PRINCESS PRIVATE EQUITY HOLDING LIMITED

INTERIM REPORT 2012

Unaudited financial statements for the period
from 1 January 2012 to 30 September 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 SEPTEMBER 2012	31 DECEMBER 2011
Net asset value (NAV)	612'181'586	612'826'424
NAV per share	8.81	8.81
Total Dividend per share	0.24	0.45
Closing price (Frankfurt)	6.65	5.84
Discount to NAV (Frankfurt)	-24.52%	-33.69%
Closing price (London)	6.68	5.85
Discount to NAV (London)	-24.18%	-33.58%
Cash and cash equivalents	65'109'865	19'338'535
Use of credit facility	0	0
Value of private equity investments	473'942'138	608'424'962
Undrawn commitments	187'086'966	143'865'439
Investment level	77.42%	99.28%
Overcommitment	18.45%	22.76%
Overcommitment incl. credit line	5.39%	9.70%

2 INVESTMENT MANAGER'S REPORT

Year-to-date NAV growth remains positive

Princess' net asset value (NAV) increased by 2.7% to EUR 8.81 per share over the first nine months of 2012, adjusted for the interim dividend of EUR 0.24 per share distributed in June. Positive valuation developments, in the form of successful exits and operational improvements by underlying portfolio companies, were the main performance drivers over the period. For instance, the last twelve months saw the 50 largest portfolio companies, representing approximately 28.2% of NAV, achieve weighted revenue and earnings (EBITDA) growth of 10.7% and 9.8%, respectively.

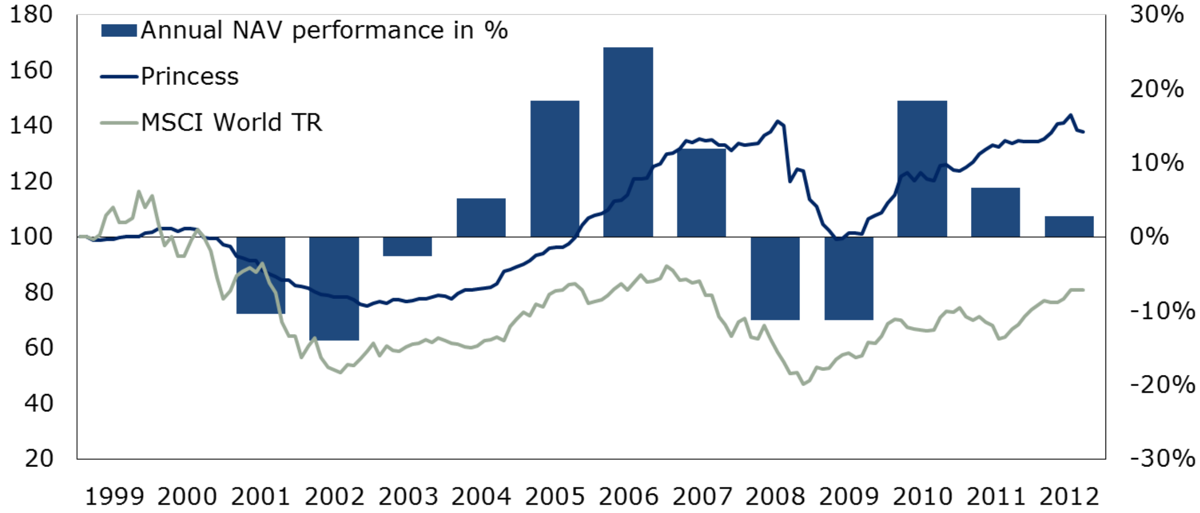
Nonetheless, this positive performance was limited by the Company's discounted sale of fund positions on the secondary market in August. Princess signed a binding agreement to sell a portfolio of 17 large-cap European and North American buyout fund positions to a third-party buyer, at a discount of 4.95% based on the 31 December 2011 NAV. Ultimately, the secondary sale had a -2.8% impact on Princess' year-to-date performance, as carrying values of the 17 funds were lowered to reflect the discounted sale price. Expected proceeds from the sale (EUR 162.4 million) will be paid in instalments over the next three years, with payment commencing following the transfer of each fund interest to the buyer. This staggered payment structure was specifically designed to help Princess complete attractive direct investments in a diversified and selective way across future vintage years.

Away from the secondary sale, currency movements also curtailed Princess' positive NAV over the review period, as the US dollar depreciated relative to the euro.

NAV discount shrinks markedly

Over the nine-month review period, Princess' share price outpaced NAV growth, thereby narrowing the NAV discount by 9.5 percentage

NAV PERFORMANCE (SINCE INCEPTION)



The above chart is as of 30 September 2012 points to 24.2%, its lowest level since June 2008.

Year-to-date, Princess' share price grew by 18.5%, including the first interim dividend paid to shareholders in June. This positive performance was partly attributable to the ongoing recovery in investor risk appetite, and the market's positive reaction to recent efforts by Princess to accelerate its strategic repositioning towards becoming a high-yielding direct investment company.

However, the Investment Manager believes that the current wide discount does not reflect the high quality of the Princess portfolio, nor fully reflect the active steps being taken by the Board and the Investment Manager to improve shareholder value, such as the payment of semi-annual dividends and the phased transition to direct investments.

Strong distributions overlook weak IPO activity

Despite a sharp decline in global IPO deal values and volumes in 2012, Princess received distribution proceeds from realized portfolio companies of EUR 118.2 million over the first nine months, well in excess of the EUR 80.2 million received in the corresponding period last year. The successful exit of five of Princess' 15 largest holdings over the review proved the main driving force behind the strong distribution activity witnessed in 2012.

During the first quarter, Princess completed the full realization of its direct investment in nutritional products retailer General Nutrition Centers (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.

Princess also exited German healthcare provider Ameos; US confectionary business Farley & Sathers Candy; and its direct investment in the specialist healthcare operator Lifeways Community Care. The latter achieved a 3.0x money multiple.

A further direct investment successfully exited during the period was Bartec, the provider of explosion protection products and services for hazardous environments such as refineries, petrol stations and oil exploration platforms. Bartec was sold to Charterhouse Capital Partners at an attractive multiple, having almost doubled its EBITDA over the holding period within the portfolio.

