



Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

PRINCESS PRIVATE EQUITY HOLDING LIMITED

INTERIM REPORT 2016

Unaudited consolidated financial statements for the period from 1 January 2016 to 30 June 2016



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 mainly invests directly but also holds primary and secondary fund investments. Princess aims to provide

shareholders with long-term capital growth as well as an attractive dividend yield. The shares are traded on the main market of the London Stock Exchange.

This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the product described herein. This report was prepared using financial information contained in the Company's books and records as of the reporting date. This information is believed to be accurate but has not been audited, reviewed or approved by any third party. This report describes past performance, which may not be indicative of future results. The Company does not accept any liability for actions taken on the basis of the information provided. Please consult the constituent documents for a more complete description of the terms.

Cover image is for illustrative purposes only.

Key figures

In EUR	31 December 2015	30 June 2016
Net asset value (NAV)	657'386'211	676'381'395
NAV per share	9.51	9.78
Total dividend per share (year to date)	0.54	0.27
Share price	7.87	7.31
Discount	-17.2%	-25.3%
Cash and cash equivalents	59'765'660	105'504'077
Credit line used	0	0
Value of investments	614'608'591	587'654'132
Unfunded commitments	131'803'757	111'442'298
Investment level	93.5%	86.9%
Net current assets	42'777'620	88'727'263
Commitment ratio	13.5%	3.4%
Gross commitment ratio	5.9%	-4.0%

Past performance is not indicative of future results.

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1. Investment Manager's report

NAV up by 5.8% in the first half of 2016

The net asset value (NAV) of Princess Private Equity Holding Limited (Princess) increased by 5.8% over the first half of 2016 to end the reporting period at EUR 9.78 per share (adjusted for the first interim dividend of EUR 0.27 per share distributed in June). As of the end of the reporting period, the 50 largest direct portfolio companies, representing 58.0% of NAV, achieved double-digit weighted average year-on-year revenue and earnings (EBITDA) growth of 10.6% and 13.8% respectively. Positive revaluations for a number of direct investments were the main driver of performance over the period.

The overall revaluations at portfolio level amounted to +7.2% of NAV, with the largest contributors to Princess' NAV growth over the second quarter being the direct investments in VAT Group AG, Action and KinderCare Education:

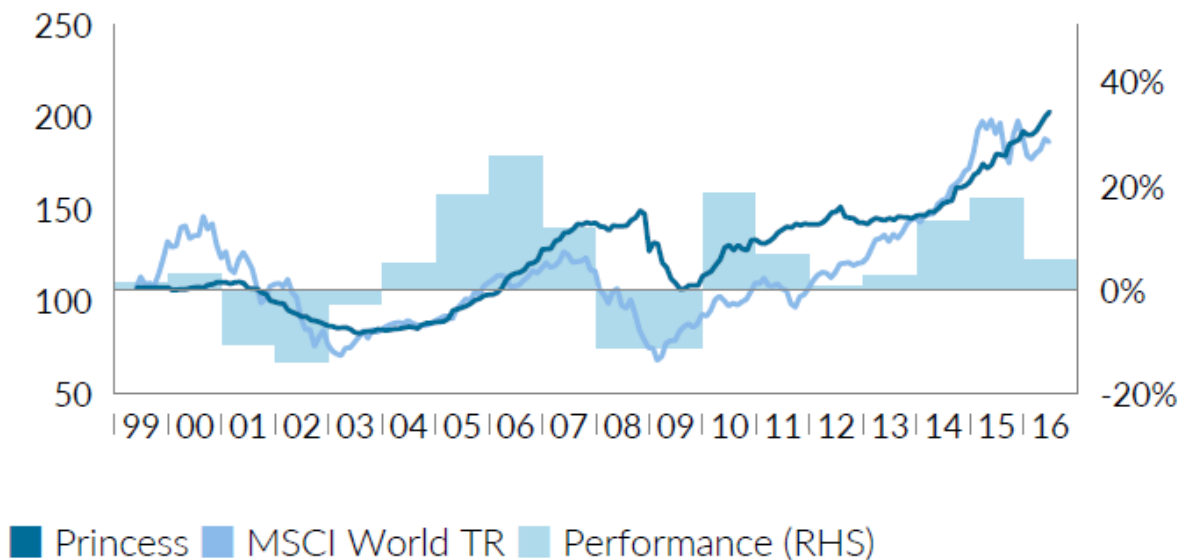
● VAT GROUP AG

VAT Group AG (VAT) completed a highly oversubscribed initial public offering on the SIX Swiss Exchange and began trading on 14 April at CHF 45 per share, which valued the company at a total market capitalization of CHF 1.35 billion. During the listing and subsequent exercise of the over-allotment option, Partners Group sold a portion of its shares in VAT and now holds 29.3% of the company. During the second quarter of this year, VAT Group AG recorded a positive share price development (+37.1% in CHF since IPO).

● ACTION

Action, one of Western Europe's largest non-food discount retailers based in the Netherlands, reported positive financial performance: Net sales grew to EUR 2 billion in 2015 (+32% compared to 2014) while EBITDA rose by 36%. Action successfully expanded the number of stores with a particular focus on France where the number of stores more than doubled. Action now operates 655 stores in six countries. This year, Action plans to continue its store expansion, with a focus on France and Germany.

NAV PERFORMANCE (SINCE INCEPTION)*



* As per reporting date.

● **KINDERCARE EDUCATION**

KinderCare Education, a leading US provider of early childhood education and care services for children aged six weeks to twelve years, reported higher than forecasted center occupancy rates and an increase in EBITDA for the second quarter 2016.

Investment activity for the first six months

Investment	Month	Strategy	Amount (EUR million)
MultiPlan 2016 (Follow-on)	June	Equity	9.9
Permotio International Learning (Follow-on)	April	Equity	8.9
Guardian Early Learning Group	March	Equity	7.7
ADT Corporation	May	Equity	4.4
KinderCare Education (Follow-on)	March	Equity	1.7
Hortifruti	April	Equity	1.3
Au Housing Finance	June	Equity	0.5
Cooperation Pharmaceutique Francaise	February	Debt	3.6
eResearch Technology	May	Debt	2.2
Infinite RF Holdings	June	Debt	2.1
Project Skylight	February	Debt	1.8
The Sunspire Health Companies	May	Debt	1.2
NetSmart Technologies	June	Debt	1.1
ADB Safegate	February	Debt	1.0
Legacy fund portfolio and other			2.3
Total investments for the first six months			49.7

Investment activity

In the first six months of the year, Princess invested a total of EUR 49.7 million (compared to EUR 29.1 million in the same period last year). EUR 36.8 million was invested into four new direct equity investments (MultiPlan 2016, ADT Corporation, Hortifruti, Guardian Early Learning Group and Au Housing Finance Ltd.) and seven new direct debt investments. In addition a further EUR 12.9 million was invested in follow-up investments in existing portfolio companies (Permotio International Learning, KinderCare Education and the legacy fund portfolio)

The largest new investments this quarter were:

● **MULTIPLAN 2016**

In June, Princess invested EUR 9.9 million in the roll-over investment of MultiPlan 2016. As a part of the sale transaction (refer to page 7), Princess retained a minority investment in the company, reinvesting alongside Hellman & Friedman to participate in further value creation opportunities, such as the continued development of MultiPlan's fraud, waste and abuse product offering.

● **ADT CORPORATION**

In May, Princess invested EUR 4.4 million in ADT Corporation, a provider of security and automation solutions for homes and businesses in the US and Canada. ADT was taken private by Apollo Global Management and merged with a smaller US-based direct competitor, Protection 1. ADT is a leading player in the US security and monitoring sector, with a strong brand identity and a customer base of over 6.5 million; while Protection 1 is led by a disciplined and results-oriented management team that has a customer base of over 2 million. Key value creation initiatives going forward include reducing customer churn and customer acquisition costs.

● **eRESEARCH TECHNOLOGY, INC.**

In May, Princess provided EUR 2.2 million of second lien debt to eResearch Technology, a US headquartered, cloud platform solutions provider that caters specifically to the healthcare industry. The company aims to improve the efficiency of clinical development processes with data analytics and patient data collection. Princess' investment supports Nordic Capital's acquisition of eResearch Technology.

● **HORTIFRUTI**

In April, Princess invested EUR 1.3 million in Hortifruti. Founded in 1989, Hortifruti is a Brazilian market-leading health food retailer with over 40 stores across Rio de Janeiro, São Paulo and Espirito Santo, offering fresh produce that includes fruit and vegetables, dairy products, groceries and meats. Post-acquisition, Partners Group intends to work with the management of Hortifruti in various value creation initiatives, including the opening of new stores, expansion of its private labels and the expansion of its distribution network.

Distribution activity for the first six months

Investment	Exit (full or partial)	Month	Strategy	Amount (EUR million)
MultiPlan 2014	Full	June	Equity	57.7
VAT Group AG	Partial	May	Equity	27.2
Action	Partial	March	Equity	6.0
Strategic Partners	Full	June	Equity	4.3
Education Publisher 2	Partial	May	Equity	1.2
AWAS Aviation Holding	Partial	April	Equity	1.1
Food Company 1	Partial	January	Equity	0.9
Plantasjen ASA	Full	May	Debt	7.1
Legacy fund portfolio				22.8
Other				2.9
Total distributions for the first six months				131.2

Record high distribution activity

Overall distribution proceeds to Princess from exited investments totaled EUR 131.2 million for the first half of 2016, compared to EUR 42.7 million in the corresponding period. EUR 108.4 million of proceeds stemmed from direct investments with the balance of EUR 22.8 million from Princess' legacy fund portfolio. Reflecting this high level of distributions, Princess' investment level decreased to 86.9% of NAV, from 93.1% at the beginning of the year.

