transactions	
	Top 10	Top 20	Top 30	Europe	US
EV / EBITDA	9.5x	9.6x	9.6x	8.0x	7.8x
Debt / EBITDA	4.0x	4.2x	4.4x	4.6x	4.4x
Leverage	41.5%	43.1%	46.3%	53.2%	61.3%
Average EV	EUR 3.0bn	EUR 3.1bn	EUR 3.0bn		
Average revenue	EUR 0.8bn	EUR 1.3bn	EUR 1.3bn		

"Investments" refers to the value of investments.

*As of 30 June 2011 and based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report; the 30 largest private portfolio companies exclude listed investments, fully realized investments and distressed debt investments. Source for current transactions: S&P LCD Leveraged Loan Review Q1 2011. Current transactions represent Q1 2011. Leverage for current transactions based on average equity contribution (including rollover equity) as of 31 March 2011. 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 39.3 million for new investments and received EUR 58.7 million in distributions from realized portfolio companies. Unfunded commitments at the end of June 2011 totaled EUR 164.8 million.

Selected investments

■ 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.

■ CABB

During May, Princess received a capital call for the acquisition of German chemicals company CABB by Bridgepoint Europe for approximately EUR 340 million. The near Frankfurt based company is a supplier of chemical building blocks which are used in the development of herbicides, personal care products and the food industry. It is also a custom manufacturer for agrochemical, food, pharmaceutical and chemical companies, with sales of EUR 311 million last year. The company has a dominant position in its markets and a solid cash flow profile, operating out of four manufacturing sites in Germany, Switzerland and India, and with sales offices in the UK, China, Argentina and the US. Bridgepoint will support the plans of the management of CABB to further strengthen its position as a global market leader through organic growth and geographical expansion via a planned series of bolt-on acquisitions.

■ BARBRI

In June, Princess made a direct equity investment in BARBRI, the largest provider of bar exam test preparation services in the world. BARBRI offers in-class and online review courses as well as supplemental products for those seeking to obtain the requisite license to practice law within individual states. BARBRI has been active in this market for over 40 years, and has a presence on almost all major law school campuses across all 50 US states and possesses the largest proprietary database of content amongst its competitors.

Selected exits

■ General Nutrition Centers

In April, Princess' largest portfolio company General Nutrition Centers (GNC) completed 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. 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 revenues 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.

- Nycomed

In May, Nordic Capital V and Avista Capital Partners agreed to sell Nycomed to Osaka-based research company Takeda Pharmaceutical for EUR 9.6 billion. Headquartered in Zurich, Switzerland, Nycomed is a pharmaceutical company with a broad and strong presence in Europe and the emerging markets. The company has a diversified portfolio of products, including both established prescription pharmaceutical and over-the-counter drugs. Since the company's acquisition by Nordic Capital and Avista Capital Partners in 2005, Nycomed has followed an aggressive growth strategy that has propelled it to international standing. The transaction marks a successful exit and is the largest European private equity deal since the beginning of the global financial crisis.

- Bigpoint

In June, Princess received a distribution from the sale of a majority stake in Bigpoint by GMT Communications Partners III to a private equity consortium. The USD 350 million partial recapitalization resulted in a return in excess of 4x for GMT. Bigpoint is a developer of online games. Since the initial investment in 2008, GMT has supported Bigpoint to hire a strong management team, to grow geographically and to develop teams and studios. GMT will continue to hold a stake in Bigpoint to benefit from its further anticipated upside.