Accelerating the transition to direct investments

One of the key decisions taken by the Board during Princess' 2010 strategic review was to reposition the Company's portfolio away from its previous integrated investment approach, (i.e. targeting a combination of primary, secondary and direct exposures), towards that of a high-yielding pure direct investment company.

To accelerate the portfolio's transition towards direct investments, Princess allocated USD 50 million from the recent secondary sale to the Partners Group Direct Mezzanine 2011 program, of which around half was already drawn down in October. This allocation gives Princess access to a portfolio of direct mezzanine investments globally, including BSN medical, the producer and distributor of medical consumables. Princess will also allocate a further EUR 50 million to Partners Group Direct Investments 2012, in addition to the EUR 100 million already allocated in May 2012. By participating in the Direct Investments 2012 program, Princess has already gained access to a number of new direct investments, notably Global Blue, a provider of travel-related financial services headquartered in Switzerland, and Strategic Partners, a US-based manufacturer and marketer of medical uniforms.

The rationale behind both allocations was to ensure continued broad diversification within the Princess portfolio, as well as giving Princess access to all the direct private equity and direct mezzanine investments conducted by Partners Group, and at no additional management fee.

Away from the Partners Group Direct Mezzanine 2011 and Direct Investments 2012 programs, Princess plans to continue investing directly into private equity and mezzanine to optimize the investment level. One such deal that closed over the review period was the 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.

Net liquidity position strengthened

Excluding secondary sale proceeds in 2011 and 2012, the Company's net liquidity position continued to strengthen over the nine-month review period, with distributions from successful realizations exceeding capital calls from new third-party fund investments by EUR 67.9 million, (compared to EUR 19.6 million for the same period last year). Princess also received a further capital injection in September (EUR 32.9 million), as part of the first instalment from the recent secondary sale. With part of these proceeds used to finance new direct investments, the Company's net liquidity at the end of September 2012 stood at EUR 74.1 million (12.1% of NAV). 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 30.6% in the first nine months of 2012 to EUR 99.8 million, from EUR 143.9 million as of the end of 2011. Around EUR 34.2 million or one-third of these unfunded commitments stem from funds with vintage years 2000 and older, and as such are unlikely to call down any further capital. In addition, Princess' undrawn allocation to the Partners Group Direct Investments 2012 program amounts to EUR 87.3 million. Looking forward, unfunded commitments to third party funds are expected to virtually disappear over the next 2-to-3 years as the underlying funds approach the end of their respective investment periods.

New strategic initiatives

During the nine-month review period, the Board and the Investment Manager of Princess proposed a number of new initiatives aimed at enhancing shareholder value. For instance, in line with the Company's new focus on direct investments, the Board agreed with the Investment Manager to lower Princess' operating expenses over time by introducing a standard management fee of 1.5% per annum across the Company's entire portfolio, effective from 1 January 2013. Furthermore, the Board announced a consolidation of the Company's listing into a single listing on the London Stock Exchange. The rationale was that this will consolidate all secondary market trading through a single and therefore more liquid quotation in London, while further raising the profile of Princess in the listed private equity investment market. Accordingly, Princess' shares will cease to trade on the Frankfurt Stock Exchange from 5 December 2012.

Outlook

The Investment Manager expects Princess to bank strong distribution proceeds for the full year 2012, as trade sales continue to provide a viable exit route for the mature portfolio. These distributions should help to enhance Princess' already strong liquidity position, while also facilitating new direct investments.

However, with fiscal imbalances and sovereign debt levels remaining largely unresolved, the Investment Manager looks set to err on the side of caution with respect to new investments. The focus is also likely to remain on the small-to-mid-cap end of the investment spectrum where valuations are relatively more attractive compared to larger transactions, as well as on mezzanine investments where attractive risk adjusted returns can currently be captured. According to S&P M&A statistics (as of June 2012), average purchase price multiples for small-cap companies declined 19% between 2007 and 2011, compared to only 10% for large-cap companies.

Overall, the Investment Manager remains confident that the attractive dividend yield and the accelerated transition towards direct investments will enhance the Company's shareholder value, thereby supporting a further narrowing of the NAV-to-share-price discount over time.

3 PRIVATE EQUITY MARKET ENVIRONMENT

Macroeconomic environment

The third quarter of 2012 saw a new wave of unconventional central bank measures designed to stimulate economic growth and repair dysfunctioning markets. The European Central Bank (ECB) announced that it would buy sovereign bonds in unlimited quantities along the one to three year maturity range, provided a country has applied for help from the EFSF/ESM. While this aggressive policy move mitigates negative tail risks in Europe significantly, implementation is still subject to political actions. Any postponement would likely lead to a renewed flare-up of the Eurozone crisis. Meanwhile in the US, Fed Chairman Bernanke called the stagnation in the US labor market a grave concern, while the Fed committed to open-ended purchases of USD 40 billion mortgage-backed securities per month until the labor market improves significantly. In addition, the Fed extended its interest rate guidance to mid-2015, while the Bank of England and the Bank of Japan both announced further rounds of quantitative easing.

After global activity slowed significantly in the second quarter, economic data released towards the end of the third quarter showed some encouraging signs. In the US, the ISM manufacturing index, consumer sentiment and retail sales surprised positively in September, while the unemployment rate fell to 7.8%. Eurozone manufacturing PMI's stabilized in the third quarter but nonetheless remain significantly in the contraction zone. Unemployment rose further to 11.4% on an aggregated level.

Emerging markets were exposed to strong spillover effects from the subdued growth in mature economies, which is being channeled through slowing export demand growth and volatile capital flows. Consequently, central banks turned their focus on reviving growth in the third quarter, including rate cuts in China, Brazil and Colombia. At the same time, emerging market inflation looks set to rise in the near term following the recent increase in global food prices.

Despite recent improvements, the IMF revised its global growth forecast in October down to 3.3% in 2012 and 3.6% in 2013, citing heightened risks and increased uncertainty. Emerging markets are expected to outpace advanced economies, expanding by a projected 5.6%, while growth in advanced economies is forecasted to amount to 1.5% in 2013. While high intra-regional differences persist, recession should be mild in the Eurozone on an aggregate level (-0.2% in 2012) and growth should reaccelerate slightly to 0.4% in 2013.

