

JPEL

Company Summary

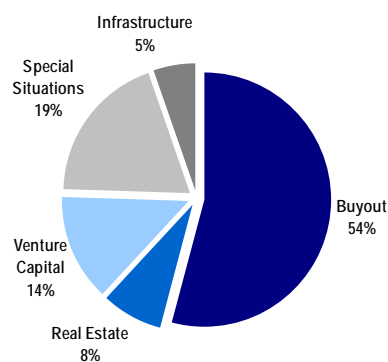
Objective

JPEL’s core strategy is to purchase private equity fund interests in the secondary market.

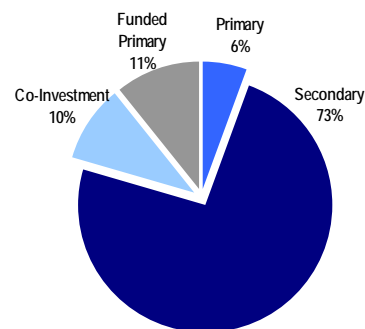
Launched

30 June 2005

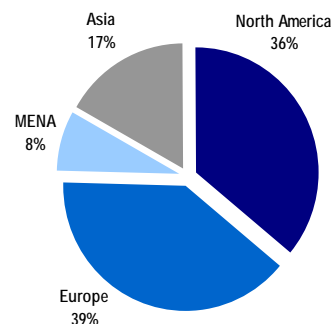
Fund Level – Investment Strategy^{1,2}



Fund Level – Investment Type¹



Company Level - Geography¹



1. The diversification charts above are based on Net Asset Value as at 31 March 2010 and use underlying company-level and fund-level values.
2. Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

	US\$ Equity Share	Zero Dividend Preference Share 2013	Zero Dividend Preference Share 2015	JPEL Warrants
Net Asset Value (“NAV”) per share	US\$ 1.34	58.06p	54.20p	N/A
No. of shares in issue	367.74 mm	63.37 mm	69.42 mm	58.08 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$
Ticker	JPEL	JPEZ	JPZZ	JPWW
Sedol	B07V0H2	B07V0R2	B00DDT8	B60XDY5
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B60XDY53
Market Makers	ABN Amro Cazenove HSBC Bank	Cazenove Collins Stewart HSBC Bank Winterflood	Cazenove Collins Stewart HSBC Bank Winterflood	ABN Amro Cazenove HSBC Bank

All figures as at 31 March 2010.

Company Description

J.P. Morgan Private Equity Limited (“JPEL” or the “Company”) is a global private equity fund listed on the London Stock Exchange. JPEL’s core strategy is to purchase private equity fund interests in the secondary market.

JPEL pursues the following strategies to seek to meet its investment objectives

- Acquires secondary portfolios of direct investments and significantly invested partnership investments to accelerate NAV development.
- Opportunistically invests in buyout, venture capital, and other special situations funds and investments throughout the world based on attractive transaction values, advantageous market conditions, and compelling risk-adjusted return potential.
- Obtains exposure to individual companies by co-investing alongside private equity sponsors in companies that offer the potential for substantial equity appreciation.
- Diversifies its portfolio by manager, industry, geography, investment stage, and vintage year.
- Actively manages the portfolio by repositioning its investment composition from time to time in order to capitalise on changes in private equity market conditions.

The Company’s capital structure consists of three classes of shares: US\$ Equity Shares (“Equity Shares”) and two classes of Zero Dividend Preference Shares due 2013 and 2015, respectively (together, the “ZDP Shares”).

JPEL issued warrants free of subscription cost to shareholders on record as of 17 August 2009. The warrants are publicly traded on the London Stock Exchange under the symbol “JPWW.”

JPEL

Manager’s Comments

JPEL is the only listed private equity fund focused on the secondary private equity market.