The main contributor to distributions over the second quarter was Princess' direct portfolio, including MultiPlan, VAT Group AG and Strategic Partners. The three exits on average achieved an investment multiple of over 3x cost:

● MULTIPLAN

In June, Princess received gross proceeds of EUR 57.7 million following the realization of MultiPlan, Inc., control of which was acquired by Hellman & Friedman. Princess retained a minority investment in the company reinvesting a portion of its proceeds alongside Hellman & Friedman to participate in further value creation opportunities (refer to page 6).

Founded in 1980, MultiPlan is the largest provider of transaction-based solutions that reduce medical costs. The company uses technology, analytics and data to generate over \$13 billion in savings annually for commercial, property and casualty insurers, and government payers of medical claims.

● VAT GROUP AG

In May, Princess received proceeds of EUR 27.2 million from the sale of shares in the IPO of VAT Group AG. In April 2016, VAT, the global market leader in the production of high-end vacuum valves, completed a heavily oversubscribed initial public offering on the SIX Swiss Exchange and began trading on 14 April 2016 at CHF 45 per share, which valued the company at a total market capitalization of CHF 1'350 million. During the listing and subsequent exercise of the over-allotment option, Partners Group's advised entities sold a portion of their shares in VAT and now hold 29.3% of the company.

Partners Group acquired VAT with investment partner Capvis in 2014, attracted by the company's leading market position for high-end valves. Partners Group is confident of VAT's prospects as a public company and Alfred Gantner, co-founder of Partners Group, intends to continue supporting the company as the vice-chairman of its board of directors in its next growth phase.

● STRATEGIC PARTNERS, INC.

In June, Princess received EUR 4.3 million from the sale of Strategic Partners, a leading US supplier of healthcare apparel. Since investment in August 2012, Strategic Partners has embarked on numerous value creation initiatives, including the development and launch of innovative new products and clothing lines, the optimization of the company's supply chain, and the further broadening of its client base.

Share price development

Princess' share price declined over the reporting period, closing at EUR 7.31 per share. This represents a total return of -3.8% for the first half of 2016 as equity markets experienced a volatile start to the year. However the discount to NAV (-25.3%) remained unchanged to the previous quarter-end and is in line with the development of the UK LPE Index (ex 3i discount) which stands at -25.6%.

First interim dividend of EUR 0.27 per share

On 17 June 2016, Princess paid a first interim dividend for 2016 of EUR 0.27 per share. This translates into a dividend yield of 5.5% on the net asset value (NAV) per share as of 30 June 2016 and an annual yield of 7.4% on the share price, as of 30 June 2016 closing price on the London Stock Exchange.

Continuing decrease of unfunded commitments

Princess' total unfunded commitments, at 30 June 2016, amounted to EUR 111.4 million of which EUR 64.5 million is related to Partners Group's direct investment programs.

Unfunded commitments to Princess' legacy fund portfolio amounted to EUR 46.8 million. In line with the policy of focusing on direct transactions, no new third party fund commitments will be made.

Outlook

In the second quarter the market environment was characterized by an increase in volatility. Certain developments, including the UK's decision to leave the European Union (Brexit), lower growth in China, the depreciation of the Renminbi and the prospect of rising rates in the US caused uncertainty and had a negative impact on investor sentiment.

Against this backdrop, Partners Group has become increasingly concerned about market volatility. With prices at all-time highs, and average expected returns lower than historical averages, the focus in due diligence has shifted to place increased emphasis on the stability of valuations. We are looking for companies that have held their value over several cycles and will continue to hold their value (in terms of traded EBITDA multiple) in future periods of volatility. These are typically companies with recurring revenue streams, sticky customer contracts and highly visible cash flows.

In addition, we maintain our focus on growth-focused investment opportunities, as well as our belief that the search for these must go beyond sectors and regions and into specific transformative trends. We are looking for sub-sectors where growth is around 2-3x higher than the overall growth rate in that region or sector and where we can work actively alongside companies on initiatives that enable them to tap into that growth.

More than ever, Partners Group believes pro-active value creation will be the key differentiating factor when it comes to generating attractive relative returns. We continue working to increase the value of Princess' portfolio companies by identifying strategic and operational value-adding initiatives that make a company more compelling for a future buyer, thereby strengthening the resilience of valuations.

Overall, Partners Group remains confident about the growth prospects for Princess' global portfolio of mid-cap companies which continue to trade strongly. Following a highly active period for distributions, we believe that the exit environment remains favorable and continue to explore opportunities to realize and/or refinance assets during the second half of the year where we believe this would generate value for Princess' shareholders.

2. Market overview

Macroeconomic activity

While economic growth across most of the world continued at its tepid pace in the second quarter of 2016, capital markets were taken by surprise by the UK's referendum outcome to leave the European Union (Brexit). For the UK, the economic impact of Brexit would be felt in the short term, as consumer and business confidence is shaken and companies postpone investment and hiring plans. The mid- to longer-term economic implications will depend on negotiations with the EU and other trading partners. Partners Group takes comfort from Britain's strong position in the global economy and its continued political relevance for Europe.

In the Eurozone, growth is moderately improving, and the economic impact of Brexit should be manageable. The private sector continues to benefit from the weaker euro, low energy prices, low financing costs and improving bank lending. Deflationary pressures persist, however, and the negative rate environment has been taking a toll on banking sector profitability. With Brexit uncertainty, European banks have seen another significant decline in their share prices, at a time when regulators require additional capital buffers. Especially peripheral banks are finding it increasingly difficult to raise fresh capital.

In the US, labor market data continued improving in the second quarter, and real wages are growing gradually. Inflation and inflation expectations picked up. While mediocre in historical terms, current US growth does not warrant emergency low interest rates, and Partners Group expects the very gradual Fed rate hike cycle to continue after the November elections. There is a risk that markets will preempt the Fed as wage and pricing pressures in the US intensify, driving up yields at the longer end of the curve. History shows that valuations tend to suffer in periods of rising rates. However, Partners Group does not envisage this to play out over the next three to six months.

Emerging market growth momentum remains relatively subdued overall. With continued low commodity prices, economic performance continues to vary between commodity-based economies (e.g., Malaysia, select Latin American nations) and commodity importers (e.g., India, select emerging Asia nations). The new interim administration in Brazil seems eager to implement needed fiscal reform, and the country is likely to return to slightly positive growth next year. China, meanwhile, has entered a new phase of more modest growth and is exposed to several challenges including the significant debt build-up in the corporate sector and lower labor force growth

in the face of an aging population. For now, the slowdown has been warded off by credit-led growth, and the government is torn between providing a temporary boost or focusing on structural measures at the cost of near-term growth. The pressure on the renminbi has eased somewhat, but capital outflows are likely to continue. This coupled with a more modest future growth rate should keep the renminbi on a depreciation path relative to the US dollar.

Private equity buyout activity

The aggregate value of private equity-backed buyout deals fell 13.2% year on year to USD 88.5 billion in the second quarter of 2016, according to Preqin. The number of deals, however, increased from 942 to 1'004 during the same period. In terms of deal size, transactions valued over USD 1 billion accounted for 60.4% of the global total. North America emerged as the most active region in terms of deal value, having hosted USD 56.9 billion worth of transactions.

On a year-on-year basis, buyout activity in North America climbed 6.2% to USD 56.9 billion in the second quarter of 2016, representing 64.3% of the global total. The largest deal announced in the region was the USD 7.5 billion buyout of MultiPlan, a healthcare cost management solutions provider, by private equity firm Hellman & Friedman.

In Europe, aggregate deal value decreased 23.3% year on year to USD 24.9 billion. The largest deal to be announced in the region was the USD 2.8 billion acquisition of the Standard Products business unit of semiconductor manufacturer NXP Semiconductors. The buyers were investment firm Jianguang Asset Management and private equity firm Wise Road Capital.

In the Asia-Pacific region, buyout activity rose 17.9% year on year to USD 4.9 billion. None of the top ten deals of the second quarter were announced in this region.

Private equity exit activity

Global private equity exit activity in the second quarter of 2016 registered a 28.4% year-on-year decline to USD 90.1 billion, while the number of exits fell from 453 to 434 over the same period, according to Preqin. Trade sales were the most preferred exit route, accounting for 50.5% of the global exit volume during the quarter. The largest private equity exit was the USD 7.5 billion sale of MultiPlan by Partners Group and investment firm Starr Investment Holdings to affiliates of Hellman & Friedman, a private equity company.

IPO activity

Global IPO activity picked up in the second quarter of 2016 after a quiet first quarter, registering a total of 246 IPOs (+29% year on year), which raised USD 29.6 billion (+120%), according to Ernst & Young. Despite the marked improvements in the second quarter, IPO activity at the mid-year point remains significantly lower than the same period last year. For the first six months of 2016, there were 437 IPOs raising a total of USD 43.0 billion, representing a year-on-year decrease of 38% and 61%, respectively. Sponsor-backed listings increased year-on-year for the first half of 2016, accounting for 21% of global deal volume and 34% of total capital raised.

US stock exchanges hosted 45 IPOs in the first half of 2016, raising USD 7.0 billion, representing a decrease of 58% by volume and 66% by proceeds compared to the same period in 2015. For instance, the IPO of MGM Growth Properties, a large-scale entertainment and lifestyle REIT, and US Foods Holding, a food distributor, each raised USD 1.2 billion in the second quarter, ranking second and third, respectively, among the top ten global deals in the quarter.

