

JPEL Company Summary

March 2014 Quarter End Review

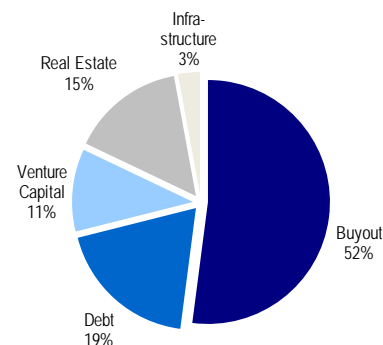
Objective

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

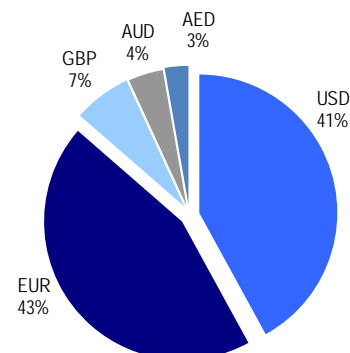
Launched

30 June 2005

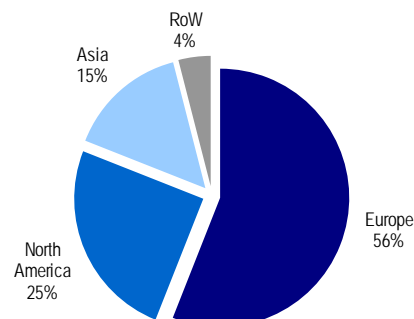
Fund Level - Investment Strategy^{1,2}



Fund Level - Currency Exposure¹



Company Level - Geography³



1. The diversification charts above are based on unaudited Investments at Market Value as at 31 March 2014 and use underlying fund-level values.
2. Debt includes mezzanine, debt, turnaround and distressed investment strategies.
3. The diversification chart above is based on unaudited Investments at Market Value as at 31 March 2014 and uses underlying company-level values.

	US\$ Equity Share	Zero Dividend Preference Share 2015	Zero Dividend Preference Share 2017	JPEL Warrants
Net Asset Value (“NAV”) per share	US\$ 1.11	76.31p	79.99p	N/A
No. of shares in issue	346.38 mm	67.08 mm	30.41 mm	57.90 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$
Ticker	JPEL	JPZZ	JPSZ	JPWW
Sedol	B07V0H2	B00DDT8	B5N4JV7	B60XDY5
ISIN	GB00B07V0H27	GG00B00DDT81	GG00B5N4JV75	GG00B60XDY53

All figures as at 31 March 2014. NAV Figures are based on unaudited net asset values as at 31 March 2014.

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 2015 and 2017, respectively (together, the “ZDP Shares”).

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

JPEL

Managers' Comments

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

Year to date 2014 Highlights

- JPEL provided shareholders with over \$67 million in liquidity
- Invested approximately \$50 million in four new investments
- Created and received shareholder approval for a Redeemable Realisation Share Class

Update on Phase II of JPEL's Strategic Plan

Over the past four months, JPEL's Managers have made measurable progress implementing Phase II of the Strategic Plan which was announced on 15 January 2014.

In Phase I of the Strategic Plan, JPEL's Managers used portfolio distributions to repay the 2013 ZDP shares, reduce leverage and significantly improve the balance sheet. Phase II of the Strategic Plan is focused on creating meaningful near and medium-term liquidity solutions for shareholders as well as reinvigorating NAV growth by:

- Providing an immediate liquidity event funded by third-party investors at a premium to prevailing market price.
 - On 15 January 2014, institutional investors purchased 84 million US\$ Equity Shares through market purchases – at \$0.80 per share, an 8.3% premium to the 14 January 2014 share price.
- Creation of Redeemable Realisation Share Class (“RRS”)
 - US\$ Equity shareholders will be offered the option to transfer their shares for shares in RRS which will entitle holders to all cash
 - Realisations from the Company's investment portfolio in proportion to their aggregate holding within the equity of the Company
 - Realisation Shares will be issued only after the 2015 ZDP Shares have been repaid their final capital entitlement (31 October 2015)
- Placing a greater emphasis on the existing investment strategy by investing \$150 million to spur NAV growth
 - The Company has ceased dividend and capital distributions to US\$ Equity Shareholders and is continuing with its investment strategy of reinvesting distributions from JPEL's existing portfolio in order to create a concentrated portfolio of growth companies.