JPEL Performance

Following the Company’s transformational second half of 2009, JPEL focused on sourcing and executing investment opportunities in the secondary market. During the first quarter of 2010, JPEL closed on two accretive transactions and built a robust pipeline of potential deals. Specifically, during the past three months, the Manager has:

- **Increased NAV by 4.7% despite negative currency movements**
 - NAV per US\$ Equity Share increased from \$1.28 at 31 December 2009 to \$1.34 at 31 March 2010
 - Excluding the impact of currency, NAV per US\$ per Equity Share would have been \$1.37, representing a 7% increase from the prior quarter
 - NAV per share for JPEL’s 2013 and 2015 ZDP Shares increased from 57.06p to 58.06p and from 53.10p to 54.20p, respectively, during the first quarter.
- **Enhanced its balance sheet**
 - JPEL has over \$5.22 dollars of private equity assets and cash for every \$1.00 of unfunded commitments.
- **Executed two accretive secondary transactions**
 - Invested approximately \$12.6 million of capital for approximately \$35.2 mm of NAV, representing an average discount of 64.4% to NAV.
- **Increased overall exposure to Asia**
 - Over the past two quarters JPEL’s exposure to Asia has increased from 10% at 30 September 2009, to 17% at 31 March 2010.

Recent Activity

JPEL completed two secondary investments in India and Hong Kong in the first quarter of 2010.

In January, JPEL purchased a secondary position in Beacon India Private Equity Fund, an India-focused growth capital private equity fund sponsored by Baer Capital Partners. The portfolio is diversified with company holdings in the energy, real estate, and consumer retail industries.

During February, JPEL completed a \$10 million secondary investment in China Media Enterprises Limited (“China Media”), an outdoor advertising company in China and Hong Kong. China Media has no debt and generates significant cash flow.

JPEL continues to look for opportunities in the secondary market and will seek additional opportunities to purchase assets in developing economies.

Balance Sheet Information as at 31 March 2010*

Investments at Market Value	\$593.4 mm
Cash & Equivalents	\$112.8 mm
Total Assets	\$706.2 mm
Net Asset Value	\$605.3 mm
Unfunded Commitments	\$135.2 mm
(Private Equity + Cash & Equivalents / Unfunded Commitments)	5.22x

Summary of Portfolio as at 31 March 2010¹

Buyout Funds	85	U.S. Funds	80
Infrastructure	5	Non-U.S. Funds	84
Special Situations	33	Total Funds	164
Venture Capital	40		
Real Estate	7	Co-Investments	6

* Source: Manager.

¹ Fund total includes private equity fund interests indirectly owned through the purchase of secondary interests.

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

JPEL

Manager's Comments

Portfolio Highlights

The Company continued to benefit from an improving economic conditions during the first quarter of 2010. For the quarter ending 31 March 2010, the Company received distributions of \$8.4 million which nearly offset the \$10.4 million of capital calls received.

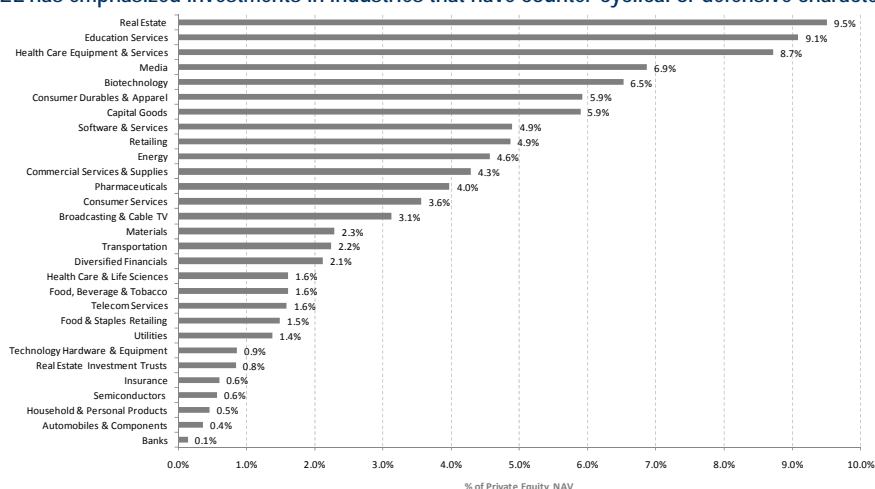
JPEL's portfolio is comprised of 164 fund interests and 6 co-investments that include over 1,500 companies across approximately 29 industries. The top 20 fund interests account for 55.0% of private equity NAV. The portfolio continues to be weighted heavily towards more defensive industries as approximately 21% of its portfolio is invested in healthcare-oriented companies and 9.1% in education assets. In addition, approximately 89% of its buyout portfolio is invested in small to medium sized buyouts, which tend to utilize lower leverage and purchase multiples. JPEL's portfolio is well diversified by vintage year; the average age of the Company's portfolio is 4.5 years.