Taking negative tail risk scenarios off the table, the aggressive move from the ECB, coupled with policy moves in the US, has been initially positive for risky assets. Equities responded strongly, for example the S&P reached its highest level since 2007, while corporate credit spreads tightened significantly in both the US and Europe, reflecting a market view that companies are less likely to default in an environment characterized by easier financial conditions.

Tepid merger and acquisition activity

Despite strong corporate balance sheets, an abundance of low-cost financing and relatively attractive equity valuations, M&A activity in the third quarter was muted, with a 20.2%

quarter-on-quarter decline in global deal flow to USD 433.5 billion, according to mergermarket.

The US market continues to be the main contributor to global M&A deal flow, benefitting from the positive effects of the Fed's accommodative monetary policy and healthy domestic deal appetite. This has been boosted by acquisitive interest from well-capitalized and cash-rich overseas buyers seeking opportunities in this relatively well-performing developed economy. Overall, US M&A activity totaled USD 178.3 billion for the quarter, one of the few regions that did not show a significant decline.

The decline in global M&A activity was led by Europe, which continues to suffer from sluggish economic activity and weakened confidence. M&A activity in the region fell 46.1% quarter on quarter to USD 99.2 billion, the lowest level since the third quarter of 2009. However, sentiment may be starting to shift, with an increase in deal announcements in recent weeks. For instance, Vivendi, Europe's largest media and telecommunications company, is in talks to merge its mobile phone unit with cable operator Numericable, while Advent International has launched a USD 1.9 billion public takeover for Germany-based perfume and jewelry retailer Douglas Holding.

Asia-Pacific was the only region to show an increase in third quarter M&A activity, which rose 20.8% to USD 73.4 billion, according to mergermarket. Driving this performance is strong balance sheets, abundant liquidity and confidence over growth prospects for large parts of Asia. One of the more notable deals in the region was the competitive situation that developed around Singapore brewing concern Asia Pacific Breweries and its parent Fraser & Neave, which attracted interest from Heineken and Thai Beverage.

Overall, reflecting the increased prominence of this region, the largest M&A deal globally in the third quarter involved an Asian buyer. China National Offshore Oil Corporation announced a USD 15.1 billion all-cash offer for Canada-based energy company Nexen. The offer, at a premium of 61% to the pre-announcement price, received broad shareholder support (but remains subject to regulatory approvals).

Private equity buyout activity falls with M&A trends

Despite the large amounts of dry powder available for investments, private equity buyout activity fell during the quarter. Private equity buyout transactions amounted to USD 56.6 billion in the third quarter of 2012, the lowest quarterly value since 2009, according to mergermarket. Unsurprisingly, the trend was driven by a 44.3% decline in European buyout activity. This was partially offset by strength in the US buyout segment, which is benefitting from healthy supply of transaction leverage. The largest buyout transaction for the quarter was the Carlyle Group's USD 4.9 billion acquisition of DuPont Performance Coatings, a maker of automotive paints and related products, which was acquired from industrial conglomerate DuPont.

Private equity exits impacted by uncertainty

Private equity trade sale and secondary buyout activity amounted to a combined USD 202.4 billion for the first three quarters of 2012, down 16.7% from the same period in the previous year, according to mergermarket. Secondary buyout activity remains relatively robust, reflecting a pressing need to deploy capital. In contrast, private equity exits to trade and strategic acquirers have been weak, mirroring the muted overall M&A numbers. Nonetheless, with plenty of accumulated cash reserves, corporates are still seen to be making strategic acquisitions when financing is available and certainty of completion is high. Such deals often focus on expansion of market share, acquisition of technology or patents and achieving growth beyond that available organically. Hence, trade sales are still a viable exit alternative for private equity managers.

During the third quarter, the largest private equity trade sale was Hellman & Friedman's USD 3.7 billion exit of US-based Goodman Global to Japan's Daikin Industries, the world's second-largest maker of air conditioners. The exit generated a return of approximately 2.5x for Hellman & Friedman, which originally acquired the company in 2007.

Strong public markets fail to buoy IPO activity

While equity markets were broadly higher over the quarter, lingering concerns over the Eurozone debt crisis, for example, continued to dampen capital market activity. Global IPO activity saw a total of USD 24.1 billion raised in the three months to September, a decline of 46% quarter on quarter, according to Ernst & Young. Stripping out Facebook's USD 16.0 billion listing in the previous quarter, the latest tally was still approximately 15% lower quarter on quarter.

New listings on Asia markets were the sole bright spot. Stock exchanges in the region recorded a 16% increase in capital raised for the three months to September and accounted for more than three-quarters of aggregate IPO proceeds globally. Furthermore, the top three IPOs for the quarter were all from Asian issuers, including Japan Airlines, which alone accounted for more than one-third of global IPO proceeds. The US IPO market was weak, with just USD 3.5 billion raised (15% of global proceeds), a decrease of approximately 50% (excluding Facebook). Lastly, reflecting continued weak investor sentiment in Europe, markets in the region saw a substantial 60% quarter-on-quarter decline in proceeds to less than USD 400 million.

Private equity-backed IPO activity echoed the global trend, with USD 3.8 billion raised across 17 listings, representing a 37.0% quarter-on-quarter decline. US stock exchanges continued to host the lion's share of sponsored listings, accounting for more than 40% of total proceeds and 11 of the 17 private equity-backed listings during the quarter. However, the largest private equity-backed IPO for the quarter came from Malaysia, with the listing of IHH Healthcare, one of Asia's largest hospital operators, which raised USD 2.1 billion on Bursa Malaysia. This was also the second-largest IPO overall for the quarter.

Investor appetite still healthy but fundraising remains competitive

A total of 122 private equity funds reached a final close during the quarter, with capital commitments of USD 64.1 billion, according to Preqin. This represents a significant decrease, both in terms of commitments and number of funds. Interim closings remained plentiful, however, adding a further USD 25.3 billion of commitments by way of 131 funds and providing a more complete picture of institutional investors' continued interest in the private equity asset class. Looking ahead, approximately 90% of investors plan to increase or maintain their allocations to private equity over the next twelve months, according to a recent Preqin survey. Yet, the fundraising environment remains bifurcated, with investor preference favoring a strong track record, a clearly defined investment focus and a not-too-ambitious fund size.

