PRINCESS PRIVATE EQUITY HOLDING LIMITED

HALF-YEAR REPORT 2012

Unaudited financial statements for the period
from 1 January 2012 to 30 June 2012

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Partners Group
Passion for Private Markets

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.

TABLE OF CONTENTS

1 KEY FIGURES

IN EUR	30 JUNE 2012	31 DECEMBER 2011
Net asset value (NAV)	627'267'549	612'826'424
NAV per share	9.03	8.81
Total Dividend per share	0.24	0.45
Closing price (Frankfurt)	5.65	5.84
Discount to NAV (Frankfurt)	-37.41%	-33.69%
Closing price (London)	5.67	5.85
Discount to NAV (London)	-37.19%	-33.58%
Cash and cash equivalents	19'971'642	19'338'535
Use of credit facility	0	0
Value of private equity investments	607'540'628	608'424'962
Undrawn commitments	212'463'861	143'865'439
Investment level	96.86%	99.28%
Overcommitment	30.73%	22.76%
Overcommitment incl. credit line	17.97%	9.70%

2 INVESTMENT MANAGER'S REPORT

NAV growth maintains positive momentum

Princess' net asset value (NAV) grew by 5.2% to EUR 9.03 per share in the first half of 2012, adjusted for the interim dividend of EUR 0.24 per share distributed to shareholders in June. This performance builds upon the 25% NAV increase generated by the investment company over the past two years.

Valuation developments contributed the most to NAV growth over the six-month review period (+5.3%), as the portfolio's underlying companies continued to show strong operational improvements. Over the past twelve months, the 50 largest portfolio companies, representing approximately 32.0% of NAV, achieved weighted revenue and earnings (EBITDA) growth of 10.9% and 8.4%, respectively. Constructive value creation initiatives by the Investment Manager and its partners were a key determinant behind this performance.

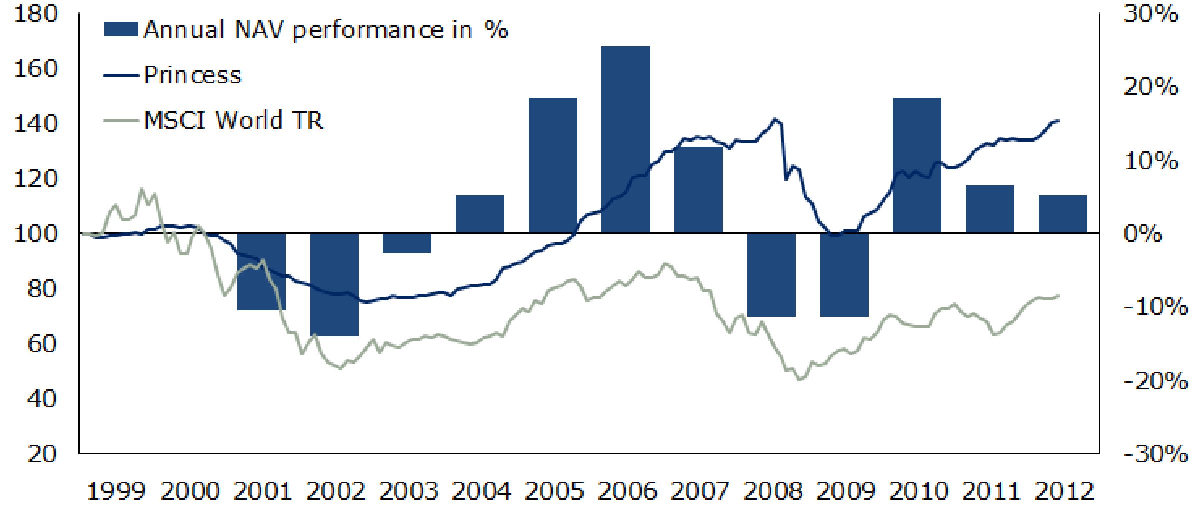
Over the review period, several investments were marked up after being wholly or partially exited above their previous carrying value within the portfolio. These successful exits added to NAV growth over the first half of 2012, as did foreign exchange movements (+1.0%), with the portfolio's sizable US exposure benefiting from the US dollar's appreciation relative to the euro.

First interim dividend of EUR 0.24 paid to investors

On 22 June 2012, Princess paid to shareholders a first interim dividend of EUR 0.24 per share, compared to the EUR 0.22 per share distributed in the corresponding period last year.

This translates into a dividend yield of 5.3% on the NAV per share as of 31 March 2102, and a yield of 8.3% on the half-year closing share price of EUR 5.65 on the Frankfurt Stock Exchange (Xetra).

NAV PERFORMANCE (SINCE INCEPTION)



The above chart is as of 30 June 2012

NAV discount remains wide

Year-to-date, Princess' share price increased by 0.7%, excluding the first interim dividend paid to shareholders in 2012. This performance nonetheless lagged behind the Company's NAV growth (+5.2%) over the corresponding period, which ultimately broadened its NAV discount by 3.6% to 37.4% over the six-month review period.

The Investment Manager believes that the continued large discount neither reflects the high quality of the Princess portfolio, nor the active steps being taken by the Board and the Investment Manager, such as the payment of semi-annual dividends and the phased repositioning of the Company towards becoming a purely direct investment vehicle.

Strategy to accelerate direct investment transition

One of the key decisions taken by the Board during Princess' 2010 strategic review was to restructure the Company's portfolio from a fund of funds to a pure direct investment vehicle. To support the acceleration of this strategic transition, Princess in May allocated EUR 100 million to the recently formed Partners Group Direct Investments 2012 program. The rationale for this allocation was to ensure continued broad diversification within the portfolio, as well as Princess' participation in all the program's direct investments, at no additional management fee. The Company will also continue to invest directly into private equity and mezzanine direct investments to optimize the investment level.

The first investment for Princess via the Partners Group Direct Investments 2012 program was the investment in Global Blue, a provider of travel-related financial services headquartered in Switzerland. The deal is expected to close during the third quarter of the year. Through the program, Princess is also in the process of finalizing a direct investment into a US-based manufacturer and marketer of medical uniforms.

Away from the Partners Group Direct Investments 2012 program, Princess also closed a control buyout direct investment in Trimco International Holdings Limited at the end of April.

Founded in 1979, Trimco is an Asia-based provider of a full range of garment labels, tags and trimming products to blue-chip global apparel companies. To further broaden Trimco's footprint, an add-on acquisition in a UK-based label solution provider was completed shortly after the transaction closed.

Mature portfolio fosters strong distributions and boosts NAV

In the first six months of 2012, Princess received proceeds from realized investments of EUR 83.8 million, compared to EUR 58.7 million in the corresponding period last year. Indeed five of the 15 largest portfolio company holdings were exited over the period, these being: nutritional products retailer General Nutrition Centers (GNC); Dutch cable operator Ziggo; German healthcare provider Ameos; US confectionary business Farley & Sathers Candy; and Lifeways Community Care, the UK-based specialist healthcare operator.

