

Company Description

J.P. Morgan Private Equity Limited is a Guernsey registered and incorporated, London Stock Exchange-listed, closed-ended investment company (LSE: JPEL, JPEZ, JPZZ). JPEL’s primary strategy is to acquire secondary market portfolios of direct fund investments, significantly invested partnership interests and partially drawn commitments, in order to accelerate NAV development. JPEL employs an opportunistic, deep value private equity investment strategy and focuses on value-oriented investments with potential for early return of capital.

The Company’s capital structure consists of three classes of shares: Equity Shares and two classes of Zero Dividend Preference Shares due 2013 and 2015, respectively. JPEL issued warrants free of subscription cost to shareholders on record as of 17 August 2009.

Summary at 31 October 2010

	US\$ Equity Share	Zero Dividend Preference Share 2013	Zero Dividend Preference Share 2015	JPEL Warrants	Balance Sheet Information	\$
Net Asset Value (“NAV”) per share	\$1.29	60.49p	56.87p	N/A	Investments at Market Value	\$591.7 mm
No. of shares in issue	367.88 mm	63.37 mm	69.42 mm	58.08 mm	Cash & Equivalents	\$99.8 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$	Total Assets	\$691.5 mm
Ticker	JPEL	JPEZ	JPZZ	JPWW	Net Asset Value	\$599.4 mm
Sedol	B07V0H2	B07V0R2	B00DDT8	B60XDY5	Unfunded Commitments	\$135.6 mm
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B60XDY53	Private Equity + Cash & Equivalents / Unfunded Commitments	5.1x

JPEL Performance

During the month of October, the NAV of JPEL’s US\$ Equity Shares remained flat at \$1.29 per share. For the 7th consecutive month, JPEL’s portfolio has produced net positive distributions. JPEL received distributions of \$5.2 million, offsetting capital calls of \$1.7 million in the month of October.

At the time that the 31 October Monthly report was published, JPEL had received approximately 62.2% of underlying private equity sponsor reports dated 30 September 2010 or later.* JPEL’s US\$ Equity Share price was flat for the month of October.

NAV per share for the Company’s 2013 and 2015 ZDP Shares increased from 60.15p to 60.49p and from 56.50p to 56.87p, respectively, during October, representing gains of 0.6% and 0.7%, respectively, per share. The share price for the 2013 ZDP Shares increased 0.8% for October, while the 2015 ZDP Shares increased 1.5% during the month.

The Manager continues to work on a number of additional deals and the overall pipeline of potential deals is increasing. Many sellers, particularly banks and hedge funds, are seeking to complete deals before the year-end and this may help JPEL close new investments in the next two months.

JPEL is currently negotiating final terms on two potential deals in the pipeline: a distressed real estate opportunity in the United States and special situations deal in Europe.

Recent Investments

During October JPEL closed on a transaction providing it with underlying exposure to seven companies in India. Specifically, JPEL purchased a secondary interest – at a solid discount to reported value – in Blue River Capital I, LLC (“Blue River”). The largest asset in Blue River is a company that is one of the largest road construction and toll operators in India. The company registered over 30% revenue and EBITDA growth for the first six months of its fiscal year 2011. India is making significant investments in building its infrastructure and JPEL’s Manager has been actively seeking investments in infrastructure services. In addition, the interest in Blue River includes positions in 3 public companies that JPEL purchased at significant discounts to current trading levels.

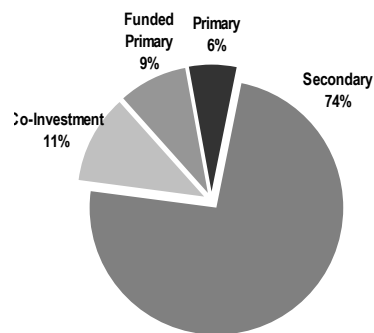
* Based on private equity fair market value as at 31 October 2010.

Past performance is not indicative of future performance. Performance returns shown can increase or decrease due to currency fluctuations.

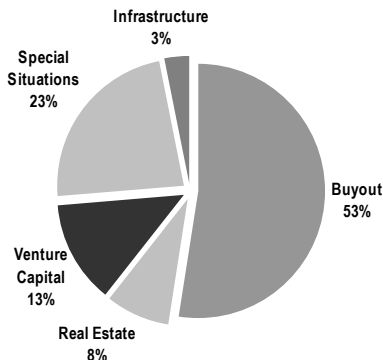
Portfolio Summary at 31 October 2010

JPEL’s portfolio is comprised of 168 fund interests that include over 1,500 companies across approximately 28 industries. As a secondary investor, JPEL’s portfolio is heavily weighted towards funded investments, which comprise approximately 83.0%¹ of the portfolio. In addition, the Manager places an emphasis on investing in small to medium sized buyout funds, which tend to utilize lower leverage and purchase multiples; these funds represent approximately 46% of the portfolio.

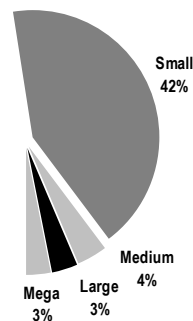
Fund Level – Investment Type²



Fund Level – Investment Strategy^{2,3}



Fund Level – Buyout Type²



- Includes secondary investments and funded primary investments.
- The diversification charts above are based on private equity fair market value as at 31 October 2010 and use underlying fund-level values. Fund classifications for buyout strategy is based on total fund commitments: Small: \$0 - \$500 million; Medium: \$500 - \$2,000 million; Large: \$2,000 million - \$5,000 million; Mega: over \$5,000 million. Co-investments allocated by size of underlying sponsor fund.
- Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

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Key considerations, risks and investment information for Private Equity Investors

Investments in private equity are speculative and involve significant risks. The environment for private equity investments is volatile, and an investor should only invest if the investor can withstand a total loss of investment. In considering the performance information contained herein, prospective investors should bear in mind that past performance is not indicative of future results. Private equity investments are not usually liquid and may be difficult to value

Key considerations for private equity investors include but are not limited to: private equity is an illiquid asset class; there are typically no redemption features within a traditional private equity fund; traditional private equity fund investments are “locked up” for the duration of the partnership; private equity investments typically involve a long term time horizon; private equity funds may have investment periods that extend 6 years and terms of 12+ years; private equity is a speculative investments and there are no global disclosure standards or capital protection.

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