6 LARGEST PORTFOLIO HOLDINGS

for the period ended 30 June 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.
ARK Holding Company Inc.	Direct	Buyout	North America	2007	1'078'771	1'078'771
AWAS Aviation Holding	Direct	Buyout	Europe	2006	5'970'444	5'970'444
BarBri	Direct	Buyout	North America	2011	2'654'598	2'654'598
Bartec GmbH	Direct	Buyout	Europe	2008	1'773'019	1'769'352
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
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
Project Icon	Direct	Buyout	Europe	2011	3'800'000	3'800'000
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	8'462'329
Advent Latin American Private Equity Fund IV, L.P.	Primary	Buyout	Rest of World	2007	3'754'516	2'781'587
Aksia Capital III, L.P.	Secondary	Buyout	Europe	2005	5'500'000	5'021'507
Anonymized European Buyout Fund 7	Primary	Buyout	Europe	2007	n.a.	n.a.
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	3'410'295
Apax US VII, L.P.	Primary	Buyout	North America	2006	7'208'766	6'607'159
Apollo Overseas Partners VI, L.P.	Primary	Buyout	North America	2005	18'153'675	21'560'111
Apollo Overseas Partners VII, L.P.	Primary	Buyout	North America	2008	14'327'948	9'950'183
Ares Corporate Opportunities Fund II, L.P.	Primary	Special situations	North America	2006	14'122'668	14'669'469
Ares Corporate Opportunities Fund III, L.P.	Primary	Special situations	North America	2008	7'476'614	4'639'682
August Equity Partners II A, L.P.	Primary	Buyout	Europe	2007	8'284'283	n.a.
Avista Capital Partners (Offshore), L.P.	Primary	Buyout	North America	2005	13'978'782	16'185'048

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Investment	Type of investment	Financing stage	Regional focus	Vintage year	Total commitments	Since inception Contributions
Candover 2005 Fund, L.P.	Primary	Buyout	Europe	2005	10'000'000	9'864'162
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	15'666'165	17'071'346
Chancellor V, L.P.	Primary	Venture capital	North America	1999	18'977'889	17'311'014
Crimson Velocity Fund, L.P.	Primary	Venture capital	Asia-Pacific	2000	4'561'744	5'849'201
Fenway Partners Capital Fund II, L.P.	Primary	Buyout	North America	1998	29'200'732	31'634'336
Fourth Cinven Fund, L.P.	Primary	Buyout	Europe	2006	7'500'000	5'665'277
GMT Communications Partners II, L.P.	Primary	Venture capital	Europe	2000	14'000'000	15'313'252
Green Equity Investors Side V, L.P.	Primary	Buyout	North America	2007	9'029'444	6'463'615
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	28'311'502	26'608'454
INVESCO Venture Partnership Fund II, L.P.	Primary	Venture capital	North America	1999	58'539'531	54'930'788
INVESCO Venture Partnership Fund II-A, L.P.	Primary	Venture capital	North America	2000	33'376'613	32'115'665
Kohlberg TE Investors VI, L.P.	Primary	Buyout	North America	2007	8'828'036	6'974'766
Levine Leichtman Capital Partners II, L.P.	Primary	Special situations	North America	1998	30'676'808	35'633'016
MatlinPatterson Global Opportunities Partners III	Primary	Special situations	North America	2007	7'088'314	6'911'972
Mercapital Spanish Private Equity Fund II, L.P.	Primary	Buyout	Europe	2000	7'000'000	7'122'224
Nordic Capital VI, L.P.	Primary	Buyout	Europe	2005	7'500'000	7'719'574
OCM Mezzanine Fund II, L.P.	Primary	Special situations	North America	2005	11'492'233	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	12'278'809
Partners Group SPP1 Limited	Secondary	Special situations	North America	1996	41'854'511	40'112'114
Pitango Venture Capital Fund III	Primary	Venture capital	Rest of World	2000	11'559'197	11'559'197
Providence Equity Partners IV, L.P.	Primary	Buyout	North America	2000	9'433'039	11'777'485
Providence Equity Partners VI, L.P.	Primary	Buyout	North America	2007	18'318'305	16'224'327
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	7'274'161	4'974'728
SV Life Sciences Fund IV, L.P.	Primary	Venture capital	North America	2006	3'598'746	2'997'645
Terra Firma Capital Partners III, L.P.	Primary	Buyout	Europe	2006	20'000'000	14'518'965
The Peninsula Fund IV, L.P.	Primary	Special situations	North America	2005	7'432'210	6'536'455
Thomas H. Lee Parallel Fund VI, L.P.	Primary	Buyout	North America	2006	17'900'903	13'402'864
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	14'242'808	11'314'812

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.