Fundraising also continues to be highly competitive, with more than 1'900 private equity funds currently on the road, targeting a total of just under USD 800 billion of capital.

Outlook

Despite improvements in certain macroeconomic data points, concerns over economic recovery remain, including uncertainties brought about by the impending "fiscal cliff" in the US, the still-unresolved Eurozone debt crisis and a slowdown in emerging markets. Financial markets in the near term are likely to remain focused on various policy decisions aimed at reducing debt and deficits, while also with a view towards stimulating growth.

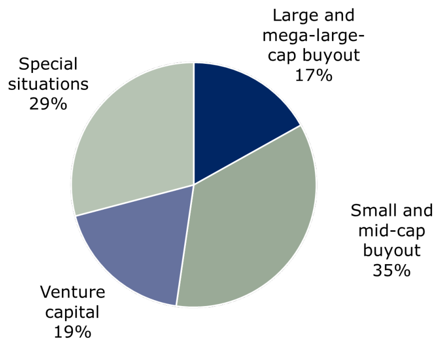
On the deal making front, conditions are conducive for deal making. Balance sheets have been strengthened, cash holdings are high, interest rates are low and growth via acquisition appears more tenable than organic growth in many markets. Yet, buyout and exit activity continue to be sluggish and concentrated in the small and mid-size segment of the market, where execution risk may be lower. For the M&A market to open further - and more sustainably - deal makers will be looking for better earnings visibility, while a meaningful return of larger deals would provide a degree of confidence that has been lacking in recent quarters.

On the exit front, many private equity-backed companies, having proved resilient against the worst of the recent economic crisis, are now ripe for exit. Indeed, many stock exchanges have a large pipeline of IPO candidates, both sponsored and non-sponsored. Stock markets generally performed well during the third quarter, while equity market volatility has trended lower in recent months - both of which should be supportive for bringing IPO processes to completion. Nonetheless, pricing a new listing remains highly dependent upon market conditions, which in turn are currently very sensitive to the broader macroeconomic environment and policy developments.

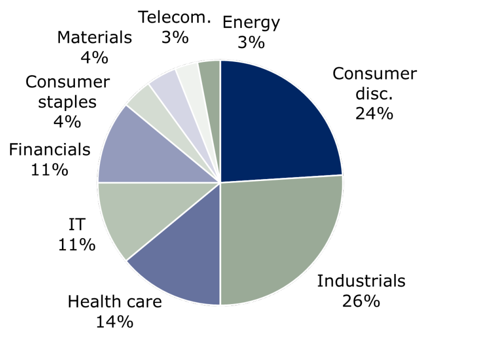
Sources: International Monetary Fund; European Central Bank; US Federal Reserve; Goldman Sachs; Bloomberg; mergermarket; Preqin; Ernst & Young; Partners Group research

