

# MONTHLY REPORT

as of 31 August 2009

Princess Private Equity Holding Limited ("Princess") is an investment holding company domiciled in Guernsey that invests in private market investments. Investments include primary and secondary fund investments, direct investments and listed private equity. Princess aims to provide shareholders with long-term capital growth and 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 London Stock Exchange.

## Key facts

	Frankfurt	London
Trading symbol	PEY1	PEY
Reuters	PEYGz.DE/PEYGz.F	PEY.L
Bloomberg	PEY1 GR	PEY LN
WKN	A0LBRM	A0LBRL
ISIN	DE000A0LBRM2	GG00B28C2R28
Valor	2 830 461	2 830 461
Formation of the Company	12.05.1999	
Base currency	EUR	
Dividends 2008	EUR 0.30 (20/06/2008)	

## Monthly commentary

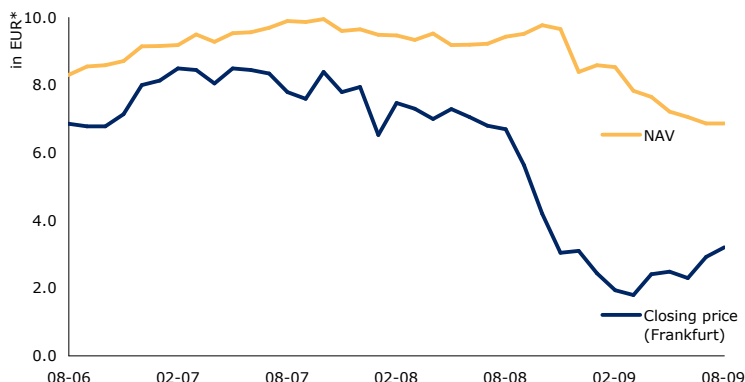
The net asset value ("NAV") of Princess showed a positive performance in August, closing the month up 0.37% from the July NAV at EUR 6.87 per share. Valuation adjustments had a positive effect overall on the NAV of 0.94%, mainly stemming from the buyout and special situations segments. Revaluations reported by general partners, of which close to 60% have now published their June-end accounts, strongly influenced the August performance. These valuations reflect the rise in public comparables due to the continuous rebound of stock markets during the second quarter. However, the positive contribution was partially mitigated by the depreciation of the US dollar against the Euro during August. Currency movements overall exerted a negative 0.38% impact on the NAV.

## Key figures

	31.08.2009	31.07.2009	YTD
Net asset value (NAV)	EUR 6.87	EUR 6.84	
Net asset value (NAV) incl. dividend	EUR 7.54	EUR 7.51	-17.0%
Investment level	99.76%	100.62%	
Gross Investment level	97.34%	98.87%	
Overcommitment	64.62%	67.11%	
Overcommitment incl. credit line	57.38%	59.79%*	
Closing price Frankfurt	EUR 3.21	EUR 2.92	3.5%
Discount to NAV	53.25%	57.32%	
Closing price London	EUR 3.21	EUR 2.92	5.3%
Discount to NAV	53.21%	57.39%	

\*The overcommitment incl. credit line ratio for July has been amended from 56.68% to 59.79%. Where applicable, returns are calculated according to the standard BVI-method of the Bundesverband Investment and Asset Management and may be subject to decimal rounding.

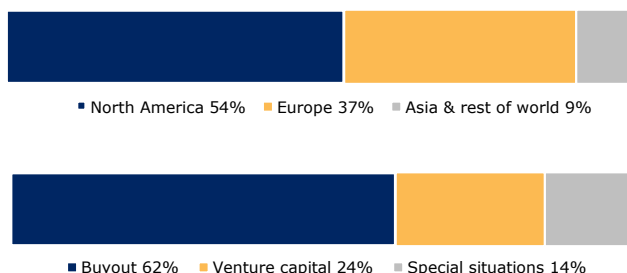
## NAV and price development (excluding dividends)



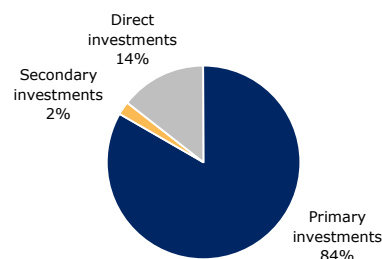
\*Price and NAV prior to conversion stated in USD and indexed

In August, Princess benefited from around EUR 7 million of distributions from underlying investments while around EUR 3 million were drawn down from partnerships, which shows that transaction activity in the portfolio is picking up. For instance, Princess partnership Summit Ventures VI-B's portfolio company FleetCor, the worldwide leader in managing and processing commercial fuel cards, acquired the UK and Ireland fuel card business of Retail Decisions. The acquisition marks the ninth European acquisition since 2006 and will provide significant benefits to FleetCor's customers via a larger acceptance network. The businesses have significant complementary strengths. The acquisition will enable FleetCor to continue its growth strategy through expansion into international markets.