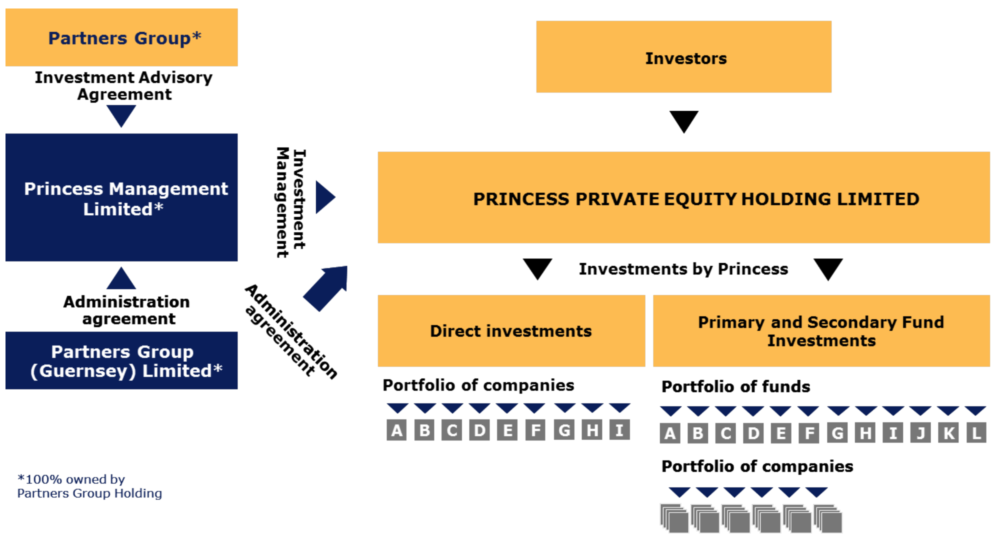
7 STRUCTURAL OVERVIEW

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

This glossary explains certain terms used in this report for the convenience of the reader.

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 STATEMENTS UNDER DISCLOSURE AND TRANSPARENCY RULES

Condensed set of financial statements

The condensed set of financial statements are set out in the section "financial statements".

Interim management report

- Important events during the past six months

The important events that have occurred during the period and the key factors influencing the financial statements are set out in the Investment Manager's report.

In addition, Princess held its Annual General Meeting on 12 May 2011. All resolutions put to shareholders at its Annual General Meeting were duly passed, including the adoption of a revised investment policy to shift the main focus to direct investments, rather than fund investments. Further items duly passed by shareholders were to: adopt the financial reports for the year ended 31 December 2010; re-appoint PricewaterhouseCoopers CI LLP as the Company's auditors for the year ending 31 December 2011; re-elect directors; adopt the Company's amended and restated Articles of Incorporation; disapply pre-emption rights in relation to the allotment of securities, subject to certain conditions; and authorize the Company to conduct market purchases of its ordinary shares.

- Principal risks and uncertainties

The current focus of the Company is to invest in direct investments and private equity funds, which themselves invest in unquoted companies. The investment manager believes that for the remaining six months of the financial year Princess' principal risk relates to the performance of its existing private equity portfolio and the further development of the global economy and of credit markets that may impact the private equity investment and exit environment in the short term. The principal risks and uncertainties have been adequately considered by the Board, inter alia, in the quarterly Board Meetings and a further explanation of the risks and how they are managed is contained in note 19 to the accounts in the Princess annual report 2010, which can be found on the Princess website.

Responsibility statement of the Directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34;

- the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Signed on behalf of the Board of Directors on
9 August 2011

Brian Human
Chairman

Richard Battey
Chairman of the Audit Committee

10 UNAUDITED FINANCIAL STATEMENTS

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Unaudited consolidated statement of comprehensive income

for the period from 01 January 2011 to 30 June 2011

In thousands of EUR	Notes	01.01.2011 30.06.2011	01.01.2010 30.06.2010
Net income from financial assets at fair value through profit or loss		**33'008**	**96'579**
Private equity		*30'696*	*88'628*
Revaluation	6	57'285	32'581
Net foreign exchange gains / (losses)	6	(26'589)	56'047
Private debt		*1'945*	*6'887*
Interest income (including PIK)		923	632
Revaluation	6	2'538	2'522
Net foreign exchange gains / (losses)	6	(1'516)	3'733
Private real estate		*493*	*682*
Revaluation	6	515	621
Net foreign exchange gains / (losses)	6	(22)	61
Private infrastructure		*(126)*	*382*
Revaluation	6	(126)	382
Net income from cash and cash equivalents and other income		**246**	**74**
Interest income		144	4
Net foreign exchange gains / (losses)		102	70
Total net income		**33'254**	**96'653**
Operating expenses		**(9'066)**	**(8'570)**
Management fees		(6'007)	(6'777)
Incentive fees		(1'858)	(1'419)
Administration fees		(151)	(133)
Other operating expenses		(846)	(227)
Other net foreign exchange gains / (losses)		(204)	(14)
Other financial activities		**2'201**	**(7'157)**
Setup expenses - credit facility		-	(11)
Interest expense - credit facility		(1'980)	(1'040)
Other finance cost		(16)	(6)
Net gains / (losses) from hedging activities		4'197	(6'100)
Surplus / (loss) for the financial period		**26'389**	**80'926**
Other comprehensive income for the period; net of tax		-	-
Total comprehensive income for the period		**26'389**	**80'926**
Earnings per share			
Weighted average number of shares outstanding		70'000'915	70'100'000
Basic surplus / (loss) per share for the financial period		0.38	1.15
Diluted surplus / (loss) per share for the financial period		0.38	1.15