During the first quarter, Princess completed the full realization of its direct investment in GNC, which prior to being exited was Princess' largest portfolio investment. The exit from GNC represented a return of more than 4x the cost of Princess' original direct investment and an IRR above 35%. The direct investment generated overall proceeds of EUR 18.2 million for Princess, with an extra EUR

1.7 million coming from an additional indirect holding in GNC.

Net liquidity position strengthened

By contrast, the Company received EUR 21.3 million in capital calls from third-party fund investments (compared to EUR 27.2 million in the first half of 2011). This was mainly to support new and follow-on investments by its partners.

Accordingly, Princess' net liquidity position strengthened during the review period, as distributions from successful realizations exceeded new third-party fund investments by EUR 62.5 million over the six-month period.

Princess deployed an extra EUR 18.1 million over the period for new direct investments, which included capital drawn to fund new deals in the pipeline. It also paid out a further EUR 16.7 million to fund the first interim dividend to shareholders. Accordingly, Princess' investment level and net liquidity at the end of June 2012 were 96.9% and EUR 19.7 million (3.1% of NAV), respectively.

An undrawn EUR 80 million multi-currency credit facility is also available to address short-term funding needs if and when required.

Decrease in unfunded commitments to third-party funds

Unfunded commitments to third-party funds in the Princess portfolio further decreased by 13.0% in the first half of 2012 to EUR 125.2 million, from EUR 143.9 million as of the end of 2011. Around 29.0% of these unfunded commitments stem from funds with vintage years 2000 and older, and as such are unlikely to call down any further capital.

Princess' undrawn allocation to the Partners Group Direct Investments 2012 program amounts to EUR 87.3 million, meaning that overall, unfunded commitments within portfolio now stands at EUR 212.5 million.

Possible secondary sale

Princess is currently evaluating the possibility of selling selected fund positions in the secondary market, the purpose of which is to accelerate the ongoing transition of the portfolio towards global direct investments. It is anticipated that EUR 130-180 million could potentially be raised from such a transaction. However, a sale will only proceed if Princess is able to conclude the secondary sale at a relatively narrow discount to NAV, at which stage a formal announcement will be made.

Outlook

The Investment Manager expects Princess to deliver positive NAV growth in 2012, with healthy operating results from underlying portfolio companies and successful realizations positively impacting performance.

Distributions should continue to receive support from trade sales as cash-rich corporates increasingly deploy capital as an alternative to holding cash on their balance sheets. These distributions should help to enhance Princess' already strong liquidity position, while also facilitating new direct investments.

However, the macroeconomic issues of negative fiscal balances and high sovereign debt levels remain largely unresolved, and should continue to provide a drag on economic growth over the remainder of the year. Therefore, while the Investment Manager will continue to screen several new direct investments globally, a cautious approach to investments will be maintained.

The Investment Manager will continue to focus on the small-to-mid-cap end of the investment spectrum where valuations are relatively more attractive compared to larger transactions. It is also likely to maintain its emerging market bias for new private equity direct investments, as the region is expected to exhibit stronger macroeconomic growth fundamentals than more developed economies in the years to come.

Overall, the Investment Manager remains confident that the attractive dividend yield on offer and the ongoing transition of the portfolio towards direct investments will further enhance its value for shareholders, thereby supporting a narrowing of the NAV-to-share-price discount over time.

3 PRIVATE EQUITY MARKET ENVIRONMENT

Expectations for the global economy weakened in the second quarter

The second quarter of 2012 saw the global economy enter more turbulent waters, as the Eurozone debt crisis continued its course. June was an eventful month, with Spain joining the ranks of European bailout countries after requesting up to EUR 100 billion to shore up its banks.

Reflecting the concerns in the region, ratings agencies downgraded Spain and Greece further during the quarter. At the same time, in electoral developments, the socialist candidate was voted to power in France, while Greece saw in a coalition of parties in favor of maintaining its International Monetary Fund (IMF) and European Commission (EC) bailout package, easing concerns that the country may exit the Eurozone. In terms of economic fundamentals, industrial production has weakened not only in peripheral countries, but also at the Eurozone core, while unemployment remains at historic high levels at the Eurozone level and consumer sentiment has clearly deteriorated.

On a more positive note, a number of affirmative decisions were made at the latest European Union summit in late June, aimed at stemming the Eurozone debt crisis. These decisions include the establishment of Eurozone-wide banking supervision, allowing the European rescue funds (EFSF, ESM) to potentially recapitalize banks directly, and an authorization for the rescue funds to conduct secondary bond market purchases. While positive, specific details were lacking and implementation will most likely be complicated.

The uncertain situation in Europe continues to be felt in other parts of the world, even in the higher-growth emerging market economies. For example, doubts have arisen over the strength of China's manufacturing sector, with mixed signals seen for the past several months among the official PMI measure and similar private readings. Overall, China's second-quarter economic growth eased for the sixth straight quarter to +7.6% year-on-year, as the myriad concerns - both external and internal (for example property controls) - have impacted China's domestic demand, which compounds the weak export performance.

Meanwhile, the US economy continues to grow at a tepid pace. While the world's largest economy remains one of the few relatively bright spots around the globe (advance estimates for second-quarter GDP growth show a quarter-on-quarter gain of +1.5% , on an annualized basis), the country is not isolated from developments in Europe and elsewhere. Furthermore, with the unemployment rate proving sticky (8.2% in June 2012), bank and household deleveraging ongoing, and the prospect of fiscal tightening ahead, a meaningful acceleration of the US economic recovery is unlikely in the near-term. In response, the US Federal Reserve opted to extend Operation Twist, whereby it sells short-dated government bills and bonds to buy longer-dated government bonds, until the end of 2012, which is aimed at lowering long-term borrowing rates to stimulate consumption and investment. Nonetheless, the country's debt ceiling and impending fiscal cliff remain issues for the coming quarters.

Taken together, recent developments paint a sobering picture for the world economy in the second quarter of 2012. Reflecting this, the IMF has revised its global growth forecasts to +3.5% for 2012 and +3.9% for 2013, down from its earlier estimates of +3.6% and +4.1% (made in April this year).

Merger and acquisition activity saw green sprouts of recovery

A challenging macroeconomic backdrop notwithstanding, merger and acquisition (M&A) and private equity buyout activity saw growth in the second quarter. Global M&A activity bounced back after five consecutive quarters of decline. According to mergermarket, a business development tool that provides proprietary intelligence and analysis for the M&A sector,the global value of M&A transactions for the three months ended 30 June 2012 grew by 13.9% quarter-on-quarter to USD 494.9 billion. The increase in deal value was driven by volume growth in the mid-cap segment (USD 500 million to USD 2 billion), which accounted for approximately one-third of total transaction value, the highest proportion recorded since 2001.