Despite uncertainty in the lead-up to the UK referendum, the EMEIA region (Europe, Middle East, India and Africa) led global IPO activity by proceeds and ranked second by deal number, behind Asia-Pacific. Accommodative monetary policy and improving economic conditions have led to a pickup in IPO activity in the second quarter compared to the first. The first half of 2016 saw a total of 155 IPOs in the EMEIA region, raising a total of USD 18.9 billion in proceeds. This represents a 6% decrease in deal volume and a 46% decrease in deal value compared to the same period in 2015. Nonetheless, for the second quarter of 2016, EMEIA hosted six of the quarter's top ten listings globally by proceeds. Three of the quarter's six megadeals were listed on EMEIA exchanges with the IPO of Dong Energy, a windfarm operator, being the largest, raising USD 2.6 billion on the NASDAQ OMX Copenhagen bourse.

The Asia-Pacific region was the most active by deal number and second behind EMEIA in terms of capital raised, with 229 IPOs raising USD 17.0 billion in the first half of 2016. Although this represents a decrease of 37% and 65%, respectively, compared to the same period in 2015, this is broadly in line with global trend. For the second quarter of 2016, IPO proceeds rose to USD 9.3 billion, and at 122 IPOs, the

number of deals rose by 14% compared to the prior quarter. The region's biggest IPO was the listing of Singapore-based BOC Aviation, a commercial aircraft leasing company, on the Hong Kong Stock Exchange in a deal that raised USD 1.1 billion.

Secondary market activity

In the first half of 2016, deal flow in the private equity secondary market continued to be driven by active portfolio management. Participants, such as pension funds and endowments seek to consolidate relationships with the aim of rationalizing fees and maximizing co-investments. Alternatively, some investors are rebalancing their private equity portfolios by selectively selling small segments to create capacity for reinvestments in upcoming funds.

Another notable theme, GP-led transactions, which include fund restructurings and spin-outs, among others, is a growing trend and accounted for approximately 20% of the secondary market in 2015. These transactions are often explored when funds reach their end of life, but the underlying portfolio experienced delayed value creation as a result of the 2007 global recession. Consequently, managers are inclined to take the lead in providing liquidity solutions for their existing limited partners and hope to find new investors who have a longer time horizon to harvest the investments at their full potential.

Pricing in the secondary market remains bifurcated as buyers search for quality portfolios in efforts to mitigate the effect of higher volatility in public markets. At the same time, the market currently sees a greater supply of tail-end funds, driven by sales from institutional investors, leading to intense competition for less mature assets. In this environment, Partners Group seeks to gain an advantage by utilizing its integrated platform to source differentiated assets from quality managers. In the first half of 2016, Partners Group screened over 250 deals with an approximate value of USD 41 billion. Of these, three transactions were closed in the second quarter of 2016.

Fundraising activity

Despite having registered a marked 31.0% year-on-year decline in the number of funds closed (180), aggregate private equity capital raised in the second quarter strengthened by 44.5% to USD 101.0 billion, according to Preqin. This reflects a continuing trend of capital being increasingly allocated to a smaller group of fund managers. In terms of geographical breakdown, North America was the key driver of fundraising activity, with 96 funds raising USD 60 billion. TPG Partners

VII was the largest private equity buyout fund to close during the second quarter, at a final fund size of USD 10.5 billion. As of the start of July 2016, there were 1'720 private equity funds on the road targeting an aggregate of USD 447.0 billion.

In North America, 96 funds collected an aggregate of USD 60.0 billion, compared with a year ago when 124 funds raised USD 67.8 billion. The largest US-focused private equity buyout fund that closed during the quarter was TPG Partners VII, at a final size of USD 10.5 billion.

European-focused funds raised an aggregate amount of USD 33 billion, representing year-on-year growth of 26.4%. The number of funds remained almost unchanged at 44. The largest European-focused private equity buyout fund that closed was Cinven VI, with a fund size of EUR 7.0 billion.

Fundraising activity in Asia remained lackluster, with 33 funds collecting USD 6.2 billion in the second quarter, compared with the USD 6.4 billion raised by 31 funds a year ago. Among the top ten largest private equity funds to hold a final close in the second quarter of 2016, none were Asia-focused.

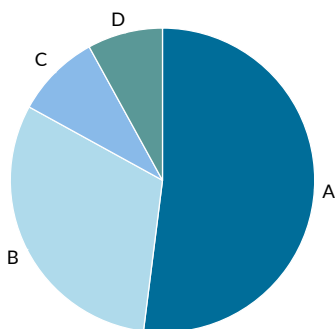
Outlook

Partners Group rates the probability of a global recession as rather low. However, certain developments, including the UK's Brexit decision, lower growth in China, the depreciation of the renminbi and the prospect of rising rates in the US, have increased uncertainty and are reflected in increasingly volatile movements in capital markets. After eight years of low growth and rising capital markets, driven by unconventional monetary policy, valuations may be peaking.

In the current environment, Partners Group places an even greater focus on stability of revenues and valuations in the face of economic swings and capital market moves, in order to protect portfolios against multiple contraction. Apart from simply focusing on protection, Partners Group continues to seek to increase the value of portfolio assets by identifying strategic and operational value creation initiatives that strengthen the resilience of valuations and the ability to re-finance and attract future buyers.

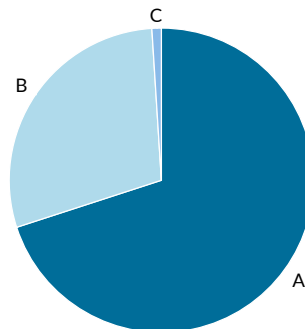
Sources: Preqin "Q2 2016 Private Equity-Backed Buyout Deals and Exits" (July 2016); Preqin "Q2 2016 Private Capital Fundraising Update" (July 2016); Ernst & Young "EY Global IPO Trends - 2016 Q2" (June 2016); Partners Group Research

3. Portfolio composition



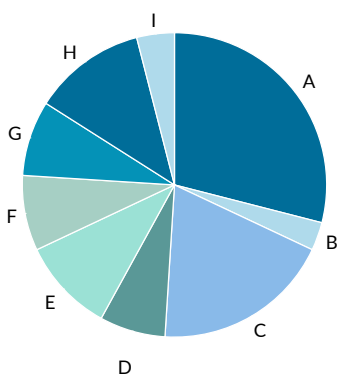
Investments by regional focus

A Europe	52%	C Rest of World	9%
B North America	31%	D Asia-Pacific	8%



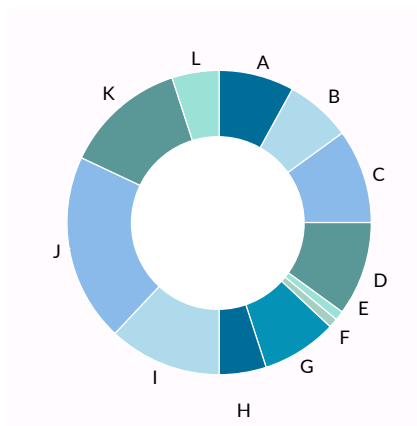
Investments by transaction type

A Direct	70%	C Secondary	1%
B Primary	29%		



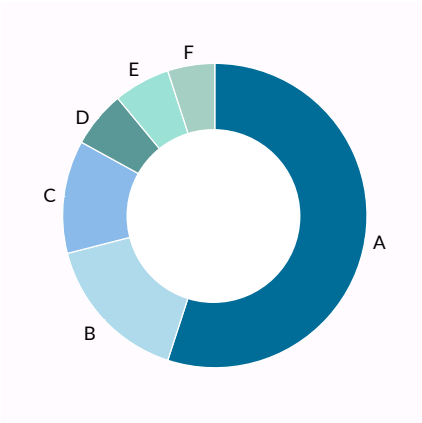
Portfolio assets by industry sector

A Consumer discr.	29%	F Materials	8%
B Telecom	3%	G Consumer staples	8%
C Industrial	19%	H Healthcare	12%
D IT	7%	I Energy	4%
E Financial	10%		