4 PORTFOLIO COMPOSITION

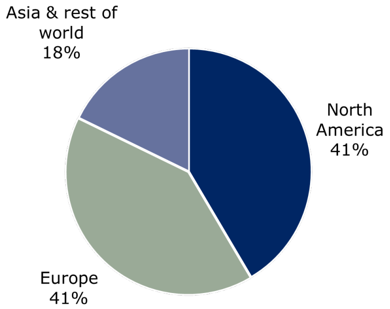
INVESTMENTS BY FINANCING STAGE



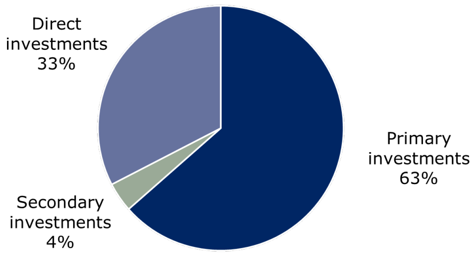
INVESTMENTS BY INDUSTRY SECTOR



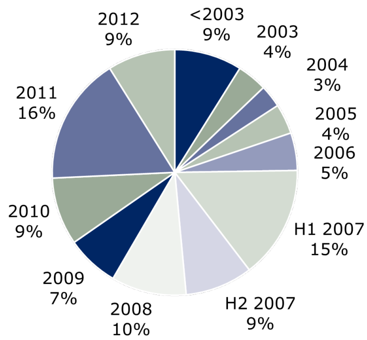
INVESTMENTS BY GEOGRAPHIC REGION



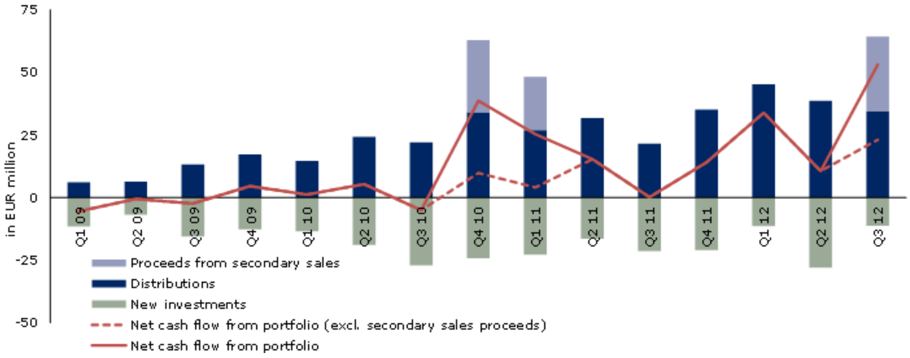
INVESTMENTS BY INVESTMENT TYPE



INVESTMENTS BY INVESTMENT YEAR

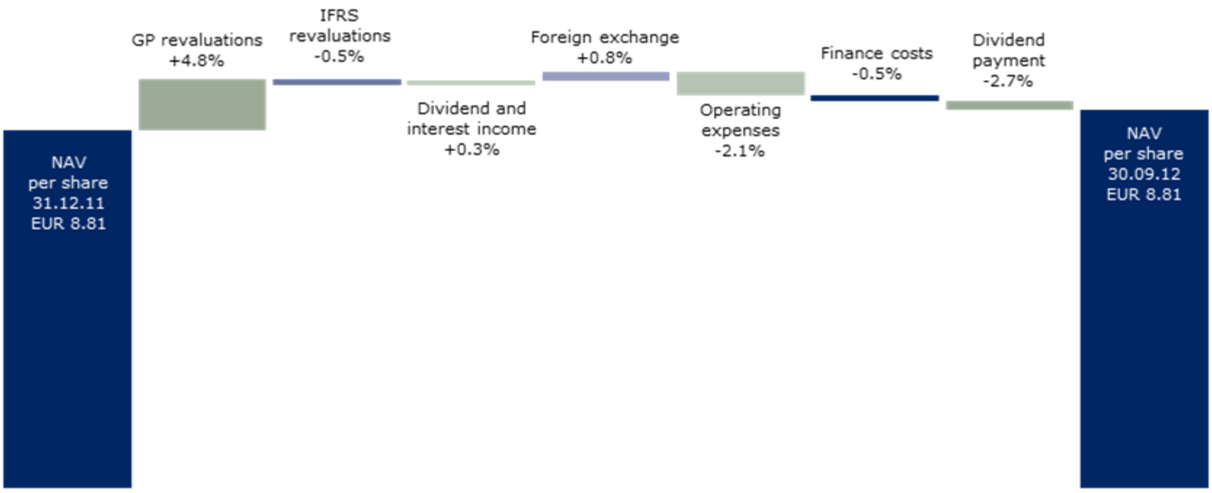


DEVELOPMENT OF NET CASH FLOWS



Q3 2012	YTD 2012
+32.9m from secondary sale	+32.9m from secondary sale
+34.3m in distributions	+118.2m in distributions
-10.9m in new investments	-50.3m in new investments

NAV PERFORMANCE ATTRIBUTION FOR YTD 2012



VALUATION METRICS OF 50 LARGEST UNDERLYING PORTFOLIO COMPANIES*

	Top 10	Top 20	Top 50
EV/EBITDA	9.4x	9.5x	9.3x
Net debt/EBITDA	5.0x	4.9x	4.7x
Leverage	52.1%	52.1%	50.3%
Average EV	EUR 2.7bn	EUR 2.3bn	EUR 2.1bn
% of NAV	13.7%	20.0%	28.2%

"Investments" refers to the value of investments.

*As of 30 September 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 nine months of 2012, Princess invested EUR 50.3 million in a number of new transactions. By contrast, the Company received EUR 118.2 million in proceeds from exited investments, well up on the EUR 80.2 million it received for the corresponding period last year. Accordingly net cash flow from the portfolio excluding proceeds from the recent secondary sale totaled EUR 67.9 million.

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 July, Princess, through its recent allocation to the Partners Group Direct Investments 2012 program, acquired 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.

- Strategic Partners

In August, Princess made a direct investment in Strategic Partners, a leader in the manufacturing and marketing of medical uniforms, medical footwear and school uniforms in the US. The investment was made through the Princess' allocation to the Partners Group Direct Investments 2012 program. Strategic Partners is a dominant player in its industry, supplying non-cyclical products for which growth in demand is supported by an increasing number of medical professionals. Going forward, Strategic Partners will leverage on Partners Group's global industry network to further develop its ongoing business initiatives.

- BSN medical

In the third quarter, Montagu Private Equity completed the sale of BSN medical, a global provider of wound-care products, to EQT for an enterprise value of approximately EUR 1.8 billion. With stable demand dynamics going forward in BSN medical's core product segments, Princess committed to support EQT's acquisition with mezzanine debt and equity financing. EQT plans to accelerate BSN medical's geographic expansion, seeing strong potential in entering new markets especially in Asia and Latin America.

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.

■ 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.

■ Bartec

In September, Princess divested 100% of its shares in Bartec, a leading global provider of industrial safety technology. Since its acquisition in 2008, Bartec has experienced strong growth and almost doubled EBITDA as a direct result of operational value creation initiatives. These included leveraging Partners Group's global network to develop client relationships, identifying acquisition targets and strengthening Bartec's market position in the Middle East. The investment in Bartec was exited at an attractive cost multiple.

6 LARGEST PORTFOLIO HOLDINGS

for the period ended 30 September 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
Bausch & Lomb, Inc	Direct	Buyout	North America	2007	1'086'188	n.a.
Direct marketing and sales company	Direct	Buyout	Rest of World	2007	770'418	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
Global Blue	Direct	Buyout	Europe	2012	21'889'249	21'889'249
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
Strategic Partners, Inc.	Direct	Buyout	North America	2012	5'423'926	5'423'926
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	9'512'766
Advent International GPE VI, L.P.	Primary	Buyout	Europe	2008	2'180'674	1'964'158
Advent Latin American Private Equity Fund IV, L.P.	Primary	Buyout	Rest of World	2007	3'810'092	3'582'192
Aksia Capital III, L.P.	Secondary	Buyout	Europe	2005	5'500'000	5'248'794
Anonymized Emerging Markets Venture Fund 2	Primary	Venture capital	Rest of World	2008	4'508'521	2'875'425
Anonymized European Buyout Fund 7	Primary	Buyout	Europe	2007	10'000'000	6'300'251
Anonymized US Buyout Fund 2	Primary	Buyout	North America	2007	11'649'555	9'192'134
Apollo Overseas Partners VI, L.P.	Primary	Buyout	North America	2005	17'729'076	21'923'051
Apollo Overseas Partners VII, L.P.	Primary	Buyout	North America	2008	14'724'763	14'657'859
Ares Corporate Opportunities Fund II, L.P.	Primary	Special situations	North America	2006	14'168'312	15'212'015
Ares Corporate Opportunities Fund III, L.P.	Primary	Special situations	North America	2008	7'792'572	6'434'379
August Equity Partners II A, L.P.	Primary	Buyout	Europe	2007	8'488'824	n.a.
Avista Capital Partners (Offshore), L.P.	Primary	Buyout	North America	2005	14'056'508	16'562'808
Blackstone Communications Partners I, L.P.	Primary	Buyout	North America	2000	8'749'671	9'490'970
Candover 2005 Fund, L.P.	Primary	Buyout	Europe	2005	10'000'000	10'216'818