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 30 June 2011

In thousands of EUR	**Notes**		**30.06.2011**		**31.12.2010**
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	6	506'040		524'887	
Private debt	6	57'979		49'347	
Private real estate	6	14'369		12'306	
Private infrastructure	6	2'802		2'345	
Non-current assets			**581'190**		**588'885**
Other short-term receivables		746		1'696	
Hedging assets		12'457		9'571	
Cash and cash equivalents	7	80'682		49'149	
Current assets			**93'885**		**60'416**
TOTAL ASSETS			**675'075**		**649'301**
EQUITY AND LIABILITIES					
Share capital	8	70		70	
Reserves	8	651'307		668'882	
Retained earnings		(32'800)		(59'919)	
Total Equity			**618'577**		**609'033**
Short-term credit facilities	10	32'500		32'500	
Other short-term payables		23'998		7'768	
Liabilities falling due within one year			**56'498**		**40'268**
TOTAL EQUITY AND LIABILITIES			**675'075**		**649'301**

Unaudited consolidated statement of changes in equity

for the period from 01 January 2011 to 30 June 2011

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Equity at beginning of reporting period	70	668'882	(59'919)	609'033
Dividends	-	(15'382)	-	(15'382)
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	-	(2'193)	730	(1'463)
Surplus / (loss) for the financial period	-	-	26'389	26'389
Equity at end of reporting period	**70**	**651'307**	**(32'800)**	**618'577**

for the period from 01 January 2010 to 30 June 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	-	-	80'926	80'926
Equity at end of reporting period	**70**	**668'882**	**(73'729)**	**595'223**

Unaudited consolidated cash flow statement

for the period from 01 January 2011 to 30 June 2011

In thousands of EUR	**Notes**	**01.01.2011 30.06.2011**	**01.01.2010 30.06.2010**
Operating activities			
Surplus / (loss) for the financial period		26'389	80'926
Adjustments:			
Net foreign exchange (gains) / losses		28'229	(59'897)
Investment revaluation		(60'212)	(36'106)
Net (gain) / loss on interest and dividends		913	404
(Increase) / decrease in receivables		(2'167)	(5'452)
Increase / (decrease) in payables		16'257	7'228
Purchase of private equity investments	6	(24'775)	(26'569)
Purchase of private debt investments	6	(11'629)	(2'749)
Purchase of private real estate investments	6	(1'934)	(2'789)
Purchase of private infrastructure investments	6	(985)	(300)
Distributions from and proceeds from sales of private equity investments	6	74'318	36'711
Distributions from and proceeds from sales of private debt investments	6	4'595	2'250
Distributions from and proceeds from sales of private real estate investments	6	364	369
Distributions from and proceeds from sales of private infrastructure investments	6	402	86
Interest and dividends received		491	203
Net cash from / (used in) operating activities		**50'256**	**(5'685)**
Financing activities			
Increase / (decrease) in credit facilities		-	16'500
Interest expense - credit facility		(1'980)	(1'040)
Share buyback and cancellation	9	(1'463)	-
Dividends	13	(15'382)	-
Net cash from / (used in) financing activities		**(18'825)**	**15'460**
Net increase / (decrease) in cash and cash equivalents		**31'431**	**9'775**
Cash and cash equivalents at beginning of reporting period	**7**	**49'149**	**15'251**
Movement in exchange rates		102	70
Cash and cash equivalents at end of reporting period	**7**	**80'682**	**25'096**

Notes to the unaudited consolidated financial statements
for the period from 01 January 2011 to 30 June 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, which have been prepared in accordance with International Financial Reporting Standards.