## PE investments by regions and financing stages



## PE investments by investment types



## Recent commitments

Partnership/Company	Financing stage	Region	Vintage	Size in m	Month
Media and Communications Company	Buyout	North America	2008	EUR 1.6	Aug 08
Xanit Hospital Internacional	Buyout	Europe	2008	EUR 2.0	June 08
Cengage	Buyout	North America	2008	EUR 0.4	May 08
Ares Corporate Opportunities Fund III, L.P.	Buyout	North America	2008	USD 10.0	Apr 08
Aksia Capital III, L.P.	Buyout	Europe	2005	EUR 3.0	Mar 08

The accompanying notes form an integral part of this report.

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## Definitions

**This Newsletter is produced based on information available on the last working day of the month.**

On a bondholders' meeting on 5 December 2006, bondholders approved to amend the terms and conditions of the Bonds by entering into a fifth supplemental trust deed with Law Debenture Trustees Limited (the "Fourth Supplemental Trust Deed") giving the Company a mandatory conversion right. Accordingly the Company was granted the right (the "Mandatory Conversion Right") to convert all of the Bonds into Co-ownership Interests. On 8 December 2006 each bond has been converted into 10 Ordinary shares deliverable in the form of Co-ownership Interests in a global bearer certificate issued by Clearstream, Frankfurt such that each Co-ownership Interest in a global bearer certificate carries rights corresponding to one Ordinary Share.

The conversion of 700'000 convertible bonds at a par value of USD 1'000 each at USD 100 per share resulted in the issuance of 7'000'000 Ordinary Shares. 10,000 shares were already issued and outstanding leading to a total amount of 7'010'000 issued and outstanding Ordinary shares. 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.

The Net asset value ("NAV") is calculated based on a total of 70,100,000 shares outstanding.

<b>Net asset value (NAV)</b>	The net asset value, as described in the Prospectus dated 12 October 2007, equals the total assets less liabilities due in one year of the company calculated in accordance with the International Financial Reporting Standard ("IFRS").
<b>Closing price</b>	Last price paid on the Frankfurt Stock Exchange or on the London Stock Exchange on the respective date
<b>Gross Investment level</b>	The value of private equity investments divided by the sum of NAV and drawn credit line
<b>Value of private equity investments</b>	Private equity investments are being held at fair value as required under the Company's adopted accounting standards IFRS.
<b>Investment level</b>	The value of private equity investments divided by NAV
<b>Overcommitment</b>	Unfunded commitments less net current assets divided by NAV
<b>Overcommitment incl. credit line</b>	Unfunded commitments less the sum of net current assets and total credit line (USD 50 million committed by Bank of Scotland until 31 December 2009) divided by NAV.
<b>Total Return</b>	Total return is calculated according the standard BVI-method of the Bundesverband Investment and Asset Management.
<b>Frankfurt Stock Exchange ("Frankfurt")</b>	First listing on 13/12/2006. The shares deliverable in the form of co-ownership interests in a global bearer certificate are admitted to trading on the regulated market (Reglementierter Markt) with concurrent admission to trading on the segment of the regulated market with additional post-admission obligations (Prime Standard).
<b>London Stock Exchange ("London")</b>	First listing on 01/11/2007. Shares are admitted to the Official List.
<b>Regions</b>	
<b>North America</b>	North America
<b>Europe</b>	European Union & European Free Trade Association
<b>Asia &amp; RoW</b>	Asia & Rest of World
<b>Financing stages</b>	
<b>Private Equity (PE)</b>	Investments in companies, which typically are not publicly traded and in which the investor may significantly influence the management, and other investments of similar character.
<b>Venture Capital (VC)</b>	Financing for companies typically in their build-up phase. Seed Stage describes the period where product feasibility is confirmed; Early Stage involves the identification of the position in the market, the establishment of production lines and the development of marketing channels; Later Stage portrays the subsequent rapid expansion phase of a young company.
<b>Buyout (BO)</b>	Acquisition of a controlling stake in a company, typically with financial or managerial reorganization needs. Small/mid/large/mega large size buyout refers to the enterprise value of the acquired company. Whereas the bandwidths are set at (EUR or USD) <250m/250m-EUR 1bn/1bn-5bn/>5bn for small/mid/large/mega large size buyout respectively.
<b>Special Situations (SS)</b>	Any form of investment that falls within the definition of private equity but cannot be attributed to venture capital or buyout as described above. Special situations includes mezzanine, turnaround, distressed and other investments.

## Contact details

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