On a geographical basis, US deals fueled the rise in global M&A activity this quarter, up 27.9% from the prior period to USD 145.2 billion and driven partly by an uptick in activity in the consumer sector. For example, the quarter saw Nestle's USD 11.9 billion acquisition of the children's food and nutrition business of US-headquartered Pfizer. The transaction was done at a considerably high premium of nearly 20x 2012 earnings and is a prime example of cash-flushed corporates looking to deploy accumulated cash reserves to growth-oriented acquisitions.

On the other hand, M&A activity in the Eurozone region expanded by a slower 6.6% from the preceding period to USD 183.7 billion. While the prolonged debt crisis and various political uncertainties continue to impact M&A sentiment in this region, the second-quarter M&A figures perhaps give testimony to the notion that Europe offers value to acquirers, or at least to those able to secure financing. Furthermore, the deal numbers during the period represented the highest quarterly total since the fourth quarter of 2009. Showing similarly weak growth was second-quarter deal flow in the Asia-Pacific region, which came in at USD 71.1 billion, up by just 3% from the first three months of the year, as activity in the region was affected by muted investor sentiment from the Eurozone debt crisis.

The largest M&A deal announced globally in the second quarter was the acquisition of the remaining 50% stake in Mexican brewer Grupo Modelo by the world's largest brewer Anheuser-Busch InBev for USD 17.8 billion. In the face of difficult macro conditions around the world, the relatively positive M&A numbers in the period were mirrored in the level of private equity buyout activity, as described below.

Healthy activity in the private equity buyout space

With access to large amounts of dry powder for making investments, private equity buyout activity bounced back significantly from the prior quarter. Data compiled by mergermarket shows an aggregate USD 61.2 billion of buyout transactions in the second quarter of 2012, an increase of 16.5% from the prior period. This increase snaps three consecutive quarters of decline, however the absolute amount is still the second lowest since June 2010. The largest buyout transaction for the quarter was the USD 3.7 billion acquisition of German natural gas pipeline operator Open Grid Europe in May 2012. The asset was acquired from E.ON by a consortium led by Macquarie Group.

Based on mergermarket records for the first half of 2012, debt financing for buyout transactions was on the whole higher than that seen last year. In the first six months of 2012, buyout structures were funded on average with nearly 60% debt, the third-highest level since the highs of 2007. Offsetting this is a reduction in the average EBITDA multiples to the second-lowest level in the past eight years, which points to a desire for sustainable financing structures and healthy cash-flow backing.

Continued liquidity via trade sales and secondary buyouts

Private equity trade sales and secondary buyouts continued their upward trend, with secondary buyouts in particular rising strongly by 85.2% quarter-on-quarter in terms of deal value to USD 20 billion for the second quarter of 2012. The increase in exits via trade sales and secondary buyouts were characterized by a string of large-cap transactions (greater than USD 1 billion), which showed a significant increase from the previous quarter. The consumer segment continued to see acquisitive interest, which ultimately led to higher deal flow and accounted for two of the top five private equity-backed exits in the first six months of 2012.

Moreover, cash-rich corporate balance sheets have continued to drive not only M&A activity in general but also trade sales by private equity firms. Corporations with an abundance of cash are often more willing to pay a premium for acquisitions so as to gain market access and internationalization, while on the other end justifying premiums by a potentially greater scope for extracting synergies. This was aptly demonstrated in the US market, with exit premiums in the region averaging 63.7%, according to mergermarket, the second-highest level since 2004. Exit premiums in Europe were significantly lower, averaging 13.1%, while globally, the average stood at 24.8%.

Overall, the highest-value private equity exit for the second quarter was Kohlberg Kravis Roberts' USD 6.7 billion sale of European chemist chain Alliance Boots to US pharmacy operator Walgreen, providing the US-based company access to the European retail pharmacy market.

Global IPO activity bounced back, but not so for private equity-backed listings

While trade sales and secondary buyouts remain fluid, private equity exit markets remain bifurcated as public listings of portfolio companies were adversely impacted by public market volatility during the second quarter, despite broadly higher IPO volumes in general. According to Ernst & Young data, global IPO capital raising in the second quarter of 2012 saw a significant increase of 141% quarter-on-quarter to USD 41.8 billion. This was inflated by the USD 16.0 billion listing of Facebook on the NASDAQ exchange, which was the largest IPO for the quarter and constituted nearly 40% of the total capital raised via IPO markets for the period. Excluding the Facebook listing, global IPO activity in the second quarter still increased by nearly 50% sequentially.

The Americas region drove IPO activity during the quarter, accounting for approximately 60% of capital raised. The US markets remain an attractive IPO location, with nine out of the top 20 global IPOs completed on US stock exchanges. Similarly, Asian markets accounted for 35% of global funds raised, with 104 transactions raising USD 14.5 billion, an increase of 87% from the prior quarter. However, European markets saw a 68% decline from the first quarter, with less than EUR 1 billion raised through 46 listings, representing just 2% of global capital raised and amply reflecting the uncertain events in the Eurozone.

While global IPO activity rebounded on a sequential basis, private equity-backed IPO activity did not follow suit, as financial sponsors stood on the sidelines, seeking windows of lower volatility and possibly better valuations. Private equity-backed companies raised USD 3.4 billion across 22 listings during the quarter, representing a decrease of 43.7% from the prior period in terms of funds raised. Of the private equity-backed listings that did make it to market in the second quarter, US stock exchanges claimed the lion's share of proceeds, with USD 3.1 billion of capital raised across twelve portfolio company listings. The largest private equity-backed IPO (and ninth-largest overall) for the quarter was the USD 595 million NYSE listing of PetroLogistics, the world's largest propane dehydrogenation operator.

Looking at market volatility, the CBOE Volatility S&P 500 Index, or VIX, had an up-and-down quarter. The index rose sharply in May 2012, reflecting weakened investor confidence over global growth scenarios, before settling down and ending June more or less where it started the quarter. If nothing else, this illustrates the volatility evident in the public markets.

A shift in the competitive fundraising landscape

Based on data from Preqin, 126 funds reached a final close in the second quarter, having raised an aggregate sum of USD 61.4 billion. While both the number of funds that held a final close and the amount of funds raised are down slightly from the first quarter, there was a significant increase in interim closes during the quarter (USD 48.5 billion across 145 funds), which bodes well and makes the picture more complete. Furthermore, funds are closing at a faster pace, with an average time taken of 16.7 months for funds that have closed year-to-date, as compared with an average of 18.5 months for 2011. Nonetheless, the fundraising environment remains highly competitive, with more than 1'800 private equity funds currently on the road seeking to raise a total of over USD 800 billion in capital.