At JPEL's Annual General Meeting, held on 1 May 2014, all resolutions put to shareholders were duly passed, including the special resolution that provides US\$ Equity Shareholders with the option to convert to the RRS class. The passing of this special resolution is an important step forward in the Phase II of JPEL's Strategic Plan.

In addition, JPEL completed four investments and has deployed approximately \$50 million of its \$150 million investment target. Due to strong distribution flows, JPEL has been able to fund all investments without increasing borrowings under its flexible credit facility. JPEL's Managers anticipate that the recently completed investments will begin providing NAV growth within the portfolio over the next two to four quarters.

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

Balance Sheet Information as at 31 March 2014 (\$ in mm)*

Investments at Market Value	\$527.8
Cash & Equivalents	\$30.5
Total Assets	\$558.3
Total Liabilities	(\$49.7)
Net Asset Value (NAV)²	\$508.6
2015 ZDP NAV	(\$85.3)
<u>2017 ZDP NAV</u>	(\$40.5)
US\$ Equity NAV	\$382.8
Undrawn Credit Facility	\$101.8
Unfunded Commitments	\$80.1
(Private Equity + Cash & Equivalents) / Unfunded Commitments	6.97x

Summary of Portfolio as at 31 March 2014¹

Buyout Funds	43
Special Situations Funds	26
Venture Capital Funds	20
Real Estate Funds	6
Infrastructure Funds	4
Co-Investments	13
Fund of Funds	5

* Source: Managers. Based on unaudited 31 March 2014 information.
1. Fund of Funds includes the Company's investments in Bear Stearns Private Opportunity Ventures, L.P., Private Equity Access Fund II Ltd, and portfolios held through the Macquarie Private Capital Trust.

JPEL

Managers' Comments

Investment Activity

The four investments recently completed by JPEL include:

- In December, JPEL invested approximately \$14 million in a **US-based tax advisory services firm** whose primary business is to provide high-value consulting services relating to government-sponsored tax incentives.
- In February, JPEL invested approximately \$14 million in **Datamars SA**, a leading supplier of animal identification systems (including pet and livestock) and textile identification systems.
- Also in February, JPEL invested approximately \$7 million in **Placid Holdings**, a holding company with an investment in a leading branded Asian handset distributor, with a leading market position in smart phones and feature phones in India.
- In April, JPEL participated in a syndicate of global investors led by Arle Capital to acquire **Innovia Group** from the Candover 2001 Fund. JPEL invested approximately \$14 million in Innovia, an international manufacturer of high quality, specialty films for its key markets of labels, overwrap, packaging and polymer banknote substrate.

Each of the four investments share common attributes that JPEL seeks:

- **Attractive entry value:** On aggregated basis, entry value for the four companies was approximately 6.7x LTM EBITDA and 5.6x 2014P EBITDA
- **Manageable leverage:** On a weighted average basis, debt at time of investment was approximately 1.8x 2013 LTM EBITDA. Two of the four companies have net cash positions.
- **High margins:** Weighted average LTM EBITDA margins of approximately 25%
- **Market leadership:** Each of the four companies is a market leader (top 1-3 player) in their respective business segments
- **Potential shorter duration:** All four companies are existing, mature private equity investments with the potential to be exited in the next 2 to 4 years
- **Visible EBITDA growth:** Each company projects significant EBITDA growth in the near or mid-term

JPEL currently has a very strong investment pipeline and is engaged in due diligence on two potential transactions that could be completed over the next two to three months. Should these investments close, JPEL will have deployed approximately half of its \$150 million investment target.