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.

IFRS 1 - First-time adoption of International Financial Reporting Standards

IFRS 3 - Business combinations
IFRS 7 - Financial instruments: disclosures

IAS 1 - Preparation of financial statements
IAS 24 - Related party transactions
IAS 27 - Consolidated financial statements
IAS 32 - Financial instruments: presentation
IAS 34 – Interim financial reporting

IFRIC 13 - Customer loyalty programmes
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

IFRS 10 (effective 1 January 2013) - Consolidated financial statements
IFRS 11 (effective 1 January 2013) - Joint arrangements
IFRS 12 (effective 1 January 2013) - Disclosure of interests in other entities
IFRS 13 (effective 1 January 2013) - Fair value measurement
IAS 12 (effective 1 January 2012) – Deferred tax

IAS 27 (effective 1 January 2013) - Seperate financial statements
IAS 28 (effective 1 January 2013) - Investments in associates and joint ventures

The Board of Directors is in the process of assessing the impact of these amendments and believes that these new accounting standards and interpretations will not significantly affect the Group's results of operations or financial position but will require additional disclosures with respect to the valuation and treatment of financial assets.

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 8.72% of all ordinary shares issued. Vega Invest Fund plc holds 6'000'000 shares which is 8.59% of all ordinary shares issued. Societe Generale Option Europe holds 3'724'557 shares which is 5.33% 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	-	-	923	632	-	-	-	-	144	4	1'067	636
Revaluation	57'285	32'581	2'538	2'522	515	621	(126)	382	-	-	60'212	36'106
Net foreign exchange gains / (losses)	(26'589)	56'047	(1'516)	3'733	(22)	61	-	-	102	70	(28'025)	59'911
Total Net Income	**30'696**	**88'628**	**1'945**	**6'887**	**493**	**682**	**(126)**	**382**	**246**	**74**	**33'254**	**96'653**
Segment Result	**30'696**	**88'628**	**1'945**	**6'887**	**493**	**682**	**(126)**	**382**	**(8'820)**	**(8'496)**	**24'188**	**88'083**
Other financial activities not allocated											2'201	(7'157)
Surplus / (loss) for the financial period											**26'389**	**80'926**

6 Financial assets at fair value through profit or loss

6.1 Private equity

In thousands of EUR	**30.06.2011**	**31.12.2010**
Balance at beginning of period	524'887	467'992
Purchase of limited partnerships and direct investments	24'775	73'163
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(74'318)	(118'234)
Revaluation	57'285	77'407
Foreign exchange gains / (losses)	(26'589)	24'559
Balance at end of period	**506'040**	**524'887**

6.2 Private debt

In thousands of EUR	**30.06.2011**	**31.12.2010**
Balance at beginning of period	49'347	40'912
Purchase of limited partnerships and direct investments	11'629	5'048
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(4'595)	(5'102)
Accrued cash and PIK interest	576	917
Revaluation	2'538	6'017
Foreign exchange gains / (losses)	(1'516)	1'555
Balance at end of period	**57'979**	**49'347**

6.3 Private real estate

In thousands of EUR	**30.06.2011**	**31.12.2010**
Balance at beginning of period	12'306	6'095
Purchase of limited partnerships and direct investments	1'934	5'251
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(364)	(661)
Revaluation	515	1'589
Foreign exchange gains / (losses)	(22)	32
Balance at end of period	**14'369**	**12'306**

6.4 Private infrastructure

In thousands of EUR	**30.06.2011**	**31.12.2010**
Balance at beginning of period	2'345	1'929
Purchase of limited partnerships and direct investments	985	300
Distributions from and proceeds from sale of limited partnerships and direct investments; net	(402)	(86)
Revaluation	(126)	202
Balance at end of period	**2'802**	**2'345**

7 Cash and cash equivalents

In thousands of EUR	**30.06.2011**	**31.12.2010**
Cash at banks	5'709	25'149
Cash equivalents	74'973	24'000
Total cash and cash equivalents	**80'682**	**49'149**

8 Capital

8.1 Capital

In thousands of EUR	**30.06.2011**	**31.12.2010**
Authorized		
200'100'000 Ordinary shares of EUR 0.001 each	200	200
	200	200
Issued and fully paid		
69'870'181 Ordinary shares of EUR 0.001 each out of the bond conversion	70	70
(70'100'000 in 2010)	**70**	**70**