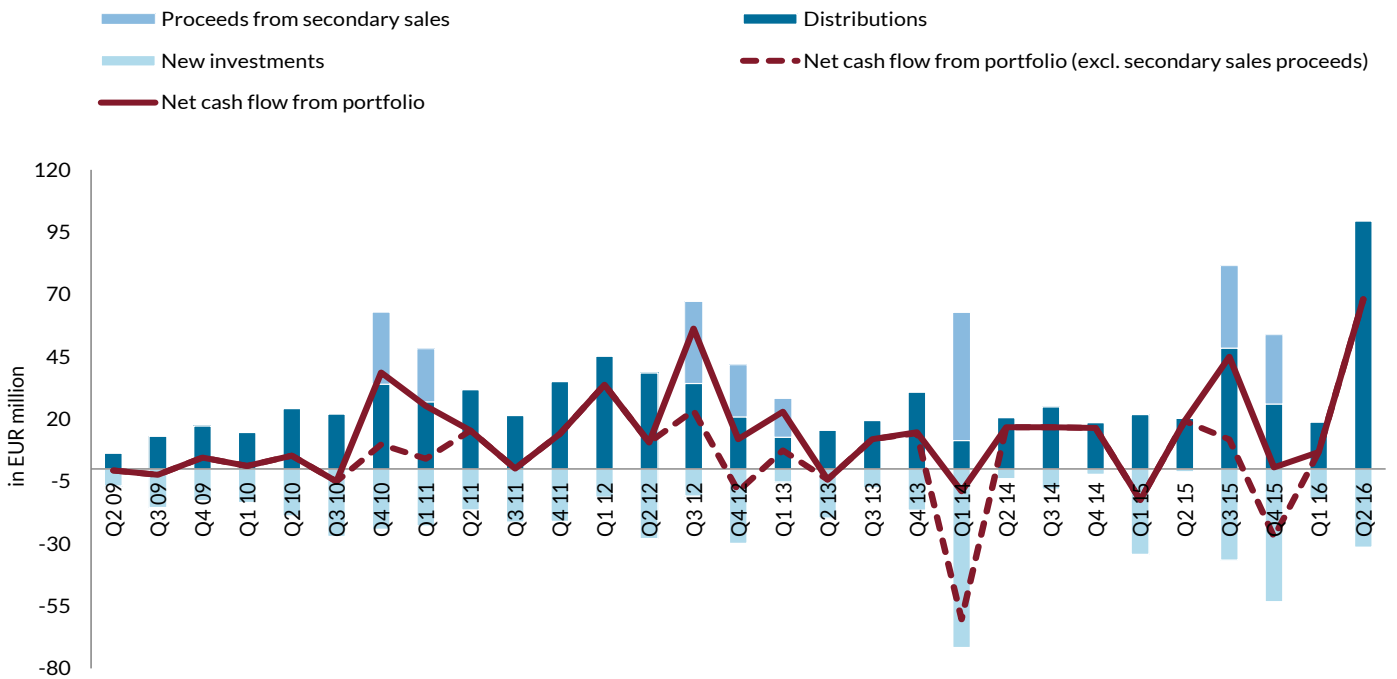
Investments by vintage year

A Pre 2006	8%	G 2011	8%
B 2006	7%	H 2012	5%
C 2007	10%	I 2013	12%
D 2008	10%	J 2014	20%
E 2009	1%	K 2015	13%
F 2010	1%	L 2016	5%



Investments by financing category

A	Small/Mid-cap	55%	D	Mezzanine	6%
B	Special situations	16%	E	Growth	6%
C	Large/mega-large-cap	12%	F	Venture capital	5%



DEVELOPMENT OF NET CASH FLOWS



NAV DEVELOPMENT

	Top 10	Top 20	Top 50
EV/EBITDA	11.7x	11.3x	10.8x
Net debt/EBITDA	4.1x	4.3x	4.5x
Leverage	33.7%	37.2%	40.1%
Average EV	EUR 1.8bn	EUR 2.0bn	EUR 2.1bn
% of NAV	33.6%	45.0%	58.0%

VALUATION METRICS OF THE TOP 50 DIRECT INVESTMENTS

Asset allocation as per the reporting date; the portfolio composition may change over time.

*As per the reporting date and based on available information. Valuation and performance metrics are weighted averages based on the value of the portfolio companies in the latest valuation report; the largest portfolio companies on a look through basis exclude fully realized investments and distressed debt investments; Debt/EBITDA ratio based on net debt.

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.

Within section four, "Investments" refers to the value of the investments. The total of the investment portfolio excludes cash and cash equivalents.

4. Portfolio overview

Fifty largest direct investments (in EUR)

Investment	Industry sector	Regional focus	Financing category	Investment year	Since inception		% of NAV
					Residual cost	Net asset value	
VAT Group AG	Industrials	WEU	Small/Mid-cap	2014	-7'347'720	44'822'899	6.6%
Action	Consumer discretionary	WEU	Small/Mid-cap	2011	-8'626'593	32'016'268	4.7%
Permotio International Learning S.à r.l.	Consumer discretionary	WEU	Growth	2013	23'465'395	24'537'731	3.6%
Dynacast	Materials	NAM	Small/Mid-cap	2015	21'285'088	23'423'165	3.5%
Hofmann Menue Manufaktur	Consumer staples	WEU	Small/Mid-cap	2014	14'593'373	22'550'378	3.3%
KinderCare Education	Consumer discretionary	NAM	Small/Mid-cap	2015	18'247'918	20'772'154	3.1%
Fermaca	Energy	ROW	Special situations	2014	13'132'591	19'555'490	2.9%
Fermo (Trimco International)	Industrials	APC	Small/Mid-cap	2012	n.a.	16'796'557	2.5%
Pharmaceutical developer	Healthcare	WEU	Small/Mid-cap	2013	10'657'476	12'538'318	1.9%
Global Blue	Financials	WEU	Small/Mid-cap	2012	2'526'262	10'230'413	1.5%
MultiPlan 2016	Healthcare	NAM	Large/mega-large-cap	2016	10'144'537	10'144'537	1.5%
Kerneos	Materials	WEU	Small/Mid-cap	2014	5'443'563	9'698'252	1.4%
Caffe Nero	Consumer staples	WEU	Mezzanine	2013	6'486'667	n.a.	n.a.
Vermaat	Consumer discretionary	WEU	Small/Mid-cap	2015	7'999'609	7'999'609	1.2%
Guardian Early Learning Group	Consumer discretionary	APC	Small/Mid-cap	2016	7'669'596	7'669'596	1.1%
Lancelot	Financials	NAM	Large/mega-large-cap	2013	2'852'551	7'507'973	1.1%
Education publisher 2	Consumer discretionary	NAM	Large/mega-large-cap	2013	-1'051'690	6'769'286	1.0%
Voyage Care	Healthcare	WEU	Small/Mid-cap	2014	6'664'081	6'664'080	1.0%
AWAS Aviation Holding	Financials	WEU	Large/mega-large-cap	2006	3'020'369	6'058'891	0.9%
CSS Corp Technologies (Mauritius) Limited	Telecommunication services	APC	Small/Mid-cap	2013	n.a.	n.a.	n.a.
Varsity Brands	Consumer discretionary	NAM	Small/Mid-cap	2014	4'812'810	5'449'714	0.8%
Essmann	Materials	WEU	Mezzanine	2007	n.a.	5'179'545	0.8%
Partners Group Pacific Restaurant Holdings	Consumer staples	NAM	Small/Mid-cap	2015	3'734'683	4'942'486	0.7%
Food company 1	Industrials	NAM	Large/mega-large-cap	2007	2'055'246	4'626'662	0.7%
ADT Corporation	Information technology	NAM	Large/mega-large-cap	2016	4'509'023	4'624'100	0.7%
Project Icon	Consumer discretionary	WEU	Small/Mid-cap	2011	5'375'353	4'284'906	0.6%
TOUS	Consumer discretionary	WEU	Small/Mid-cap	2015	4'026'811	4'156'962	0.6%
CPA Global	Industrials	WEU	Special situations	2013	3'335'527	3'995'791	0.6%

Investment	Industry sector	Regional focus	Financing category	Investment year	Since inception		
					Residual cost	Net asset value	% of NAV
Cooperation Pharmaceutique Francaise SAS	Healthcare	WEU	Special situations	2015	3'545'425	n.a.	n.a.
Universal Hospital Services, Inc.	Healthcare	NAM	Small/Mid-cap	2007	3'913'915	3'543'441	0.5%
Seabras-1	Telecommunication services	NAM	Special situations	2015	3'486'512	3'486'512	0.5%
BarBri	Consumer discretionary	NAM	Small/Mid-cap	2011	3'418'803	3'427'857	0.5%
CapitalSpring Finance Company	Financials	NAM	Mezzanine	2013	2'327'448	3'206'027	0.5%
South Dakota Systems	Telecommunication services	NAM	Special situations	2014	2'698'212	3'145'571	0.5%
Photonis	Information technology	WEU	Special situations	2011	2'025'804	2'611'256	0.4%
eResearch Technology, Inc.	Information technology	NAM	Special situations	2016	2'278'536	2'375'024	0.4%
ATX Networks	Consumer discretionary	NAM	Special situations	2015	1'886'036	2'206'656	0.3%
Infinite RF Holdings, Inc	Industrials	NAM	Special situations	2016	2'094'759	2'153'822	0.3%
Delsey Group	Consumer discretionary	WEU	Small/Mid-cap	2007	1'660'586	2'030'119	0.3%
US entertainment company	Consumer discretionary	NAM	Large/mega-large-cap	2008	6'641'975	1'940'260	0.3%
Schenck Process GmbH	Industrials	WEU	Small/Mid-cap	2007	951'350	1'850'173	0.3%
Project Firefox	Telecommunication services	NAM	Mezzanine	2015	1'610'966	1'814'418	0.3%
Ascensus	Financials	NAM	Special situations	2015	1'655'569	1'799'225	0.3%
Direct marketing and sales company	Consumer discretionary	ROW	Small/Mid-cap	2007	381'281	1'775'905	0.3%
Affordable Care, Inc.	Healthcare	NAM	Special situations	2015	1'508'987	1'671'236	0.2%
Megadyne	Industrials	WEU	Mezzanine	2014	n.a.	n.a.	n.a.
Labeyrie	Consumer staples	WEU	Mezzanine	2014	1'249'996	n.a.	n.a.
Super A-Mart	Consumer discretionary	APC	Small/Mid-cap	2006	1'559'764	1'555'026	0.2%
Hortifruti	Consumer staples	ROW	Small/Mid-cap	2016	1'532'305	1'532'305	0.2%
ConvaTec Inc	Healthcare	WEU	Large/mega-large-cap	2008	645'740	1'526'134	0.2%
Total fifty largest direct investments					259'062'846	392'055'357	58.0%

The portfolio's holdings are ranked by percentage of net asset value. 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. The portfolio overview of Princess has been prepared on a look through basis, although the unaudited consolidated statement of financial position includes the valuation of certain Partners Group investment vehicles. Remaining net asset value is the net asset value of primary and secondary investments after receipt of distributions from such investments until the end of the reporting period. Residual cost is the initial investment cost after receipt of distributions from such an investment until the end of the reporting period.