According to a survey by Preqin, some 90% of investors plan to increase or at least maintain their allocations to private equity over the next twelve months. While quality funds are still attracting capital from institutional investors, it is imperative that fund managers continue to successfully differentiate themselves from the record number of funds seeking to raise capital in the marketplace.

Also contributing and shaping the competitive landscape are a number of regulatory changes expected to take place in developed markets. The Volcker Rule (part of the Dodd-Frank Act), Basel III and Solvency II are likely to restrict banks' and insurance companies' private markets investment activity. Nevertheless, 75% of banks and 88% of insurance companies have indicated that they expect to either increase or maintain their current level of exposure to private equity over the long-term, implying that despite the regulatory restrictions, private equity as an asset class remains highly important to institutional investors.

Outlook

While the success of various economic measures and policy decisions made during the quarter remains to be seen, the impact on the global economy is likely to be significant. Going forward, a reduction in the uncertainty surrounding the global economy is necessary before further growth will be witnessed.

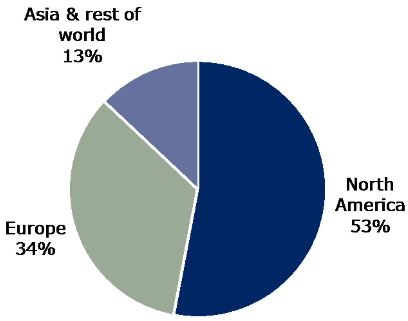
A number of pre-requisite conditions for strong private equity deal making are in place, for instance low interest rates and strong acquisition firepower. However, these have been in place for some time. Without further stability as to macroeconomics and earnings outlooks, buyout activity is likely to remain relatively subdued (at least when contrasted with the much higher volumes seen in the mid-2000's), with the probable exception of relative value-driven strategies. On the other hand, private equity exit activity should remain relatively healthy, supported by secondary buyouts and trade sales. IPO activity will, as ever, be strongly related to market conditions.

On the fundraising side, private equity firms will experience a highly competitive landscape in the near-term, though well-established firms with a good track record will be able to stand out from the crowd.

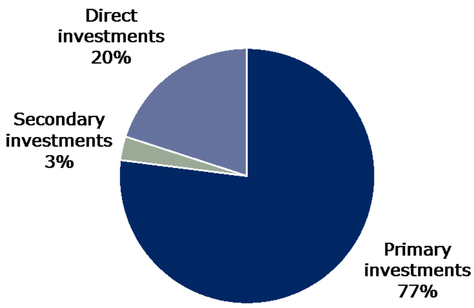
Sources: International Monetary Fund; mergermarket; Thomson Reuters; Preqin, PwC; Ernst & Young; Partners Group research

4 PORTFOLIO COMPOSITION

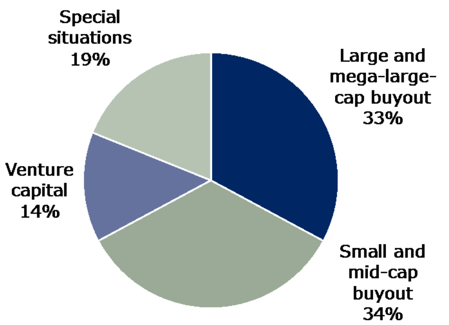
INVESTMENTS BY GEOGRAPHIC REGION



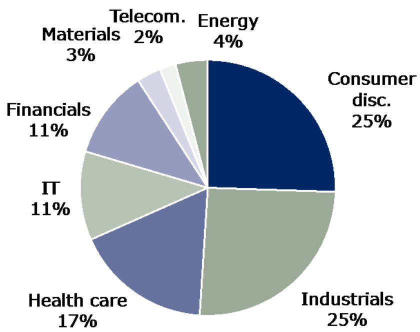
INVESTMENTS BY INVESTMENT TYPE



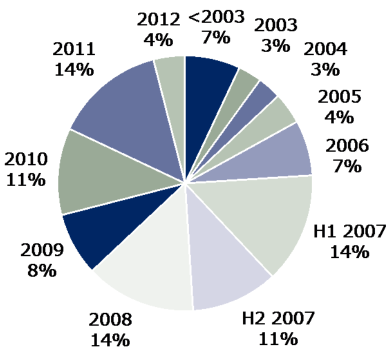
INVESTMENT BY FINANCING STAGE



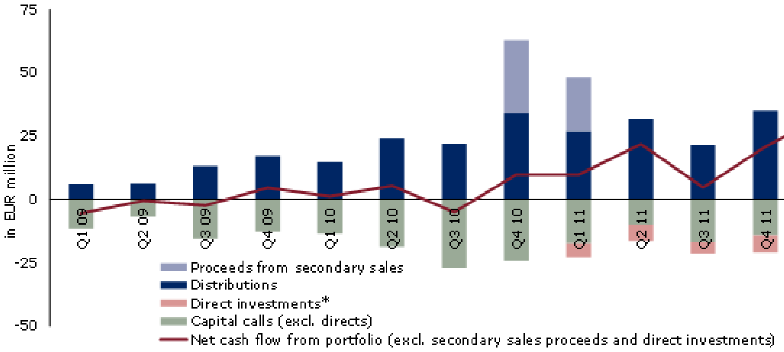
INVESTMENT BY INDUSTRY SECTOR



INVESTMENT BY INVESTMENT YEAR

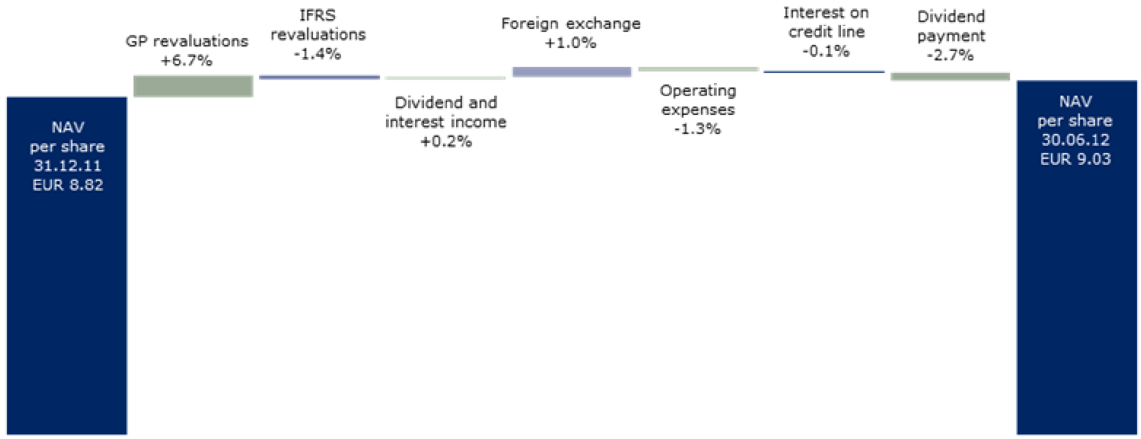


DEVELOPMENT OF NET CASH FLOWS



Q2 2012	H1 2012
-	-
+38.6m in distributions	+83.8m in distributions
-9.9m in capital calls	-21.3m in capital calls
-18.1m in directs*	-18.1m in directs*