8.2 Reserves

In thousands of EUR	**30.06.2011**	**31.12.2010**
Distributable reserves		
Distributable reserves at beginning of reporting period	668'882	668'882
Dividends	(15'382)	-
Share buyback and cancellation	(2'193)	-
Total distributable reserves at end of reporting period	**651'307**	**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 229'819 shares were repurchased, at a weighted average discount of 26.7% to net asset value, and cancelled during the financial reporting period. The total amount paid to acquire the shares was EUR 1'462'504 and this was presented as a reduction in the equity. As at 30 June 2011, there were 69'870'181 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 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") that can 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.

The Syndicated Facilities comprise of senior and junior facilities of EUR 85m each. The junior term facilities are provided by Green Stone IC Limited and Partners Group Finance CHF IC Limited, each a Guernsey limited liability company, which since 21 December 2009 has been split in the proportion of EUR 15.67/EUR 69.33m respectively.

Green Stone IC Limited is majority owned by partners and employees of Partners Group Holding AG while Partners Group Finance CHF IC Limited is a wholly owned subsidiary of Partners Group Holding AG.

The senior term facilities are provided by Partners Group Finance CHF IC Limited, the large international bank and effective from 17 February 2010, an additional Swiss based bank with whom Partners Group Finance CHF IC Limited transferred part of its commitment.

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.

In the period ended 31 December 2010, the Company paid a participation fee of 2% of their commitment to Partners Group Finance CHF IC Limited of EUR 244'706 and EUR 152'941 to the Swiss based bank in connection with the Company's need to utilise the senior facility. In addition an annual agency fee of EUR 20'000 was paid to the senior facility agent.

No such fees have been paid during the period ended 30 June 2011.

The Company must maintain a minimum adjusted net asset value and a minimum cash balance, which in the case of the Company is EUR 350m and EUR 3m respectively. In addition the Company must have a net asset cover (total indebtedness to adjusted net asset value) of less than 25%.

The facilities, in relation to the Company, are secured, inter alia, by way of a pledge over the shares in Princess Private Equity Subholding Limited, a wholly owned subsidiary of the Company and a pledge over the bank accounts and the inter-company loans within the Group.

The Company intends to repay and terminate its junior facility of EUR 32.5m and the senior facility with effect from 18 August 2011.

On 25 July 2011, the Company entered into a 3 year multi-currency revolving credit facility with Lloyds Bank Corporate Markets (the "Lender") for EUR 80m.

In relation to the facility interest, on drawn amounts, this is calculated at a margin of 3.25% per annum above the applicable LIBOR rate or, in relation to any loan in EUR, EURIBOR. In addition there is a commitment fee of 1.05% per annum calculated on the daily undrawn amount plus a once off arrangement fee of EUR 800'000 and a monitoring fee in an amount of EUR 25'000 per annum.

In the event that the facility will be provided by more than one lender then there will be an agency fee of EUR 40'000 per annum.

The facilities, in relation to the Company, are secured, inter alia, by way of a pledge over the shares in Princess Private Equity Subholding Limited, a wholly owned subsidiary of the Company and a pledge over the bank accounts and the inter-company loans within the Group.

The Company must have a total net asset value of at least, EUR 350m, a cash reserve of at least EUR 3m and a total asset ratio (total debt plus current liabilities as a percentage of restricted net asset value) of greater than 25%.

In thousands of EUR	**30.06.2011**	**31.12.2010**
Balance at end of period	**32'500**	**32'500**

11 Commitments

In thousands of EUR	**30.06.2011**	**31.12.2010**
Unfunded commitments translated at the rate prevailing at the balance sheet date	164'806	210'394

12 Net assets and diluted assets per share

In thousands of EUR	**30.06.2011**	**31.12.2010**
Net assets of the Company	618'577	609'033
Outstanding shares at the balance sheet date	70'000'915	70'100'000
Net assets per share at period-end	8.84	8.69

13 Dividends

The Board of Directors of Princess Private Equity Holding Limited declared an interim dividend of EUR 0.22 to be paid on each Ordinary Share on 15 July 2011. This interim dividend, amounting to EUR 15.4m (2010: nil), has been recognised as a liability in this financial reporting period.

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Administrator
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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