

## PRINCESS PRIVATE EQUITY HOLDING LIMITED

Monthly report as of 31 July 2014

## New direct mezzanine investment

- Princess Private Equity Holding Limited's ("Princess") net asset value (NAV) increased by 0.6% to EUR 8.25 per share
- Positive currency movements (+0.5%) and portfolio developments (+0.2%) during the month
- Princess received distributions from its legacy fund portfolio of EUR 8.7 million and EUR 3.5 million from its direct investments; capital deployed to new and existing investments amounted to EUR 3.0 million

In July, Princess deployed EUR 3.0 million to new and existing investments including the EUR 1.2 million direct investment to fund the junior debt financing of Labeyrie Fine Foods (Labeyrie), a French premium food producer. Partners Group acted as mandated lead arranger for the junior debt financing of Labeyrie in the acquisition of a joint-control stake by PAI Partners alongside the company's parent Lur Berri. Founded over 50 years ago, Labeyrie is a leading European food producer focused on gourmet foods including smoked salmon and fish, prawns and shellfish as well as gastronomic specialties and convenience food. Labeyrie has been a household name for French consumers for decades, is a market leader in the UK and also enjoys longstanding relationships with some of the largest food retailers in Europe. The credit quality is reinforced by the company's strong brand and its geographical diversification with customers in more than 40 countries. This allowed Labeyrie to perform strongly and to remain unscathed during the financial crisis.

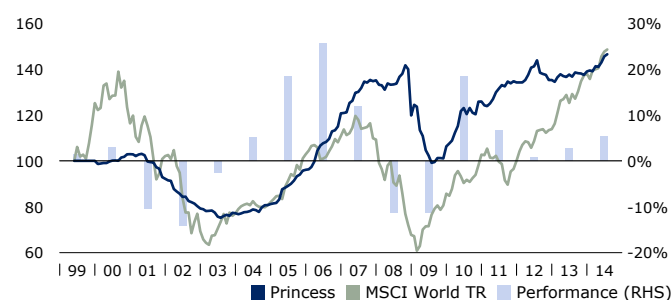
Distributions from Princess' direct portfolio came predominately from two portfolio companies. The first one, Healthcare operator 2, is located in Europe and was sold to a strategic buyer during July. Princess received EUR 2.1 million from this successful exit, representing an uplift of over 30% from the 31 March 2014 carrying value.

The second company, Education publisher 2, is a global publisher of education materials and learning solutions and made a dividend payment following a successful private placement of senior debt. The capital raised was mainly used to make a return of capital to equity holders. Funds returned to Princess amounted to EUR 1.3 million.

## Key figures

In EUR	31.07.2014	30.06.2014	YTD
NAV per share	8.25	8.20	
NAV per share incl. dividends	11.10	11.03	5.4%
Total fund size (in million)	570.38	566.83	
Investment level	82.5%	83.5%	
Deferred receivables	9.1%	9.0%	
Net liquidity	8.4%	7.5%	
Commitment ratio	12.2%	13.5%	
Gross commitment ratio	3.5%	4.7%	
Share price	6.58	6.60	8.9%
Discount	-20.2%	-19.5%	

## Net performance since inception



In %	2009	2010	2011	2012	2013	2014	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	-11.3	18.4	6.6	0.8	2.7	5.4	47.7	8.1	1.34
MSCI World TR	26.6	19.8	-2.6	13.7	21.2	7.6	94.1	14.2	1.44

## Largest ten direct investments

	% of NAV		
1. VAT Vakuumventile AG	WEU	Industrials	3.3
2. MultiPlan, Inc.	NAM	Healthcare	2.8
3. Action	WEU	Consumer discretionary	2.6
4. Hofmann Menue Manufaktur	WEU	Consumer staples	2.6
5. Universal Services of America	NAM	Industrials	2.2
6. Trimco International	APC	Industrials	2.2
7. Fermaca	ROW	Energy	1.8
8. Caffè Nero	WEU	Consumer staples	n.a.
9. Global Blue	WEU	Financials	1.4
10. Pharmaceutical developer	WEU	Healthcare	1.2

## Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2009	3.9%	-0.6%	-8.3%	-2.3%	-5.6%	-2.2%	-3.1%	0.4%	1.8%	0.0%	-0.2%	5.2%	<b>-11.3%</b>
2010	1.2%	1.2%	3.2%	2.6%	5.6%	1.1%	-2.2%	2.2%	-1.7%	-0.6%	4.6%	0.1%	<b>18.4%</b>
2011	-1.3%	-0.3%	1.0%	1.5%	2.3%	1.2%	1.2%	-0.4%	1.6%	-0.6%	0.7%	-0.4%	<b>6.6%</b>
2012	0.0%	0.0%	0.8%	1.7%	2.3%	0.4%	1.9%	-3.8%	-0.4%	-0.3%	-1.6%	0.0%	<b>0.8%</b>
2013	-0.6%	1.5%	1.0%	-0.6%	-0.3%	0.8%	-0.7%	1.3%	-0.2%	-0.1%	-0.5%	1.1%	<b>2.7%</b>
2014	0.3%	-0.3%	1.6%	-0.2%	1.4%	1.9%	0.6%						<b>5.4%</b>



## PRINCESS PRIVATE EQUITY HOLDING LIMITED

Monthly report as of 31 July 2014

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. The shares are traded on the main market of the London Stock Exchange.

The Board of Directors of Princess passed a resolution to implement a share buyback program on 13 December 2010. During July 2014, 3'388 shares were repurchased under the share buyback program. As of 31 July 2014, there were 69'151'168 shares outstanding, and the NAV was thus calculated based on a total of 69'151'168 shares outstanding.

Deferred receivables relate to a sale and purchase agreement with a single third party buyer to sell 17 partnership interests. The agreement was entered in September 2012 under a deferred payment structure, of which the final payment is due to be received 36 months thereafter.

#### Information

- For further information please visit:  
[www.princess-privateequity.net](http://www.princess-privateequity.net)

#### Investor Relations

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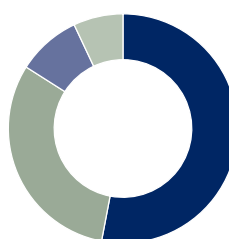
#### Registered Office

- Princess Private Equity Holding Limited  
Tudor House  
P.O. Box 477  
Guernsey, GY1 1BT

#### Key facts

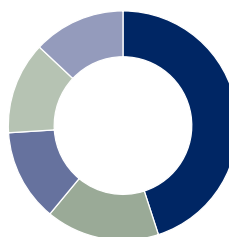
Stock exchange	London
Reuters	PEY.L
Bloomberg	PEY LN
ISIN	GG00B28C2R28
Sedol	B28C2R2
Product life start date	12.05.1999
Currency	EUR
Dividend YTD	0.27

#### Portfolio composition



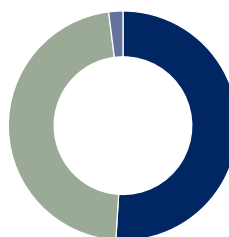
#### Investments by regional focus

53%	Europe
31%	North America
9%	Rest of World
7%	Asia-Pacific



#### Investments by financing category

45%	Small/Mid-cap
16%	Large/mega-large-cap
13%	Venture capital
13%	Mezzanine
13%	Special situations



#### Investments by transaction type

51%	Direct
47%	Primary
2%	Secondary



**Key figures** Commitment ratio: Unfunded commitments less the sum of net current assets and deferred receivables divided by NAV (Gross commitment ratio includes undrawn balance on credit line). Deferred receivables: The value of deferred receivables divided by NAV. **Net performance since inception** Indexed to 100. Since inception of Princess Private Equity Holding Limited. Princess: based on monthly total return valuations. MSCI World TR: Bloomberg NDDUWI Index in EUR. Sharpe ratio: risk-free rate based on 3-month EURIBOR (Bloomberg: ECCOTR03 Index). **Largest ten direct investments** Based on net asset value. **Monthly net performance** Based on monthly total return valuations. **Portfolio composition** Based on total value of investments.

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