NAV PERFORMANCE ATTRIBUTION IN H1 2012



VALUATION METRICS OF 50 LARGEST UNDERLYING PORTFOLIO COMPANIES**

	Top 10	Top 20	Top 50
EV/EBITDA	9.2x	9.8x	9.7x
Net debt/EBITDA	5.3x	4.9x	4.9x
Leverage	55.8%	50.4%	51.4%
Average EV	EUR 2.9bn	EUR 3.0bn	EUR 3.5bn
% of NAV	13.3%	20.2%	32.0%

"Investments" refers to the value of investments.

* Includes capital drawn to fund deals in pipeline.

**As of 30 June 2012. Based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report. Investments via Princess' EUR 100 million allocation to the Partners Group Direct Investments 2012 program reflect approximate investment amounts based on the target program size.

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

In the first six months of 2012, Princess received proceeds from exited investments of EUR 83.8 million, compared to new investments of EUR 39.4 million from a combination of both direct transactions and capital calls from third party fund investments.

Selected investments

- Trimco

At the end of April, the Company closed the small-cap direct investment into Trimco International Holdings Limited (Trimco), the Asia-based global provider of apparel labeling solutions. Founded in 1979, and headquartered in Hong Kong, the management has successfully enlarged Trimco's operational footprint over the last few years with the establishment of subsidiaries in China, India, Thailand and Singapore. To further internationalize the company's footprint, an add-on acquisition in a UK-headquartered international label solution provider with a presence in the UK, Turkey, Romania and other important garment manufacturing hubs was completed shortly after the transaction closed.

- Global Blue

In May, Princess, through its recent allocation to the Partners Group Direct Investments 2012 program, agreed to acquire a stake in Global Blue, a provider of travel-related financial services headquartered in Switzerland. Global Blue's tax-free shopping business offers refund services through a partnership network of more than 270'000 retail merchants worldwide and refund counters at major airports. The transaction closed at the end of July 2012.

Selected exits

- General Nutrition Centers

In the first quarter of 2012, Princess fully realized its direct investment in GNC Holdings Inc. (GNC), the specialty retailer of health products, and prior to said exit, Princess' largest portfolio company holding. The sale of GNC represented a return of more than 4x the cost of Princess' original direct investment and an IRR above 35%. The realization of the direct investment generated overall proceeds of EUR 18.2 million in February and March 2012. In addition, Princess received a EUR 1.7 million distribution from its additional indirect holdings in GNC.

- Farley's & Sathers Candy

US-based confectionary Farley's & Sathers Candy, a portfolio company of Catterton Partners, completed its merger with Ferrara Pan Candy Company in June. Catterton Partners will remain a major investor in the combined company, and plans to leverage its collective expertise and broad supply chain to create a leading candy manufacturer. Catterton created the company in 2002 through the combination of assets from Farley's Foods and Sathers Candy Company, and has since grown it both organically and through add-on acquisitions of famous confectionary brands.

- Ameos

In April 2012, Quadriga Capital Private Equity Fund II L.P. (Quadriga II) distributed EUR 5.1 million to Princess from the sale of Ameos, a company which manages a portfolio of hospitals and nursing homes in Germany and Switzerland, to a consortium of investors led by Carlyle Group. Under Quadriga II's ownership, the company maintained a strong financial track record, growing its revenue base significantly to over EUR 300 million and its total assets to more than EUR 400 million.

■ Lifeways Community Care

In June, UK healthcare operator Lifeways Community Care (Lifeways) was sold to OMERS Private Equity in a secondary management buyout worth approximately GBP 210 million. With approximately 6'300 trained staff, the company currently supports and cares for more than 3'400 people. Since the investment in 2007, Lifeways has grown significantly both organically and via eleven add-on acquisitions. Prior to this exit, Lifeways was Princess' third largest portfolio company holding.

6 LARGEST PORTFOLIO HOLDINGS

for the period ended 30 June 2012 (in EUR)

					Since inception	
Investment	**Type of investment**	**Financing stage**	**Regional focus**	**Vintage year**	**Committed**	**Invested**
Action	Direct	Buyout	Europe	2011	3'405'530	3'412'275
AHT Cooling Systems GmbH	Direct	Special situations	Europe	2007	5'134'277	n.a.
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
Bausch & Lomb, Inc	Direct	Buyout	North America	2007	1'086'188	n.a.
Direct marketing and sales company	Direct	Buyout	Rest of World	2007	771'636	691'429
Education publisher	Direct	Buyout	North America	2007	7'356'811	7'356'811
Essmann	Direct	Special situations	Europe	2007	2'705'065	n.a.
Fermo (Trimco International)	Direct	Buyout	Asia-Pacific	2012	n.a.	n.a.
Food company 1	Direct	Buyout	North America	2007	2'369'456	2'369'456
Healthcare operator 1	Direct	Buyout	Europe	2006	588'178	588'178
Information service company	Direct	Buyout	North America	2007	4'545'447	4'546'736
Newcastle Coal Infrastructure Group (2nd Stage)	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
Project Sun	Direct	Buyout	Europe	2011	3'361'701	3'361'701
Schenck Process GmbH	Direct	Buyout	Europe	2007	941'381	951'350
Securitas Direct - Debt 2011	Direct	Special situations	Europe	2011	4'365'000	4'500'000
Universal Hospital Services, Inc.	Direct	Buyout	North America	2007	3'642'548	3'642'548
3i Eurofund Vb	Primary	Buyout	Europe	2006	10'000'000	9'448'575
Advent Latin American Private Equity Fund IV, L.P.	Primary	Buyout	Rest of World	2007	3'813'626	3'582'192
Aksia Capital III, L.P.	Secondary	Buyout	Europe	2005	5'500'000	5'123'860
Anonymized Emerging Markets Venture Fund 2	Primary	Venture capital	Rest of World	2008	4'532'711	2'696'604
Anonymized European Buyout Fund 7	Primary	Buyout	Europe	2007	10'000'000	6'300'251
Anonymized European Buyout Fund 9	Primary	Buyout	Europe	2007	9'307'662	7'810'680
Anonymized US Buyout Fund 2	Primary	Buyout	North America	2007	11'676'268	8'833'264
APAX Europe VII - B, L.P.	Primary	Buyout	Europe	2007	4'487'230	4'128'251
Apax US VII, L.P.	Primary	Buyout	North America	2006	7'236'031	7'245'413
Apollo Overseas Partners VI, L.P.	Primary	Buyout	North America	2005	17'668'698	21'923'051
Apollo Overseas Partners VII, L.P.	Primary	Buyout	North America	2008	14'725'150	14'598'766
Ares Corporate Opportunities Fund II, L.P.	Primary	Special situations	North America	2006	14'165'178	15'037'753
Ares Corporate Opportunities Fund III, L.P.	Primary	Special situations	North America	2008	7'812'497	6'374'154
August Equity Partners II A, L.P.	Primary	Buyout	Europe	2007	8'478'860	n.a.
Avista Capital Partners (Offshore), L.P.	Primary	Buyout	North America	2005	14'064'293	16'562'808