Fifty largest fund investments (in EUR)

Investment	Regional focus	Financing category	Vintage year	Since inception		% of NAV
				Unfunded commitments	Net asset value	
Partners Group Global Real Estate 2008, L.P.	WEU	Special situations	2008	1'759'056	13'331'067	2.0%
Terra Firma Capital Partners III, L.P.	WEU	Large/mega-large-cap	2006	79'547	10'624'371	1.6%
Anonymized Emerging Markets Venture Fund 2	ROW	Venture capital	2008	121'457	9'685'291	1.4%
Ares Corporate Opportunities Fund III, L.P.	NAM	Special situations	2008	1'147'386	8'933'935	1.3%
Anonymized European Buyout Fund 7	WEU	Small/Mid-cap	2007	1'160'855	7'219'666	1.1%
3i Eurofund Vb	WEU	Small/Mid-cap	2006	406'024	6'967'534	1.0%
MatlinPatterson Global Opportunities Partners III	NAM	Special situations	2007	391'085	5'619'037	0.8%
August Equity Partners II A, L.P.	WEU	Small/Mid-cap	2007	n.a.	4'825'421	0.7%
Palamon European Equity 'C', L.P.	WEU	Small/Mid-cap	1999	0	4'591'138	0.7%
Quadriga Capital Private Equity Fund III, L.P.	WEU	Small/Mid-cap	2006	391'181	3'882'521	0.6%
Pitango Venture Capital Fund III	ROW	Venture capital	2000	0	3'644'690	0.5%
Sterling Investment Partners II, L.P.	NAM	Small/Mid-cap	2005	1'181'676	3'305'929	0.5%
GMT Communications Partners III, L.P.	WEU	Small/Mid-cap	2006	917'326	3'288'675	0.5%
Aksia Capital III, L.P.	WEU	Small/Mid-cap	2005	0	3'269'053	0.5%
Ares Corporate Opportunities Fund II, L.P.	NAM	Special situations	2006	2'055'559	3'241'806	0.5%
Fenway Partners Capital Fund II, L.P.	NAM	Small/Mid-cap	1998	425'025	3'071'401	0.5%
Alinda Infrastructure Parallel Fund II, L.P.	NAM	Special situations	2008	298'564	2'995'199	0.4%
Index Ventures Growth I (Jersey), L.P.	WEU	Growth	2008	0	2'724'917	0.4%
INVESCO Venture Partnership Fund II-A, L.P.	NAM	Venture capital	2000	1'646'424	2'556'846	0.4%
The Peninsula Fund IV, L.P.	NAM	Mezzanine	2005	440'051	2'486'667	0.4%
Patria - Brazilian Private Equity Fund III, L.P.	ROW	Small/Mid-cap	2007	n.a.	n.a.	n.a.
SV Life Sciences Fund IV, L.P.	NAM	Venture capital	2006	286'642	2'308'009	0.3%
Candover 2005 Fund, L.P.	WEU	Large/mega-large-cap	2005	19'791	2'091'260	0.3%
Levine Leichtman Capital Partners II, L.P.	NAM	Mezzanine	1998	0	1'934'041	0.3%
Advent Latin American Private Equity Fund IV, L.P.	ROW	Large/mega-large-cap	2007	0	1'891'162	0.3%
Advent International GPE VI, L.P.	WEU	Small/Mid-cap	2008	55'607	1'853'700	0.3%
Anonymized European Buyout Fund 3	WEU	Small/Mid-cap	2008	156'941	1'806'572	0.3%
Project Skylight	WEU	Special situations	2007	0	1'801'160	0.3%
OCM Mezzanine Fund II, L.P.	NAM	Mezzanine	2005	1'558'704	1'587'328	0.2%
Innisfree PFI Secondary Fund	WEU	Special situations	2007	173'439	1'540'265	0.2%
Summit Partners Europe Private Equity Fund, L.P.	WEU	Growth	2008	79'678	1'519'196	0.2%
Exxel Capital Partners VI, L.P.	ROW	Small/Mid-cap	2000	0	1'427'165	0.2%
Penta CLO 1 S.A.	WEU	Special situations	2007	0	1'380'000	0.2%

Investment	Regional focus	Financing category	Vintage year	Since inception		% of NAV
				Unfunded commitments	Net asset value	
Draper Fisher Jurvetson Fund VII, L.P.	NAM	Venture capital	2000	0	1'372'164	0.2%
European Equity Partners (III), L.P.	WEU	Venture capital	1999	0	1'278'200	0.2%
Doughty Hanson & Co. Fund III, L.P.	WEU	Small/Mid-cap	1997	105'398	1'234'635	0.2%
INVESCO Venture Partnership Fund II, L.P.	NAM	Venture capital	1999	3'044'326	1'215'384	0.2%
SV Life Sciences Fund II, L.P.	WEU	Venture capital	1998	0	1'190'657	0.2%
Baring Asia Private Equity Fund IV, L.P.	APC	Small/Mid-cap	2007	251'789	1'187'451	0.2%
Russia Partners III, L.P.	ROW	Small/Mid-cap	2007	60'833	1'100'273	0.2%
Clayton, Dubilier & Rice Fund VIII, L.P.	NAM	Large/mega-large-cap	2009	334'089	1'083'553	0.2%
Southern Cross Latin America PE Fund III	ROW	Small/Mid-cap	2007	4	997'066	0.1%
Searchlight Capital PV, L.P.	NAM	Special situations	2010	130'426	972'302	0.1%
Enterprise Venture Fund I, L.P.	ROW	Growth	2008	153'336	898'345	0.1%
Sofinnova Capital VI FCPR	WEU	Venture capital	2008	49'799	885'748	0.1%
Nmas1 Private Equity Fund II, L.P.	WEU	Small/Mid-cap	2008	53'093	884'606	0.1%
Advent Latin American Private Equity Fund V, L.P.	ROW	Large/mega-large-cap	2009	117'927	785'616	0.1%
Hony Capital Fund 2008, L.P.	APC	Small/Mid-cap	2008	63'390	777'003	0.1%
Indium IV (Mauritius) Holdings Limited	APC	Small/Mid-cap	2009	68'449	755'811	0.1%
Menlo Ventures IX, L.P.	NAM	Venture capital	2000	0	754'607	0.1%
Total fifty partnership investments				43'256'465	147'264'183	26.1%

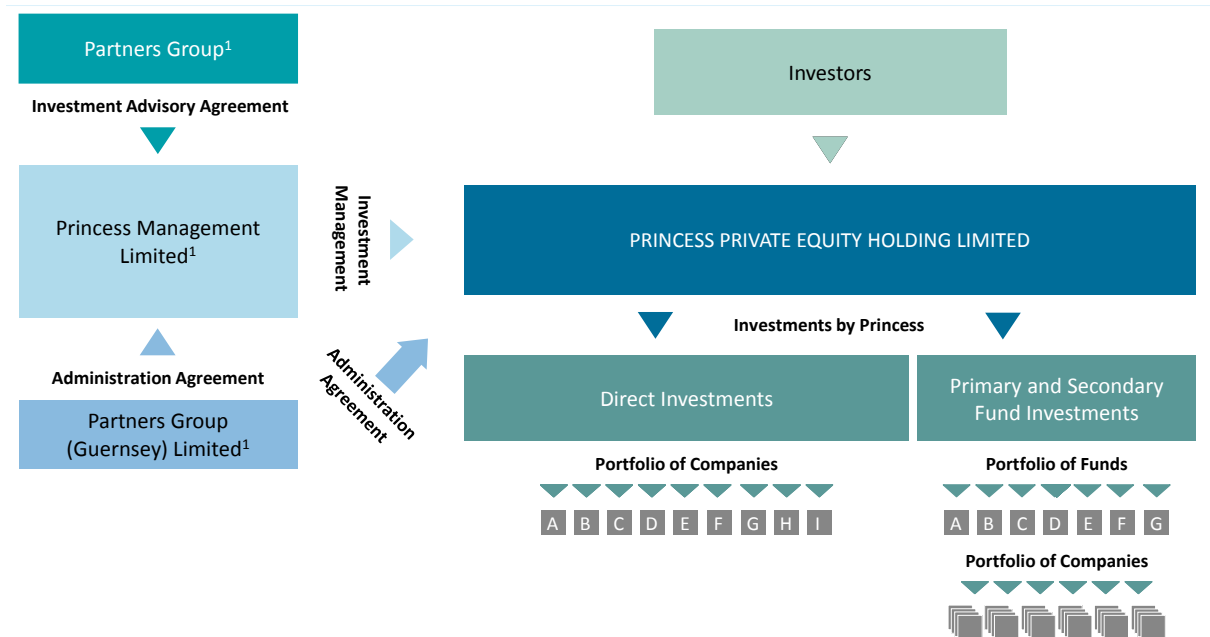
The overview shows the 50 largest partnership investments based on NAV. Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. Please note that contributions may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

5. 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 consolidated all trading activity to the London Stock Exchange on 6 December 2012 and ceased being listed on the Frankfurt Stock Exchange.

Princess aims to provide shareholders with long-term capital growth and an attractive dividend yield. The Company's investments are managed on a discretionary basis by Princess Management Limited, a wholly-owned subsidiary of Partners Group Holding AG, 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 (the "Investment Advisor"), which is a global private markets investment management firm with over EUR 49 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.



