

Monthly report as of 31 May 2016

Princess NAV increases by 2.1% in May

- Princess Private Equity Holding Limited's ("Princess") net asset value ("NAV") increased by 2.1% to EUR 9.66 per share, net of the interim dividend of EUR 0.27 per share
- Overall portfolio developments (+1.9%) and currency movements (+0.7%) were positive
- Princess received distributions of EUR 38.4 million from exited investments and invested EUR 9.8 million

The main performance drivers during the month were revaluations from Princess' legacy fund portfolio and the positive share price development of quoted holdings, including VAT Group AG which was listed on the SIX Swiss Exchange in April.

Distributions during the month had a positive impact on Princess' net liquidity position. Princess received proceeds of EUR 27.0 million from the sale of shares in the IPO of VAT Group AG. Princess also received EUR 7.1 million from the full repayment of its mezzanine debt investment in Plantasjen ASA, representing an investment multiple of over 2.5x invested capital. Founded in 1986, Plantasjen is a leading garden center chain in the Nordics with 120 stores spanning Norway, Sweden and Finland. In 2007, Partners Group provided debt financing in support of Apax Partner's acquisition of the company from EQT.

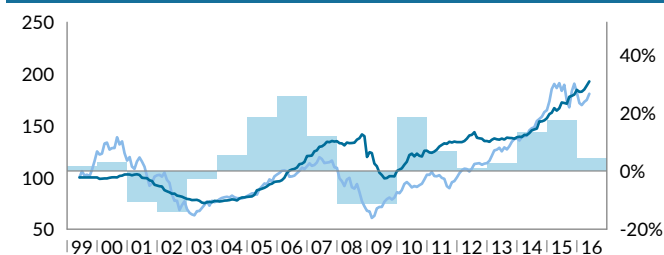
During May, Princess invested a total of EUR 9.8 million, of which three new direct investments accounted for EUR 7.8 million, with a further EUR 1.5 million follow-on investment in Permotio International Learning as a part of its ongoing "buy and build" strategy. The largest investment (EUR 4.4 million) was a co-investment in the equity of ADT Corporation, a provider of security and automation solutions for homes and businesses in the US and Canada. As part of the transaction, 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 resilient US security and monitoring space, with a strong brand identity and a customer base of over 6.5 million; while Protection 1 is led by a disciplined and result-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.

Princess also completed two private debt investments during May. EUR 2.2 million of second lien debt was provided 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. Partners Group's investment supports Nordic Capital's acquisition of eResearch Technology.

Princess also invested EUR 1.2 million in The Sunspire Health Companies (Sunspire), which was formed from the merger of equity sponsor Kohlberg and Company's existing portfolio company and Meadows Behavioral Healthcare. Based in the US, Sunspire is a provider of behavioral health services and offers a spectrum of care services through its inpatient rehabilitation programs, which include comprehensive treatment for addictions and behavioral health disorders such as eating disorders, sexual addiction, and treatment focused on young adults.

Key figures			
In EUR	30.04.2016	31.05.2016	YTD
NAV per share	9.72	9.66	
NAV per share incl. dividends	14.31	14.62	4.4%
Total fund size (in million)	672.09	667.74	
Investment level	94.7%	91.8%	
Net liquidity	5.3%	8.2%	
Commitment ratio	11.5%	10.2%	
Gross commitment ratio	4.1%	2.7%	
Share price	7.33	7.50	-1.3%
Discount	-24.6%	-22.3%	

NAV performance since inception (total return)



■ Princess ■ MSCI World TR ■ Performance (RHS)

In %	2011	2012	2013	2014	2015	2016	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	6.6	0.8	2.7	13.2	17.5	4.4	48.5	8.2	1.62
MSCI World TR	-2.6	13.7	21.2	19.6	10.3	-0.6	77.0	12.1	1.04

Largest ten direct investments

			% of NAV
1.	MultiPlan, Inc.	NAM Healthcare	8.8
2.	VAT Group AG	WEU Industrials	5.9
3.	Action	WEU Consumer discretionary	4.0
4.	Dynacast	NAM Materials	3.7
5.	Permotio International Learning SarL	WEU Consumer discretionary	3.3
6.	Hofmann Menue Manufaktur	WEU Consumer staples	3.2
7.	Fermaca	ROW Energy	2.9
8.	KinderCare Education	NAM Consumer discretionary	2.7
9.	Trimco International	APC Industrials	2.4
10.	Pharmaceutical developer	WEU Healthcare	2.0

Monthly net performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
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%	6.6%
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%	0.8%
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%	2.7%
2014	0.3%	-0.3%	1.6%	-0.2%	1.4%	1.9%	0.6%	0.5%	4.7%	0.0%	0.6%	1.3%	13.2%
2015	2.6%	0.8%	2.8%	-1.5%	1.4%	3.4%	-0.3%	-0.4%	3.9%	0.5%	0.7%	2.5%	17.5%
2016	-1.1%	0.1%	1.2%	2.0%	2.1%								4.4%

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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 May 2016, 0 shares were repurchased under the share buyback program. As of 31 May 2016, there were 69'151'168 shares outstanding, and the NAV was thus calculated based on a total of 69'151'168 shares outstanding.

Information

For further information please visit:
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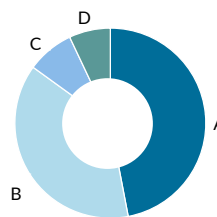
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Key facts

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

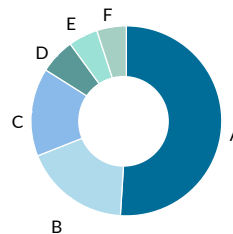
Portfolio composition

Investments by regional focus



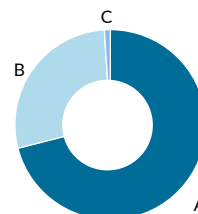
A	Europe	47%
B	North America	38%
C	Rest of World	8%
D	Asia-Pacific	7%

Investments by financing category



A	Small/Mid-cap	51%
B	Large/mega-large-cap	18%
C	Special situations	15%
D	Mezzanine	6%
E	Growth	5%
F	Venture capital	5%

Investments by transaction type



A	Direct	71%
B	Primary	28%
C	Secondary	1%



Key figures Commitment ratio: Unfunded commitments less the sum of net current assets divided by NAV (Gross commitment ratio includes undrawn balance on credit line). **NAV performance since inception (total return)** 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: ECC0TR03 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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