HALF-YEAR REPORT 2012

Investment	Type of investment	Financing stage	Regional focus	Vintage year	Since inception Committed	Since inception Invested
Candover 2005 Fund, L.P.	Primary	Buyout	Europe	2005	10'000'000	9'931'103
Carmel Software Fund (Cayman), L.P.	Primary	Venture capital	Rest of World	2000	9'254'930	9'503'599
Chancellor V, L.P.	Primary	Venture capital	North America	1999	19'178'503	17'311'014
Crimson Velocity Fund, L.P.	Primary	Venture capital	Asia-Pacific	2000	4'560'848	5'870'105
Draper Fisher Jurvetson Fund VII, L.P.	Primary	Venture capital	North America	2000	4'422'273	4'422'273
Fenway Partners Capital Fund II, L.P.	Primary	Buyout	North America	1998	28'917'175	31'631'626
Fermo (Trimco International)	Primary	Special situations	North America	2012	n.a.	n.a.
Fourth Cinven Fund, L.P.	Primary	Buyout	Europe	2006	7'500'000	7'086'464
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	8'681'535
Green Equity Investors Side V, L.P.	Primary	Buyout	North America	2007	9'380'961	6'934'170
ICG European Fund 2006, L.P.	Primary	Special situations	Europe	2006	15'000'000	15'070'526
Industri Kapital 2007 Fund, L.P.	Primary	Buyout	Europe	2007	15'000'000	13'594'662
INVESCO U.S. Buyout Partnership Fund II, L.P.	Primary	Buyout	North America	2000	28'565'698	26'608'454
INVESCO Venture Partnership Fund II, L.P.	Primary	Venture capital	North America	1999	58'880'211	54'930'788
INVESCO Venture Partnership Fund II-A, L.P.	Primary	Venture capital	North America	2000	33'560'859	32'115'665
Kohlberg Investors IV, L.P.	Primary	Buyout	North America	2000	9'437'671	8'629'501
Kohlberg TE Investors VI, L.P.	Primary	Buyout	North America	2007	8'996'243	7'974'390
Levine Leichtman Capital Partners II, L.P.	Primary	Special situations	North America	1998	30'486'656	35'633'016
MatlinPatterson Global Opportunities Partners III	Primary	Special situations	North America	2007	7'193'124	7'835'814
Nordic Capital VI, L.P.	Primary	Buyout	Europe	2005	7'500'000	8'079'959
OCM Mezzanine Fund II, L.P.	Primary	Special situations	North America	2005	11'304'967	12'706'849
Palamon European Equity 'C', L.P.	Primary	Buyout	Europe	1999	10'000'000	12'249'502
Partners Group Global Real Estate 2008 LP	Primary	Real estate	Europe	2008	20'000'000	14'507'081
Partners Group SPP1 Limited	Secondary	Special situations	North America	1996	42'109'289	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, L.P.	Primary	Buyout	North America	2007	18'485'228	18'959'986
Quadriga Capital Private Equity Fund III, L.P.	Primary	Buyout	Europe	2006	10'000'000	9'468'519
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	7'521'391	5'744'561
Terra Firma Capital Partners III, L.P.	Primary	Buyout	Europe	2006	20'000'000	18'582'449
The Peninsula Fund IV, L.P.	Primary	Special situations	North America	2005	7'532'574	7'146'307
Thomas H. Lee Parallel Fund VI, L.P.	Primary	Buyout	North America	2006	18'646'327	14'149'678
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**	**Committed**	**Invested**
Warburg Pincus Private Equity X, L.P.	Primary	Buyout	North America	2007	14'540'803	13'893'230

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.

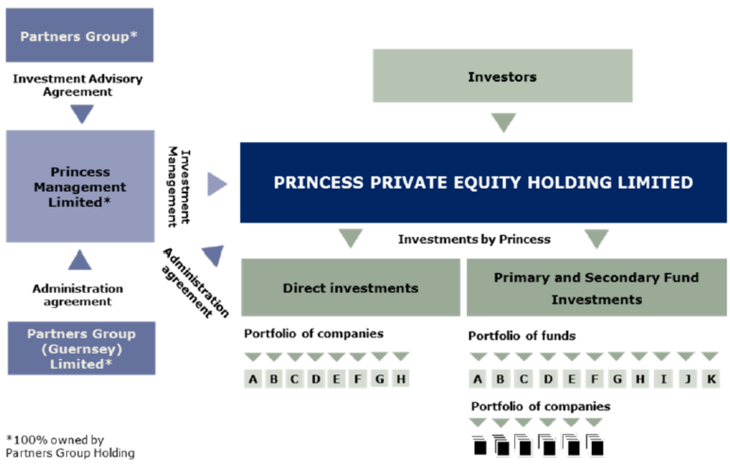
7 STRUCTURAL OVERVIEW

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 longterm capital growth and an attractive dividend yield.

Princess' investments are managed on a discretionary basis by Princess Management Limited, 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 EUR 25 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 STATEMENT 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 all set out in the Investment Manager's report.