1 100% owned by Partners Group Holding

6. Facts and figures

Company	Princess Private Equity Holding Limited
Currency denomination	Euro
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
Joint corporate brokers	JPMorgan Cazenove Numis Securities Ltd.
Listing	London Stock Exchange
Management fee	1.5% p.a.
Securities	Fully paid-up ordinary registered shares
Structure	Guernsey Company, Authorized closed-ended fund in Guernsey
Trading information	ISIN: GG00B28C2R28 WKN: AOM5MA Valor: 3493187 Trading symbol: PEY Bloomberg: PEY LN Reuters: PEY.L
Voting rights	Each ordinary registered share represents one voting right

7. Unaudited consolidated financial statements

Unaudited consolidated statement of comprehensive income

for the period from 1 January 2016 to 30 June 2016

In thousands of EUR	Notes	01.01.2016 30.06.2016	01.01.2015 30.06.2015
Net income from financial assets at fair value through profit or loss		48'223	78'964
<i>Private equity</i>		46'708	69'650
Interest & dividend income		5'927	682
Revaluation	6	45'462	51'456
Net foreign exchange gains / (losses)	6	(4'681)	17'512
<i>Private debt</i>		(238)	7'122
Interest income (including PIK)		1'308	963
Revaluation	6	231	1'272
Net foreign exchange gains / (losses)	6	(1'777)	4'887
<i>Private real estate</i>		32	1'028
Revaluation	6	32	1'007
Net foreign exchange gains / (losses)	6	-	21
<i>Private infrastructure</i>		1'721	1'164
Revaluation	6	1'719	653
Net foreign exchange gains / (losses)	6	2	511
Net income from cash & cash equivalents and other income		(147)	298
Interest income		(37)	51
Net foreign exchange gains / (losses)		(110)	247
Total net income		48'076	79'262
Operating expenses		(12'738)	(8'409)
Management fees		(5'091)	(5'339)
Incentive fees	10	(6'568)	(6'024)
Administration fees		(165)	(153)
Service fees		(125)	(125)
Other operating expenses		(599)	(872)
Revaluation of other long-term receivables		(14)	(9)
Other net foreign exchange gains / (losses)		(176)	4'113
Other financial activities		2'328	(13'940)
Setup expenses - credit facilities	9	(228)	(226)
Interest expense - credit facilities	9	-	55
Other finance cost		(64)	346
Net gains / (losses) from hedging activities		2'620	(14'115)
Surplus / (loss) for period		37'666	56'913

In thousands of EUR	Notes	01.01.2016 30.06.2016	01.01.2015 30.06.2015
Other comprehensive income for period; net of tax		-	-
Total comprehensive income for period		37'666	56'913
Weighted average number of shares outstanding		69'151'168.00	69'151'325.80
Basic surplus / (loss) per share for period		0.53	0.82
Diluted surplus / (loss) per share for period		0.53	0.82

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 2016

In thousands of EUR	Notes	30.06.2016	31.12.2015
ASSETS			
Financial assets at fair value through profit or loss			
Private equity	6	482'431	512'404
Private debt	6	70'771	72'376
Private real estate	6	13'353	14'064
Private infrastructure	6	21'099	15'765
Other long-term receivables		2'856	2'935
Non-current assets		590'510	617'544
Other short-term receivables		9'448	1'477
Hedging assets		-	1'300
Cash and cash equivalents	7	105'504	59'766
Current assets		114'952	62'543
TOTAL ASSETS		705'462	680'087
EQUITY AND LIABILITIES			
Share capital	8	69	69
Retained earnings		208'885	171'219
Reserves	8	467'427	486'098
Total equity		676'381	657'386
Hedging liabilities		2'127	-
Accruals and other short-term payables		26'954	22'701
Liabilities falling due within one year		29'081	22'701
TOTAL EQUITY AND LIABILITIES		705'462	680'087

Unaudited consolidated statement of changes in equity

for the period from 1 January 2016 to 30 June 2016

In thousands of EUR	Share capital	Treasury shares	Retained earnings	Reserves	Total
Balance at the beginning of period	69	-	171'219	486'098	657'386
Dividend paid during the period	-	-	-	(18'671)	(18'671)
Other comprehensive income for period; net of tax	-	-	-	-	-
Share buyback and cancellation	-	-	-	-	-
Surplus / (loss) for period	-	-	37'666	-	37'666
Equity at end of period	69	-	208'885	467'427	676'381

for the period from 1 January 2015 to 30 June 2015

In thousands of EUR	Share capital	Treasury shares	Retained earnings	Reserves	Total
Balance at the beginning of period	69	-	70'013	523'440	593'522
Dividend paid during the period	-	-	-	(18'671)	(18'671)
Other comprehensive income for period; net of tax	-	-	-	-	-
Share buyback and cancellation	-	-	-	-	-
Surplus / (loss) for period	-	-	56'913	-	56'913
Equity at end of period	69	-	126'926	504'769	631'764

Unaudited consolidated statement of cash flows

for the period from 1 January 2016 to 30 June 2016

In thousands of EUR	Notes	01.01.2016 30.06.2016	01.01.2015 30.06.2015
Operating activities			
Surplus / (loss) for the period before interest expense		37'666	56'858
Adjustments:			
Net foreign exchange (gains) / losses		6'742	(27'291)
Investment revaluation		(47'444)	(54'388)
Revaluation of other long-term receivables		14	9
Net (gain) / loss on interest		(1'438)	(1'696)
Net (gain) / loss on dividends		(5'760)	-
Revaluation on forward hedges		(2'620)	14'115
(Increase) / decrease in receivables		(8'158)	(1)
Increase / (decrease) in payables		4'328	5'147
Realized gains / (losses) from forward hedges		6'048	(18'808)
Purchase of private equity investments	6	(30'561)	(34'249)
Purchase of private debt investments	6	(12'926)	(791)
Purchase of private real estate investments	6	88	(354)
Purchase of private infrastructure investments	6	(5)	(132)
Distributions from and proceeds from sales of private equity investments	6	101'315	33'657
Distributions from and proceeds from sales of private debt investments	6	4'161	5'278
Distributions from and proceeds from sales of private real estate investments	6	655	1'277
Distributions from and proceeds from sales of private infrastructure investments	6	1'500	686
Interest & dividends received		10'914	1'153
Net cash from / (used in) operating activities		64'519	(19'530)
Financing activities			
Net increase / (decrease) in credit facilities	9	-	7'000
Interest paid - credit facilities	9	-	(156)
Dividends paid	8	(18'671)	(18'671)
Net cash from / (used in) financing activities		(18'671)	(11'827)
Net increase / (decrease) in cash and cash equivalents		45'848	(31'357)
Cash and cash equivalents at beginning of period	7	59'766	45'348
Effects of foreign currency exchange rate changes on cash and cash equivalents		(110)	247
Cash and cash equivalents at end of period	7	105'504	14'238

Notes to the unaudited consolidated financial statements

for the period from 1 January 2016 to 30 June 2016

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 also holds certain investments through its wholly-owned subsidiary Princess Direct Investments, L.P. Inc. (the "Sub-Subsidiary"). The Sub-Subsidiary, the Subsidiary and the Company form a group (the "Group"). Both of these subsidiaries are consolidated as they are deemed to provide investment related services to the Company.

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 2015, which have been prepared in accordance with International Financial Reporting Standards.

The accounting policies adopted in the preparation of the of the condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2015.

The following standards which are mandatory for future accounting periods, but where early adoption is permitted now, have not been duly adopted.

IFRS 9 (effective 1 January 2018) - Financial instruments

IFRS 15 (effective 1 January 2018) - Revenue from Contracts with Customers

IAS 7 (Amendment effective 1 January 2017) - Statement of Cash Flows

The Directors of the Company are in the process of assessing the impact of these standards and believe that these new accounting standards will not significantly affect the Group's results of operations or financial position.

3 Shareholders above 5% of ordinary shares issued

In accordance with DTR 5.1.2R of the Financial Conduct Authority Handbook the following shareholders advised holdings above the 5% threshold until 30 June 2016:

Shareholder name	Threshold exceeded	Date of exceeding the threshold	Number of shares held at date of exceeding threshold	Number of shares in issue at date of exceeding threshold	% of ordinary shares in issue at date of exceeding threshold
Deutsche Asset Management Investmentgesellschaft mbH	5.00%	19 April 2007	609'590	7'010'000	8.70%
Vega Invest Fund plc	5.00%	11 October 2007	600'000	7'010'000	8.56%
Bayer-Pensionskasse VVaG	5.00%	25 April 2007	530'000	7'010'582	7.56%
CVP/CAP Coop Personalversicherung	5.00%	31 December 2008	3'551'206	70'100'000*	5.07%
Societe Generale Option Europe	5.00%	20 October 2010	3'724'557	70'100'000*	5.31%
CCLA Investment Management Ltd	5.00%	10 July 2013	3'504'750	69'400'990*	5.05%
Brewin Dolphin Ltd	5.00%	24 July 2014	3'459'832	69'151'168*	5.03%
Witan Investment Trust plc	5.00%	27 February 2015	3'600'000	69'151'168*	5.20%

*The Extraordinary Shareholder Meeting of the holders of ordinary shares in Princess Private Equity Holding Limited on 12 October 2007 agreed on a 1 to 10 share split according to which each ordinary share was subdivided into 10 ordinary shares. The share split became effective after close of trading on 12 October 2007.

4 Dividends

The Board of Directors of Princess Private Equity Holding Limited declared a dividend of EUR 0.27 paid on 17 June 2016 on each Ordinary Share. The dividend paid on 17 June 2016 amounted to EUR 18.7 million (Total dividend in 2015: EUR 37.3 million).