					Since inception	
Investment	**Type of investment**	**Financing stage**	**Regional focus**	**Vintage year**	**Committed**	**Invested**
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	19'154'475	17'311'014
Columbia Capital Equity Partners III (Cayman), LP	Primary	Venture capital	North America	2000	9'490'615	10'143'935
Crimson Velocity Fund, L.P.	Primary	Venture capital	Asia-Pacific	2000	4'560'955	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	28'951'138	31'631'626
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
ICG European Fund 2006, L.P.	Primary	Special situations	Europe	2006	15'000'000	15'223'739
INVESCO U.S. Buyout Partnership Fund II, L.P.	Primary	Buyout	North America	2000	28'535'252	26'608'454
INVESCO Venture Partnership Fund II, L.P.	Primary	Venture capital	North America	1999	58'839'407	54'930'788
INVESCO Venture Partnership Fund II-A, L.P.	Primary	Venture capital	North America	2000	33'538'791	32'115'665
Kohlberg Investors IV, L.P.	Primary	Buyout	North America	2000	9'425'051	8'629'501
Kohlberg TE Investors VI, L.P.	Primary	Buyout	North America	2007	8'980'881	7'974'390
Levine Leichtman Capital Partners II, L.P.	Primary	Special situations	North America	1998	30'509'431	35'633'016
Lightspeed Venture Partners VI, L.P.	Primary	Venture capital	North America	2000	7'234'486	6'720'384
MatlinPatterson Global Opportunities Partners III	Primary	Special situations	North America	2007	7'184'321	7'835'814
Menlo Ventures IX, L.P.	Primary	Venture capital	North America	2000	8'655'044	8'655'044
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	11'327'396	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	15'628'545
Partners Group SPP1 Limited	Secondary	Special situations	North America	1996	42'078'787	40'112'114
Penta CLO I S.A..	Primary	Special situations	Europe	2007	2'850'000	2'850'000
Pitango Venture Capital Fund III	Primary	Venture capital	Rest of World	2000	11'559'197	11'559'197
Polish Enterprise Fund IV, L.P.	Primary	Buyout	Rest of World	2000	4'784'667	4'927'017
Quadriga Capital Private Equity Fund III, L.P.	Primary	Buyout	Europe	2006	10'000'000	9'709'721
Sevin Rosen Fund VIII, L.P.	Primary	Venture capital	North America	2000	3'150'289	3'119'329
Sierra Ventures VIII-A, L.P.	Primary	Venture capital	North America	2000	8'881'970	8'881'970
Southern Cross Latin America PE Fund III	Primary	Buyout	Rest of World	2007	1'514'448	1'379'007
Sterling Investment Partners II, L.P.	Primary	Buyout	North America	2005	7'491'877	6'410'504
Summit Ventures VI, L.P.	Primary	Venture capital	North America	2000	4'215'279	4'251'818
SV Life Sciences Fund IV, L.P.	Primary	Venture capital	North America	2006	3'669'379	3'391'745
Terra Firma Capital Partners III, L.P.	Primary	Buyout	Europe	2006	20'000'000	18'534'742

					Since inception	
Investment	**Type of investment**	**Financing stage**	**Regional focus**	**Vintage year**	**Committed**	**Invested**
The Peninsula Fund IV, L.P.	Primary	Special situations	North America	2005	7'526'676	7'146'307

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.

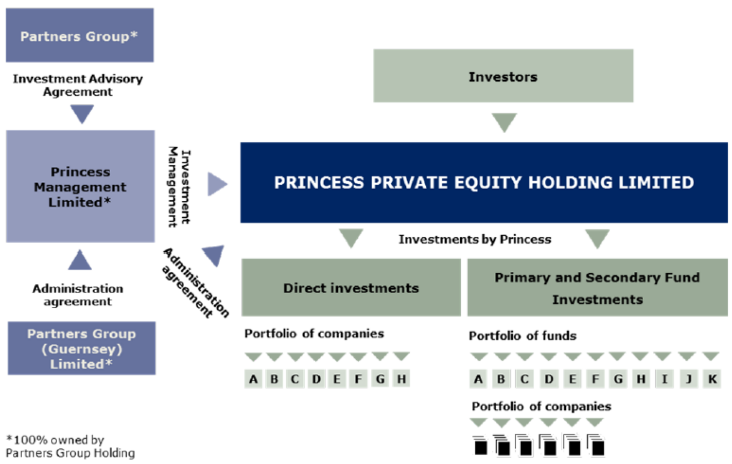
7 STRUCTURAL OVERVIEW

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 27 billion in investment programs under management in private equity, private debt, private real estate and private infrastructure. Through the advisory agreement, Princess benefits from the global presence, the size and experience of the investment team and relationships with many of the world's leading private equity firms.



8 FACTS AND FIGURES

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

Voting rights	Each ordinary registered share represents one voting right

9 UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January 2012 to 30 September 2012

In thousands of EUR	**Notes**	**01.07.2012 30.09.2012**	**01.01.2012 30.09.2012**	**01.07.2011 30.09.2011**	**01.01.2011 30.09.2011**
Net income from financial assets at fair value through profit or loss		**(10'574)**	**32'873**	**31'253**	**64'257**
Private equity		*(11'193)*	*28'429*	*26'350*	*57'044*
Interest & dividend income		-	54	-	-
Revaluation	5	(6'719)	24'325	(1'186)	56'097
Net foreign exchange gains / (losses)	5	(4'474)	4'050	27'536	947
Private debt		*412*	*3'139*	*3'997*	*5'941*
Interest income (including PIK)		710	1'989	645	1'568
Revaluation	5	(361)	164	1'599	4'137
Net foreign exchange gains / (losses)	5	63	986	1'753	236
Private real estate		*128*	*1'003*	*735*	*1'228*
Revaluation	5	131	1'002	722	1'237
Net foreign exchange gains / (losses)	5	(3)	1	13	(9)
Private infrastructure		*79*	*302*	*171*	*44*
Revaluation	5	79	302	171	44
Net income from cash & cash equivalents and other income		**53**	**59**	**158**	**405**
Interest income		4	14	161	306
Net foreign exchange gains / (losses)		49	45	(3)	99
Total net income		**(10'521)**	**32'932**	**31'411**	**64'662**
Operating expenses		**(4'455)**	**(12'509)**	**(4'745)**	**(13'810)**
Management fees		(2'660)	(8'451)	(3'065)	(9'073)
Incentive fees		(541)	(2'083)	(1'262)	(3'121)
Administration fees		(78)	(231)	(77)	(228)
Other operating expenses		(1'406)	(2'022)	(333)	(1'177)
Other net foreign exchange gains / (losses)		230	278	(8)	(211)
Other financial activities		**(77)**	**(3'802)**	**(12'644)**	**(10'442)**
Setup expenses - credit facility		(6)	(18)	(805)	(805)
Interest expense - credit facility		(212)	(631)	(702)	(2'683)
Other finance cost		(2'513)	(2'531)	(7)	(21)
Net gains / (losses) from hedging activities		2'654	(623)	(11'130)	(6'933)