In addition, Princess held its Annual General Meeting on 16 May 2012. All resolutions put to shareholders at its Annual General Meeting were duly passed on a show of hands. Items duly passed by shareholders were to: adopt the financial reports for the year ended 31 December 2011; re-appoint PricewaterhouseCoopers CI LLP as the Company's auditors for the year ending 31 December 2012; re-elect directors; authorize the Directors to allot shares in the capital of the Company, subject to certain conditions; 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 private equity and private debt direct investments. In addition, the current portfolio also includes 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, 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 17 to the accounts in the Princess annual report 2011, 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 14 August 2012

Brian Human
Chairman

Richard Battey
Chairman of the Audit Committee

10 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

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Unaudited consolidated statement of comprehensive income

for the period from 01 January 2012 to 30 June 2012

In thousands of EUR	Notes	**01.01.2012 30.06.2012**	**01.01.2011 30.06.2011**
Net income from financial assets at fair value through profit or loss		**43'446**	**33'008**
Private equity		*39'623*	*30'696*
Interest and dividend income		54	-
Revaluation	5	31'045	57'285
Net foreign exchange gains / (losses)	5	8'524	(26'589)
Private debt		*2'726*	*1'945*
Interest income (including PIK)		1'279	923
Revaluation	5	525	2'538
Net foreign exchange gains / (losses)	5	922	(1'516)
Private real estate		*875*	*493*
Revaluation	5	871	515
Net foreign exchange gains / (losses)	5	4	(22)
Private infrastructure		*222*	*(126)*
Revaluation	5	222	(126)
Net income from cash and cash equivalents and other income		**6**	**246**
Interest income		10	144
Net foreign exchange gains / (losses)		(4)	102
Total net income		**43'452**	**33'254**
Operating expenses		**(8'052)**	**(9'066)**
Management fees		(5'790)	(6'007)
Incentive fees		(1'542)	(1'858)
Administration fees		(153)	(151)
Other operating expenses		(615)	(846)
Other net foreign exchange gains / (losses)		48	(204)
Other financial activities		**(3'726)**	**2'201**
Setup expenses - credit facility		(12)	-
Interest expense - credit facility		(419)	(1'980)
Other finance cost		(19)	(16)
Net gains / (losses) from hedging activities		(3'276)	4'197
Surplus / (loss) before tax for the financial period		**31'674**	**26'389**
Income tax		(11)	-
Surplus / (loss) for the financial period		**31'663**	**26'389**
Other comprehensive income for the period; net of tax		-	-
Total comprehensive income for the period		**31'663**	**26'389**
Earnings per share			
Weighted average number of shares outstanding		69'548'817	70'000'915
Basic surplus / (loss) per share for the period		0.46	0.38
Diluted surplus / (loss) per share for the period		0.46	0.38

The Euro 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 2012

In thousands of EUR	Notes		**30.06.2012**		**31.12.2011**
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	5	525'254		523'201	
Private debt	5	59'673		65'728	
Private real estate	5	17'852		15'714	
Private infrastructure	5	4'762		3'782	
Non-current assets			**607'541**		**608'425**
Other short-term receivables		11'130		231	
Cash and cash equivalents	6	19'972		19'339	
Current assets			**31'102**		**19'570**
TOTAL ASSETS			**638'643**		**627'995**
LIABILITIES					
Share capital	7	69		70	
Reserves	7	617'072		634'293	
Retained earnings		10'127		(21'536)	
Total Equity			**627'268**		**612'827**
Hedging liabilities		2'306		3'852	
Other short-term payables		9'069		11'316	
Liabilities falling due within one year			**11'375**		**15'168**
TOTAL LIABILITIES			**638'643**		**627'995**

Unaudited consolidated statement of changes in equity

for the period from 01 January 2012 to 30 June 2012

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Balance at beginning of reporting period	70	634'293	(21'536)	612'827
Dividend paid during the period	-	(16'691)	-	(16'691)
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	(1)	(530)	-	(531)
Surplus / (loss) for the financial period	-	-	31'663	31'663
Balance at end of reporting period	**69**	**617'072**	**10'127**	**627'268**

for the period from 01 January 2011 to 30 June 2011

In thousands of EUR	Share capital	Reserves	Retained earnings	Total
Balance at beginning of reporting period	70	668'882	(59'919)	609'033
Dividend paid	-	(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
Balance at end of reporting period	**70**	**651'307**	**(32'800)**	**618'577**

Unaudited consolidated cash flow statement
for the period from 01 January 2012 to 30 June 2012

In thousands of EUR	Notes	**01.01.2012 30.06.2012**	**01.01.2011 30.06.2011**
Operating activities			
Surplus / (loss) for the financial period		31'663	26'389
Adjustments:			
Income taxes		11	-
Net foreign exchange (gains) / losses		(9'494)	28'229
Investment revaluation		(32'663)	(60'212)
Net (gain) / loss on interests		(891)	913
Net (gain) / loss on dividends		(33)	-
Revaluation on forward hedges		1'087	(31)
Revaluation on option hedges		2'189	(4'166)
(Increase) / decrease in receivables		(10'829)	719
Increase / (decrease) in payables		(2'269)	16'257
Realized revaluation on forward hedges		(4'823)	-
Option premiums paid		-	1'311
Purchase of private equity investments	5	(40'219)	(24'775)
Purchase of private debt investments	5	2'849	(11'629)
Purchase of private real estate investments	5	(1'263)	(1'934)
Purchase of private infrastructure investments	5	(758)	(985)
Distributions from and proceeds from sales of private equity investments	5	77'735	74'318
Distributions from and proceeds from sales of private debt investments	5	5'048	4'595
Distributions from and proceeds from sales of private real estate investments	5	-	364
Distributions from and proceeds from sales of private infrastructure investments	5	-	402
Interest and dividends received		938	491
Net cash from / (used in) operating activities		**18'278**	**50'256**
Financing activities			
Interest expense - credit facility		(419)	(1'980)
Share buyback and cancellation		(531)	(1'463)
Distribution of dividends		(16'691)	(15'382)
Net cash from / (used in) financing activities		**(17'641)**	**(18'825)**
Net increase / (decrease) in cash and cash equivalents		**637**	**31'431**
Cash and cash equivalents at beginning of reporting period	**6**	**19'339**	**49'149**
Effects of foreign currency exchange rate changes on cash and cash equivalents		(4)	102
Cash and cash equivalents at end of reporting period	**6**	**19'972**	**80'682**

Notes to the unaudited consolidated financial statements
for the period from 01 January 2012 to 30 June 2012

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"). 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 interim consolidated financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting. The condensed interim consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2011, which have been prepared in accordance with International Financial Reporting Standards.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2011, except for the adoption of the following amendments mandatory for annual periods beginning on or after 1 January 2012.