5 Segment calculation

In thousands of EUR	01.01.2016 30.06.2016	01.01.2015 30.06.2015
Private equity		
Interest & dividend income	5'927	682
Revaluation	45'462	51'456
Net foreign exchange gains / (losses)	(4'681)	17'512
Total net income private equity	46'708	69'650
Segment result private equity	46'708	69'650
Private debt		
Interest income (including PIK)	1'308	963
Revaluation	231	1'272
Net foreign exchange gains / (losses)	(1'777)	4'887
Total net income private debt	(238)	7'122
Segment result private debt	(238)	7'122
Private real estate		
Revaluation	32	1'007
Net foreign exchange gains / (losses)	-	21
Total net income private real estate	32	1'028
Segment result private real estate	32	1'028
Private infrastructure		
Revaluation	1'719	653
Net foreign exchange gains / (losses)	2	511
Total net income private infrastructure	1'721	1'164
Segment result private infrastructure	1'721	1'164
Non attributable		
Interest & dividend income	(37)	51
Net foreign exchange gains / (losses)	(110)	247
Total net income non attributable	(147)	298
Segment result non attributable	(12'885)	(8'111)
Other financial activities not allocated	2'328	(13'940)
Surplus / (loss) for the financial period	37'666	56'913

6 Financial assets at fair value through profit or loss

6.1 PRIVATE EQUITY

In thousands of EUR	30.06.2016	31.12.2015
Balance at beginning of period	512'404	406'628
Purchase of Direct and Indirect Investments	30'561	81'851
Distributions from and proceeds from sales of Direct and Indirect Investments	(101'315)	(97'616)
Revaluation	45'462	100'218
Foreign exchange gains / (losses)	(4'681)	21'323
Balance at end of period	482'431	512'404

6.2 PRIVATE DEBT

In thousands of EUR	30.06.2016	31.12.2015
Balance at beginning of period	72'376	74'954
Purchase of Direct and Indirect Investments	12'926	(132)
Distributions from and proceeds from sales of Direct and Indirect Investments	(4'161)	(13'381)
Reclassification of investments	(5'108)	-
Accrued cash and PIK interest	473	1'307
Interest received	(4'189)	(429)
Revaluation	231	4'810
Foreign exchange gains / (losses)	(1'777)	5'247
Balance at end of period	70'771	72'376

6.3 PRIVATE REAL ESTATE

In thousands of EUR	30.06.2016	31.12.2015
Balance at beginning of period	14'064	15'862
Purchase of Direct and Indirect Investments	(88)	169
Distributions from and proceeds from sales of Direct and Indirect Investments	(655)	(2'769)
Revaluation	32	781
Foreign exchange gains / (losses)	-	21
Balance at end of period	13'353	14'064

6.4 PRIVATE INFRASTRUCTURE

In thousands of EUR	30.06.2016	31.12.2015
Balance at beginning of period	15'765	12'436
Purchase of Direct and Indirect Investments	5	98
Distributions from and proceeds from sales of Direct and Indirect Investments	(1'500)	(686)
Reclassification of investments	5'108	-
Revaluation	1'719	3'251
Foreign exchange gains / (losses)	2	666
Balance at end of period	21'099	15'765

7 Cash and cash equivalents

In thousands of EUR	30.06.2016	31.12.2015
Cash at banks	105'504	29'747
Cash equivalents	-	30'019
Total cash and cash equivalents	105'504	59'766

8 Share capital, treasury shares and reserves

8.1 CAPITAL

In thousands of EUR	30.06.2016	31.12.2015
Issued and fully paid		
69'151'168 Ordinary shares of EUR 0.001 each out of the bond conversion	69	69
Total issued and fully paid shares	69	69

The total authorized shares consists of 200'100'000 Ordinary shares of EUR 0.001 each (total value EUR 200'100).

During the reporting period, the Company has not purchased or cancelled any of its own shares.

8.2 TREASURY SHARES

In thousands of EUR	30.06.2016	31.12.2015
Share buyback for cancellation	-	-

8.3 RESERVES

In thousands of EUR	30.06.2016	31.12.2015
Distributable reserves		
Distributable reserves at beginning of reporting period	486'098	523'440
Dividend payment	(18'671)	(37'342)
Total distributable reserves at end of reporting period	467'427	486'098

9 Short-term credit facilities

On 12 November 2013, the Company renewed a multi-currency revolving credit facility with Lloyds TSB Bank plc for EUR 50'000'000, which ends on 26 July 2017.

In relation to the interest charged, on drawn amounts, this is calculated at a margin of 2.95% to 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 0.90% per annum calculated on the daily undrawn amounts plus a fee of EUR 450'000 paid over three years and a monitoring fee in the amount of EUR 25'000 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 350'000'000 and a total asset ratio (total debt plus current liabilities as a percentage of restricted net asset value) not greater than 25%.

During the reporting period, the Company has drawn a loan amount of EUR nil (2015: EUR 32'000'000) and repaid the loan in the amount of EUR nil (2015: EUR 32'000'000). During the reporting period, the Company is due to pay interest in the amount of EUR nil (2015: EUR 163'265) and received an adjustment on upfront fees in the amount of EUR nil (2015: EUR 218'042) recognized through the unaudited consolidated statement of comprehensive income. During the reporting period, the Company paid interest in the amount of EUR nil (2015: EUR 156'450) and incurred set-up expenses in the amount of EUR 227'500 (2015: EUR 226'250).

In thousands of EUR	30.06.2016	31.12.2015
Short term credit facility		
Balance at beginning of period	-	-
Increase during period	-	32'000
(Decrease) during period	-	(32'000)
Balance at end of period	-	-

10 Incentive fee

In thousands of EUR	30.06.2016	31.12.2015
Balance at beginning of period	18'447	11'406
Change in incentive fees attributable to General Partner	6'568	11'913
Incentive fees paid/payable	(10'200)	(4'872)
Balance at end of period	14'815	18'447

11 Commitments to Direct and Indirect Investments

In thousands of EUR	30.06.2016	31.12.2015
Unfunded commitments translated at the rate prevailing at end of period	111'442	131'804

12 Earnings per share and net 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 2016 and 2015.

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	30.06.2016	31.12.2015
Net assets of the Group	676'381	657'386
Outstanding shares at the end of the reporting period	69'151'168.00	69'151'168.00
Net assets per share at period-end	9.78	9.51

13 Fair value measurement

13.1 FAIR VALUE ESTIMATION REPORTING PERIOD

In thousands of EUR	Level 1	Level 2	Level 3	Total balance
Assets				
Financial assets at fair value through profit or loss - equity securities	37'360	3'630	475'893	516'883
Financial assets at fair value through profit or loss - debt investments	-	-	70'771	70'771
Total assets	37'360	3'630	546'664	587'654
Liabilities				
Derivatives used for hedging	-	(2'127)	-	(2'127)
Total liabilities	-	(2'127)	-	(2'127)

13.2 FAIR VALUE ESTIMATION PREVIOUS REPORTING PERIOD

In thousands of EUR	Level 1	Level 2	Level 3	Total balance
Assets				
Derivatives used for hedging	-	1'300	-	1'300
Financial assets at fair value through profit or loss - equity securities	12'119	-	530'114	542'233
Financial assets at fair value through profit or loss - debt investments	-	-	72'376	72'376
Total assets	12'119	1'300	602'490	615'909
Liabilities				
Total liabilities	-	-	-	-

13.3 SIGNIFICANT UNOBSERVABLE VALUATION INPUTS

Level 3 investments may consist of direct and indirect equity and debt investments. Level 3 indirect investments are generally valued at the indirect investments' net asset values last reported by the indirect investments' governing bodies. When the reporting date of such net asset values does not coincide with the Group's reporting date, the net asset values are adjusted as a result of cash flows to/from an indirect investment between the most recently available net asset value reported, and the end of the reporting period of the Group. The valuation may also be adjusted for further information gathered by the Investment Advisor during its ongoing investment monitoring process. This monitoring process includes, but is not limited to, binding bid offers, non-public information on developments of portfolio companies held by indirect investments, syndicated transactions which involve such companies and the application of reporting standards by indirect investments which do not apply the principle of fair valuation.

The main inputs into the Group's valuation models for direct equity and debt investments include: EBITDA multiples (based on budgeted/forward looking EBITDA or historical EBITDA of the issuer and EBITDA multiples of comparable listed companies for the equivalent period), discount rates, capitalization rates, price to book as well as price to earnings ratios and enterprise value to sales multiples. The Group also considers the original transaction prices, recent transactions in the same or similar instruments and completed third-party transactions in comparable instruments and adjusts the model as deemed necessary. Further inputs consist of external valuation appraisals and broker quotes.

In order to assess level 3 valuations in accordance with the investment management agreement, the Investment Advisor reviews the performance of the direct and indirect investments held on a regular basis. The valuations are reviewed on an ongoing basis by the Investment Advisor's investment committee who report to the Investment Manager. The investment committee considers the appropriateness of the valuation model inputs as well as the valuation result using various valuation methods and techniques generally recognized within the industry. From time to time the Group may consider it appropriate to change the valuation model or technique used in the fair valuation depending on the individual investment circumstances, such as its maturity, stage of operations or recent transaction.