Other income	-	1	-	-
Surplus / (loss) before tax for the financial period	**(15'053)**	**16'621**	**14'022**	**40'410**
Income tax	-	(12)	-	-
Surplus / (loss) for the financial period	**(15'053)**	**16'609**	**14'022**	**40'410**
Other comprehensive income for the period; net of tax	-	-	-	-
Total comprehensive income for the period	**(15'053)**	**16'609**	**14'022**	**40'410**
Weighted average number of shares out-standing	69'533'360.15	69'533'360.15	69'647'813.00	69'647'813.00
Basic surplus / (loss) per share for the financial period	(0.22)	0.24	0.20	0.58
Diluted surplus / (loss) per share for the financial period	(0.22)	0.24	0.20	0.58

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 September 2012

In thousands of EUR	**Notes**		**30.09.2012**		**31.12.2011**
ASSETS					
Financial assets at fair value through profit or loss					
Private equity	5	396'278		523'201	
Private debt	5	53'854		65'728	
Private real estate	5	19'101		15'714	
Private infrastructure	5	4'709		3'782	
Other long-term receivables		65'108		-	
Non-current assets			**539'050**		**608'425**
Other short-term receivables		12'862		231	
Hedging assets		4'379		-	
Cash and cash equivalents	6	65'110		19'339	
Current assets			**82'351**		**19'570**
TOTAL ASSETS			**621'401**		**627'995**
Share capital	7	69		70	
Retained earnings		(4'927)		(21'536)	
Reserves	7	617'039		634'293	
Total Equity			**612'181**		**612'827**
Hedging liabilities		-		3'852	
Accruals and other short-term payables		9'220		11'316	
Liabilities falling due within one year			**9'220**		**15'168**
TOTAL LIABILITIES			**621'401**		**627'995**

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from 1 January 2012 to 30 September 2012

In thousands of EUR	**Share capital**	**Reserves**	**Retained earnings**	**Total**
Equity 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)	(563)	-	(564)
Surplus / (loss) for the financial period	-	-	16'609	16'609
Equity at end of reporting period	**69**	**617'039**	**(4'927)**	**612'181**

for the period from 1 January 2011 to 30 September 2011

In thousands of EUR	**Share capital**	**Reserves**	**Retained Earnings**	**Total**
Equity at beginning of reporting period	70	668'882	(59'919)	609'033
Dividend paid during the period	-	(15'382)	-	(15'382)
Other comprehensive income for the period; net of tax	-	-	-	-
Share buyback and cancellation	-	(2'793)	-	(2'793)
Surplus / (loss) for the financial period	-	-	40'410	40'410
Equity at end of reporting period	**70**	**650'707**	**(19'509)**	**631'268**

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from 1 January 2012 to 30 September 2012

In thousands of EUR	**Notes**	**01.01.2012 30.09.2012**	**01.01.2011 30.09.2011**
Operating activities			
Surplus / (loss) for the financial period		16'609	40'410
Adjustments:			
Income taxes		12	-
Net foreign exchange (gains) / losses		(5'360)	(1'062)
Investment revaluation		(25'793)	(61'515)
Net (gain) / loss on interests		(1'393)	809
Net (gain) / loss on dividends		(33)	-
Revaluation on forward hedges		(1'175)	1'810
Revaluation on option hedges		1'798	5'123
(Increase) / decrease in receivables		(77'452)	1'133
Increase / (decrease) in payables		(2'107)	2'359
Income taxes paid		(12)	-
Realized revaluation on forward hedges		(8'854)	(511)
Option premiums paid		-	1'311
Purchase of private equity investments	5	(46'840)	(41'666)
Purchase of private debt investments	5	(207)	(16'133)
Purchase of private real estate investments	5	(2'384)	(1'875)
Purchase of private infrastructure investments	5	(843)	(985)
Distributions from and proceeds from sales of private equity investments	5	205'041	94'311
Distributions from and proceeds from sales of private debt investments	5	10'983	5'786
Distributions from and proceeds from sales of private real estate investments	5	-	364
Distributions from and proceeds from sales of private infrastructure investments	5	218	402
Interest & dividends received		1'403	969
Net cash from / (used in) operating activities		**63'611**	**31'040**
Financing activities			
Increase / (decrease) in credit facilities		-	(32'500)
Interest expense - credit facility		(630)	(2'683)
Distribution of dividends	7	(16'691)	(15'382)
Share buyback and cancellation		(564)	(2'793)
Net cash from / (used in) financing activities		**(17'885)**	**(53'358)**
Net increase / (decrease) in cash and cash equivalents		**45'726**	**(22'318)**
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		45	99
Cash and cash equivalents at end of reporting period	**6**	**65'110**	**26'930**

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

for the period from 1 January 2012 to 30 September 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 and as advised on 15 August 2012 the Company has applied to revoke this listing which is expected to occur on 5 December 2012. As of 1 November 2007 the shares have been listed on the main market of the London Stock Exchange.

2 BASIS OF PREPARATION

The condensed interim financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting. The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual 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 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 and a new policy on deferred receipts adopted following the sale of investments described in note 11.

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 Group 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 Group 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.

Deferred receipts

Deferred receipts meet the definition of a financial asset as they are a contractual right for a specified amount at a specified date. Initially deferred receipts which represent a financial asset are recognized at fair value. Subsequently these are measured at amortized cost using the effective interest method. They are classified as assets falling due within one year unless the maturities are more than 12 months after the end of the reporting period where they are classified as non-current assets. A deferred receipt is derecognized when the obligation under the asset is received or discharged.