IFRS 1 (effective 1 July 2011) - First-time adoption of International Financial Reporting Standards
IFRS 7 (effective 1 July 2011) - Financial instruments: disclosures - risk exposure from transferred financial assets

IAS 12 (effective 1 January 2012) - Deferred tax

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 January 2013) - Financial instruments: disclosures - Offsetting of financial assets and liabilities
IFRS 9 (effective 1 January 2015) - 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 1 (effective 1 July 2012) - Presentation of items of other comprehensive income
IAS 19 (effective 1 January 2013) - Employee benefits
IAS 27 (effective 1 January 2013) - Separate financial statements
IAS 28 (effective 1 January 2013) - Investments in associates and joint ventures
IAS 32 (effective 1 January 2014) - Financial instruments: Presentation

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 5.11% of all ordinary shares issued. Deutsche Asset Management Investmentgesellschaft mbH holds 6'095'900 shares which is 8.77% of all ordinary shares issued. Vega Invest Fund plc holds 4'785'000 shares which is 6.89% of all ordinary shares issued. Societe Generale Option Europe holds 3'724'557 shares which is 5.36% of all ordinary shares issued. Witan Investment Trust plc holds 2'210'000 shares which is 3.18% of all ordinary shares issued. Abrams Capital LLC, holds 2'341'439 shares which is 3.37% of all ordinary shares issued. Red Rocks Capital LLC holds 2'111'650 shares which is 3.04% of all ordinary shares issued.

4 Segment calculation

In thousands of EUR	Private Equity		Private Debt		Private Real Estate		Private Infrastructure		Non attributable		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Interest and dividend income	54	-	1'279	923	-	-	-	-	10	144	1'343	1'067
Revaluation	31'045	57'285	525	2'538	871	515	222	(126)	-	-	32'663	60'212
Net foreign exchange gains / (losses)	8'524	(26'589)	922	(1'516)	4	(22)	-	-	(4)	102	9'446	(28'025)
Total Net Income	**39'623**	**30'696**	**2'726**	**1'945**	**875**	**493**	**222**	**(126)**	**6**	**246**	**43'452**	**33'254**
Segment Result	**39'623**	**30'696**	**2'726**	**1'945**	**875**	**493**	**222**	**(126)**	**(8'046)**	**(8'820)**	**35'400**	**24'188**
Other financial activities not allocated											(3'726)	2'201
Income tax expense											(11)	-
Surplus / (loss) for the financial period											**31'663**	**26'389**

5 Financial assets at fair value through profit or loss

5.1 Private equity

In thousands of EUR	**30.06.2012**	**31.12.2011**
Balance at beginning of period	523'201	524'887
Purchase of direct and indirect investments	40'219	60'487
Distributions from and proceeds from sale of direct and indirect investments	(77'735)	(125'964)
Revaluation	31'045	51'868
Foreign exchange gains / (losses)	8'524	11'923
Balance at end of period	**525'254**	**523'201**

5.2 Private debt

In thousands of EUR	**30.06.2012**	**31.12.2011**
Balance at beginning of period	65'728	49'347
Purchase of direct and indirect investments	(2'849)	16'605
Distributions from and proceeds from sale of direct and indirect investments	(5'048)	(8'319)
Accrued cash and PIK interest	474	1'402
Interest received	(79)	-
Revaluation	525	5'129
Foreign exchange gains / (losses)	922	1'564
Balance at end of period	**59'673**	**65'728**

5.3 Private real estate

In thousands of EUR	**30.06.2012**	**31.12.2011**
Balance at beginning of period	15'714	12'306
Purchase of direct and indirect investments	1'263	2'899
Distributions from and proceeds from sale of direct and indirect investments	-	(946)
Revaluation	871	1'458
Foreign exchange gains / (losses)	4	(3)
Balance at end of period	**17'852**	**15'714**

5.4 Private infrastructure

In thousands of EUR	**30.06.2012**	**31.12.2011**
Balance at beginning of period	3'782	2'345
Purchase of direct and indirect investments	758	1'704
Distributions from and proceeds from sale of direct and indirect investments	-	(402)
Revaluation	222	135
Balance at end of period	**4'762**	**3'782**

6 Cash and cash equivalents

In thousands of EUR	**30.06.2012**	**31.12.2011**
Cash at banks	19'972	3'339
Cash equivalents	-	16'000
Total cash and cash equivalents	**19'972**	**19'339**

7 Capital

7.1 Capital

In thousands of EUR	**30.06.2012**	**31.12.2011**
Authorized		
200'100'000 Ordinary shares of EUR 0.001 each	200	200
Issued and fully paid		
69'579'214 Ordinary shares of EUR 0.001 each out of the bond conversion	-	70
69'488'725 Ordinary shares of EUR 0.001 each out of the bond conversion	69	-

7.2 Reserves

In thousands of EUR	**30.06.2012**	**31.12.2011**
Distributable reserves		
Distributable reserves at beginning of reporting period	634'293	668'882
Dividend payment	(16'691)	(31'401)
Share buyback and cancellation	(531)	(3'188)
Total distributable reserves at end of reporting period	**617'071**	**634'293**

8 Short-term credit facilities

On 27 July 2011, the Company entered into a 3-year multi-currency revolving credit facility with Lloyds TSB Bank plc for EUR 80m.

In relation to the interest charged, 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 amounts plus a once off arrangement fee of EUR 800’000 and a monitoring fee in the 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 facility, in relation to the Company, is 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 maintain 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) not greater than 25%.

Previously, on 25 September 2009, the Company entered into a 3–year credit facility, with a large international bank and other lenders. The credit facility was structured as a combination of committed senior term and revolving facilities and a subordinated term facility.

The Company repaid and terminated its junior facility of EUR 32.5m on 18 August 2011 and terminated the senior facility with effect from the same date.

The credit facility formed part of a 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 could 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 were comprised of senior and junior facilities of EUR 85m each. The junior term facilities were provided by Green Stone IC Limited and Partners Group Finance CHF IC Limited, each a Guernsey limited liability company, which since 21 December 2009 had split the subordinated term facility 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 were 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 was 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 was 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 was 8.75% per annum above EURIBOR. No facility fee was 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 31 December 2011.

The Company had to 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 had to have a net asset cover (total indebtedness to adjusted net asset value) of less than 25%.

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

In thousands of EUR	**30.06.2012**	**31.12.2011**
Balance at end of period	-	-

9 Commitments

In thousands of EUR	**30.06.2012**	**31.12.2011**
Unfunded commitments translated at the rate prevailing at the balance sheet date	212'464	143'865

10 Net assets and diluted assets per share

Basic earnings per share are calculated by dividing the surplus or loss for the financial period attributable to the shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares, if any. There were no dilutive effects on the Group's shares during 2012 and 2011.

The net assets per share is calculated by dividing the net assets in the consolidated statement of financial position by the number of actual shares outstanding at the end of the reporting period.

In thousands of EUR	**30.06.2012**	**31.12.2011**
Net assets of the Group	627'268	612'827
Outstanding shares at the balance sheet date	69'488'725	69'579'214
Net assets per share at period-end	9.03	8.81

11 Dividends

The Board of Directors of Princess Private Equity Holding Limited declared a dividend of EUR 0.24 paid on 22 June 2012 on each Ordinary Share. The dividend paid on 22 June 2012 amounted to EUR 16.7 million (2011; EUR 31.4 million).

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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

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