The Group utilizes comparable trading multiples in arriving at the valuation for the direct investments. Comparable companies multiple techniques assume that the valuation of unquoted direct investments can be assessed by comparing performance measure multiples of similar quoted assets for which observable market prices are readily available. The Investment Advisor determines comparable public companies based on industry, size, development stage, strategy, etc. Subsequently the most appropriate performance measure for determining the valuation of the relevant direct investment is selected (these include but are not limited to EBITDA, price/earnings ratio for earnings or price/book ratio for book values). Trading multiples for each

comparable company identified are calculated by dividing the market capitalization of the comparable company by the defined performance measure. The relevant trading multiples might be subject to adjustment for general qualitative differences such as liquidity, growth rate or quality of customer base between the valued direct investment and the comparable company set. The indicated fair value of the direct investment is determined by applying the relevant adjusted trading multiple to the identified performance measure of the valued company.

When applying the discounted cash flow method, the Investment Advisor discounts the expected cash flow amounts to a present value at a rate of expected return that represents the time value of money and reflects the relative risks of the direct investment. Direct investments can be valued by using the 'cash flow to investor' method (a debt instrument valuation), or indirectly, by deriving the enterprise value using the 'free cash flow to company' method and subsequently subtracting the direct investment's net debt in order to determine the equity value of the relevant direct investment. The Investment Advisor determines the expected future cash flows based on agreed investment terms or expected growth rates. In addition and based on the current market environment an expected return of the respective direct investment is projected. The future cash flows are discounted to the present date in order to determine the current fair value.

If broker quotes are available, direct debt investments are valued by the Investment Advisor utilizing such quotes, which are provided by an independent third party broker. Broker quotes are applied to the nominal value of such direct debt investments. Broker quotes utilized for valuing direct debt investments represent indicative quotes for investments traded in an inactive market.

The Group utilizes the sales comparison method in arriving at the valuation for direct real estate investments. The sales comparison method compares a direct real estate investment's characteristics with those of comparable properties which have recently been traded in the market. The Investment Advisor determines comparable assets based on, but not limited to, size, location, development stage and property type. Furthermore the most appropriate measure for determining the valuation of the relevant direct real estate investment is selected (amongst others price per room, price per square foot, price per square meter). The comparable price per unit might be subject to adjustment for general qualitative differences which include, but are not limited to, quality of property and access to public transportation. The indicated fair value of the direct real estate investment is determined by applying the relevant price per unit to the respective direct real estate investment. The sales comparison method is most appropriate for direct real estate investments where the investment's size (e.g. number of rooms, square feet, square meters or other square measures) is known and similar properties have recently traded in the market.

When applying the income method the Investment Advisor compares a direct real estate investment's net operating income to capitalization rates recently observed in the market to determine the present value. The Investment Advisor determines comparable assets based on, but not limited to, size, development stage and property type. The capitalization rates from recent sales of comparable properties might be subject to adjustment for general qualitative differences which include, but are not limited to, quality of property, tenant mix and access to public transportation. The indicated fair value of the direct real estate investment is determined by applying the relevant capitalization rate to the direct real estate investment's net operating income. The income method is most appropriate for income generating direct real estate investments where the net operating income is known and similar properties have recently traded in the market.

The values of level 3 direct equity investments valued by using an unobservable input factor are directly affected by a change in that factor. The change in valuation of level 3 direct equity investments may vary between different direct investments of the same category as a result of individual levels of debt financing within such an investment. Level 3 direct debt investments are generally valued using a waterfall approach including different seniority levels of debt. Thus the effect of a change in the unobservable input factor on the valuation of such investments is limited to the debt portion not covered by the enterprise value resulting from the valuation. No interrelationship between unobservable inputs used in the Group's valuation of its level 3 investments has been identified.

The tables below present the investments whose fair values are recognized in whole or in part using valuation techniques based on assumptions that are not supported by prices or other inputs from observable current market transactions in the same instrument and the effect of changing one or more of those assumptions behind the valuation techniques adopted based on reasonable possible alternative assumptions.

If presented, the category "Direct Investments" in the tables below may include certain indirect investments where the Investment Advisor has full visibility of the underlying portfolio and hence performs a full valuation on such investments as if they were direct investments. If presented, the category "Direct Investments" in the tables below may include certain investments using the valuation technique "Reported fair value". Such direct investments invest solely into underlying indirect investments, hence their fair value is based on reported fair value rather than a direct investment valuation.

The sensitivity analysis below represents the potential change in fair value for each category of investments presented in absolute values. Should the significant unobservable input for each category of investments increase or decrease by 5%, the value of each category of investments would follow by the absolute positive or negative amount respectively.

With regards to direct debt investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for direct equity investments would not result in a meaningful disclosure with added value for the reader of these consolidated financial statements. The reasons for this include, but are not limited to, the fact that the income generated from direct debt investments is linked to a reference rate such as LIBOR or EURIBOR (hence eliminating potential valuation changes resulting from fluctuation in interest rates) and the fact that direct debt investments are valued using a waterfall approach as described above. The credit risk resulting from investing into a direct debt investment is assessed by performing an enterprise valuation of the issuer's company. Provided that the results of such a valuation provides sufficient evidence that the equity of such a company still has a positive value, there is no indication that the Group as a lender would not be able to recover the full amount initially invested, plus any accrued cash and/or PIK interest, hence carrying such direct debt investment at this value. Should a significant unobservable valuation input into such an enterprise valuation be changed in either direction, the value of a respective direct debt investment would not fluctuate proportionately. Any fluctuation in the enterprise value of a lender's company would only have an impact on the value of a direct debt investment if the results of such a valuation would provide sufficient evidence that the enterprise value of the company is not sufficient to fully cover the outstanding debt instrument, which the Group is invested in.

With regards to direct real estate debt investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for direct equity investments would not result in a meaningful disclosure with added value for the reader of these consolidated financial statements. The reasons for this conclusion include, but are not limited to the fact that the income generated from direct real estate investments is linked to a reference rate such as LIBOR or EURIBOR (hence eliminating potential valuation changes resulting from fluctuation in interest rates) and the fact that direct real estate investments are valued using a waterfall approach as described above. The risk resulting from investing into a direct real estate debt investment is assessed by evaluating the gross asset value of the property. Provided that the results of such valuation provide sufficient evidence that the gross asset value exceeds the debt balance (i.e. the equity has a positive value), there is no indication that the Group as a lender would not be able to recover the full amount initially invested, plus any accrued cash and/or PIK interest, hence carrying such direct real estate debt investments at this value. Should a significant unobservable valuation input into the determination of gross asset value be changed in either direction, the value of a respective direct real estate debt investment would not fluctuate proportionately. Any fluctuation in gross asset value of the property would only have an impact on the value of a direct real estate debt investment in if the results of such a valuation would provide sufficient evidence that the gross asset value of the property is not sufficient to fully cover the outstanding debt instrument, which the Group is invested in. With regards to direct real estate equity investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for direct equity investments would not result in a meaningful disclosure with added value for the reader of these consolidated financial statements. The reasons for this conclusion include, but are not limited to, the fact that variations in property location, quality and business plan result in comparisons across properties that are not meaningful. Unobservable inputs for a specific region will vary greatly based on the property's micro location, building finishes and amenities and leasing strategy. One-to-one comparisons are not possible even for buildings that are physically close to each other due to the differences in property features and occupancy. A sensitivity analysis has not been presented for direct investments that have been acquired within the last three months of the financial period and where the acquisition cost was deemed to be fair value in accordance with IFRS 13 as it is the view of the Investment Advisor that insufficient time has passed to determine a reliable sensitivity range based on valuation inputs that would be considered appropriate by market participants.

13.4 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE REPORTING PERIOD

Type of security	Fair value at 30.06.2016	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity	
<i>Fair value in thousands of EUR</i>						
Direct Investments						
Direct equity investments	118'892	Market comparable companies	Enterprise value to EBITDA multiple	4.71x - 15.14x (11.46x)	10'726	-10'726
	25	Exit price	Recent transaction price	n/a	n/a	n/a
	28'084	Recent financing/ transaction	Recent transaction price	n/a	n/a	n/a
Direct debt investments	13'922	Market comparable companies	Enterprise value to EBITDA multiple	8.40x - 13.00x (10.69x)	n/a	n/a
	7'655	Broker quotes	Indicative quotes for an inactive market	n/a	n/a	n/a
	2'329	Recent financing/ transaction	Recent transaction price	n/a	n/a	n/a
Indirect Investments						
	377'112	Adjusted reported net asset value	Reported net asset value	n/a	18'856	-18'856
	-1'355	Adjusted reported net asset value	Fair value adjustments	n/a	-68	68

13.5 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE PREVIOUS REPORTING PERIOD

Type of security	Fair value at 31.12.2015	Valuation technique	Unobservable input	Range (weighted average)	Sensitivity	
<i>Fair value in thousands of EUR</i>						
Direct Investments						
Direct equity investments	159'865	Market comparable companies	Enterprise value to EBITDA multiple	8.00x - 14.21x (10.80x)	14'030	-14'030
	8'587	Discounted cash flow	Discount factor	12.00% - 12.00% (12.00%)	97	-97
	410	Recent financing/transaction	Recent transaction price	n/a	n/a	n/a
Direct debt investments	19'152	Market comparable companies	Enterprise value to EBITDA multiple	7.50x - 12.40x (9.68x)	n/a	n/a
	6'338	Discounted cash flow	Discount factor	11.00% - 11.00% (11.00%)	n/a	n/a
	4'266	Broker quotes	Indicative quotes for an inactive market	n/a	n/a	n/a
Indirect Investments						
	404'949	Adjusted reported net asset value	Reported net asset value	n/a	20'247	-20'247
	-1'077	Adjusted reported net asset value	Fair value adjustments	n/a	-54	54

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REALIZING POTENTIAL IN PRIVATE MARKETS

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Trading Information

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Reuters	PEY.L
Joint corporate brokers	JPMorgan Cazenove / Numis Securities Limited