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 5'585'000 shares which is 8.04% 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	**01.01.2012 30.09.2012**	**01.01.2011 30.09.2011**
Private equity		
Interest & dividend income	54	-
Revaluation	24'325	56'097
Net foreign exchange gains / (losses)	4'050	947
Total net income private equity	**28'429**	**57'044**
Segment result private equity	**28'429**	**57'044**
Private debt		
Interest income (including PIK)	1'989	1'568
Revaluation	164	4'137
Net foreign exchange gains / (losses)	986	236
Total net income private debt	**3'139**	**5'941**
Segment result private debt	**3'139**	**5'941**
Private real estate		
Revaluation	1'002	1'237
Net foreign exchange gains / (losses)	1	(9)
Total net income private real estate	**1'003**	**1'228**
Segment result private real estate	**1'003**	**1'228**
Private infrastructure		
Revaluation	302	44
Total net income private infrastructure	**302**	**44**
Segment result private infrastructure	**302**	**44**
Private resources		
Non attributable		
Interest & dividend income	14	306
Net foreign exchanges gains /loss	45	99
Total net income non attributable	**59**	**405**
Segment result non attributable	**(12'450)**	**(13'405)**
Income tax	(12)	-
Other financial activities not allocated	(3'802)	(10'442)
Surplus / (loss) for the financial period	**16'609**	**40'410**

5 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

5.1 PRIVATE EQUITY

In thousands of EUR	**30.09.2012**	**31.12.2011**
Balance at beginning of period	523'201	524'887
Purchase of direct and indirect investments	46'840	60'487
Distributions from and proceeds from sales of direct and indirect investments	(205'041)	(125'964)
Reclassification of investments	2'903	-
Revaluation	24'325	51'868
Foreign exchange gains / (losses)	4'050	11'923
Balance at end of period	**396'278**	**523'201**

5.2 PRIVATE DEBT

In thousands of EUR	**30.09.2012**	**31.12.2011**
Balance at beginning of period	65'728	49'347
Purchase of direct and indirect investments	207	16'605
Distributions from and proceeds from sales of direct and indirect investments	(10'983)	(8'319)
Reclassification of investments	(2'903)	-
Accrued cash and PIK interest	816	1'402
Interest received	(161)	-
Revaluation	164	5'129
Foreign exchange gains / (losses)	986	1'564
Balance at end of period	**53'854**	**65'728**

5.3 PRIVATE REAL ESTATE

In thousands of EUR	**30.09.2012**	**31.12.2011**
Balance at beginning of period	15'714	12'306
Purchase of direct and indirect investments	2'384	2'899
Distributions from and proceeds from sales of direct and indirect investments	-	(946)
Revaluation	1'002	1'458
Foreign exchange gains / (losses)	1	(3)
Balance at end of period	**19'101**	**15'714**

5.4 PRIVATE INFRASTRUCTURE

In thousands of EUR	**30.09.2012**	**31.12.2011**
Balance at beginning of period	3'782	2'345
Purchase of direct and indirect investments	843	1'704
Distributions from and proceeds from sales of direct and indirect investments	(218)	(402)
Revaluation	302	135
Balance at end of period	**4'709**	**3'782**

6 CASH AND CASH EQUIVALENTS

In thousands of EUR	**30.09.2012**	**31.12.2011**
Cash at banks	30'110	3'339
Cash equivalents	35'000	16'000
Total cash and cash equivalents	**65'110**	**19'339**

7 SHARE CAPITAL

7.1 CAPITAL

In thousands of EUR	**30.09.2012**	**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
69'483'725 Ordinary shares of EUR 0.001 each out of the bond conversion	69	-

During the reporting period, the Company purchased and cancelled 95'489 of its own shares at an average price of EUR 5.91. Following these purchases and cancellation, the Company's issued share capital consists of 69'483'725 shares.

7.2 RESERVES

In thousands of EUR	**30.09.2012**	**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	(563)	(3'188)
Total distributable reserves at end of reporting period	**617'039**	**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.

	30.09.2012	**31.12.2011**
Balance at end of period	-	-

9 COMMITMENTS

In thousands of EUR	**30.09.2012**	**31.12.2011**
Unfunded commitments translated at the rate prevailing at the balance sheet date	187'087	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	**30.09.2012**	**31.12.2011**
Net assets of the Group	612'181	612'827
Outstanding shares at the balance sheet date	69'483'725.00	69'579'214.00
Net assets per share at period-end	**8.81**	**8.81**

11 OTHER LONG-TERM RECEIVABLES

In September 2012, the Company entered into a sale and purchase agreement, relating to Project Alexander, with a single third party buyer (the "Buyer") to sell 17 limited partnership interests ("Investments") held by the Company.

On 30 September 2012, USD 26'480'426 and EUR 12'273'854 were received from the Buyer, which reflected 1/3 of the purchase price, adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011, in relation to 10 Investments.

The remaining 2/3 proceeds of USD 61'453'067 and EUR 18'847'647, in relation to these 10 Investments have been evenly split between 2 deferred payments which are due to be received on 31 March 2014 and 30 September 2015.

These amounts were initially recognised in the consolidated statement of financial position as assets at fair value and were then measured at amortised cost using the effective interest method and have been recognised as non-current receivables in the consolidated statement of financial position.

At 30 September 2012, the Company retains the ownership of 7 of these Investments, valued at USD 70'816'790 and EUR 3'980'196 at that date, which are reflected in the financial assets at fair value through profit or loss in the consolidated statement of financial position. These are expected to transfer in October 2012, December 2012 and January 2012, with 1/3 of the purchase price, adjusted for subsequent calls paid and distributions received by the Company since the transaction cut-off date of 31 December 2011 due on the date of transfer and the remaining 2/3 being evenly split between 2 deferred payments which are due to be received 18 and 36 months later.

These Investments will be derecognized from the Company's portfolio when all title, rights, benefits and risks of ownership have been legally transferred to the Buyers, being at the date that the general partner of the Investments formally recognizes the Buyer as the owner of the respective Investments. The Investments will be disposed at values agreed between the Buyer and the Company, and these values will be adjusted by the calls and distributions executed by the Company until such time that the Investment transfers have been formally recognised by the general partner of the Investments. As a result, the Company, although required to reflect the Investment positions in its portfolio until such derecognition date is appropriate, is not subject to the fair value movements of the Investments from the effective date of the sale and purchase agreements with the Buyer.

12 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 Exchange	London Stock Exchange
ISIN	DE000A06BRM2	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 Hinnrich Donner Bank	JPMorgan Czenove

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