Average age of Portfolio by Investment Strategy

- Average age of investments: 4.5 years
- Buyout investments: 3.6 years
 - Small buyout: 3.3 years
 - Medium buyout: 3.8 years
 - Large buyout: 4.7 years
 - Mega buyouts: 4.5 years
- Venture Capital investments: 8.0 years
- Real Estate investments: 4.5 years
- Special Situations: 3.7 years
- Infrastructure investments: 3.7 years

Source: Manager.
Average age of investments based on the vintage year and specific date in which each individual portfolio company investment was made, subject to availability. Weighting is based on underlying portfolio company level values. Age calculated at 31 March 2010. Average is weighted based on Net Asset Value at 31 March 2010 and uses underlying company-level values.

JPEL has emphasized investments in industries that have counter-cyclical or defensive characteristics



Note: The diversification chart above is based on Net Asset Value as at 31 March 2010 and uses underlying company-level values.

Top 20 Fund Investments at 31 March 2010

1. Terra Firma Deutsche Annington L.P.	7.1%
2. Global Opportunistic Fund	5.2%
3. Liberty Partners II, L.P.	4.7%
4. Avista Capital Partners (Offshore), L.P.	4.3%
5. Life Sciences Holdings SPV I Fund, LP	3.6%
6. AIG Highstar Capital III Prism Fund, L.P.	3.0%
7. Milestone Link Fund, L.P.	2.6%
8. Esprit Capital I Fund	2.5%
9. Alcentra Euro Mezzanine No1 Fund LP	2.5%
10. Almack Mezzanine I Fund LP	2.3%
11. Omega Fund III, L.P.	2.2%
12. Macquarie Wholesale Co-investment Fund	2.2%
13. Hunter Acquisition Limited	1.9%
14. Leeds Equity Partners IV, LP	1.8%
15. Hutton Collins Capital Partners II LP	1.8%
16. Strategic Value Global Opportunities Feeder Fund I-A, LP	1.6%
17. Strategic Value Global Opportunities Master Fund, LP	1.6%
18. Global Buyout Fund, L.P.	1.5%
19. Guggenheim Aviation Offshore Investment Fund II, L.P.	1.4%
20. Argan Capital Fund	1.3%

Top 20 Company Investments at 31 March 2010

1. Deutsche Annington Immobilien Group	7.1%
2. China Media Enterprises Limited	4.7%
3. Concorde Career Colleges, Inc.	3.7%
4. Education Management Corporation	3.3%
5. FibroGen Europe	2.6%
6. Paratek	2.5%
7. Hunter Acquisition Limited	1.9%
8. Gulf Healthcare International	1.8%
9. InterFloor	1.8%
10. Knight Holdco LLC	1.6%
11. WinnCare	1.3%
12. Ascendia Retail	1.1%
13. Nycomed	0.9%
14. Step 2 Holdings LLC	0.9%
15. Lantheus	0.9%
16. FibroGen	0.8%
17. HHH Ports America Holdings I, L.P.	0.7%
18. Zena	0.7%
19. Ajjan & Brothers Company 1	0.7%
20. Lifeaudiology	0.7%

JPEL's top 20 fund investments and the top 20 company exposures account for 55.0% and 39.8% of the Company's private equity portfolio, respectively.

Note: Based on Net Asset Value as at 31 March 2010 and use underlying company-level values. Top 20 Fund Investments exclude limited partnerships set up specifically to for co-investment purposes.

JPEL

Company Overview

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John Loudon (*UK Resident*)

Christopher Paul Spencer (*Guernsey Resident*)

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Investment Manager

JPEL is a closed-ended investment company that is registered and incorporated under the laws of Guernsey. JPEL is managed by Bear Stearns Asset Management Inc. ("BSAM Inc." or the "Manager"), a wholly-owned subsidiary of JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading financial services firm with assets under management of \$2.2 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management, and private equity.

Further information about JPMorgan Chase & Co. can be found at www.jpmorganchase.com.

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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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