March 2014 Performance

In the month of March 2014, JPEL's NAV per equity share remained at \$1.11. Gains in JPEL's investments in Omega Fund III, L.P. and CPC Luxury Optical Investment LLC were offset by a decline in the value of Liberty Partners II, L.P. Approximately 85% of JPEL's March 2014 NAV is based on underlying sponsor reports from December 2013 or later.

The price of JPEL's equity shares increased 1.7% in March 2014 to \$0.74 per share.

During the month, JPEL received distributions of \$2.6 million and capital calls of \$0.1 million. The Company received \$0.7 million from Guggenheim Aviation Partners as well as \$1.9 million in distributions from 14 other investments.

ZDP Performance

In March, the NAV per share for the Company's 2015 ZDP Shares increased 0.7% to 76.31p and the 2017 ZDP Shares increased 0.7% to 79.99p. The price of JPEL's 2015 ZDP Shares increased 0.2% to 82.88p and the 2017 ZDP Shares increased 1.2% to 92.38p during the month.

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

JPEL

Managers' Comments

Portfolio Highlights

JPEL's portfolio is comprised of interests in 100 separate fund interests, 13 co-investments, and five fund of funds that include approximately 800 companies across 26 industries. The top 20 fund interests account for 37.4% of private equity NAV. The portfolio is weighted towards real estate and healthcare-oriented companies with approximately 14.6% and 12.0% of investment value in these sectors, respectively. In addition, approximately 92% 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 7.1 years. JPEL has continued to emphasize investments in companies with rational debt levels.

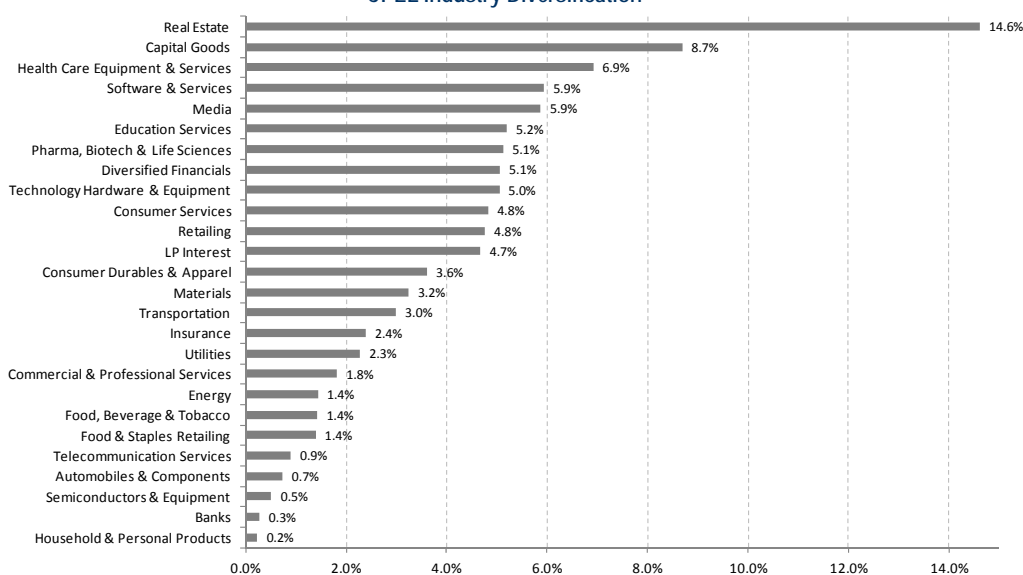
JPEL Only: Average age of Portfolio by Investment Strategy

- **Average age of investments: 7.1 years**
- Buyout investments: 4.8 years
 - Small buyout: 5.2 years
 - Medium buyout: 4.0 years
 - Large buyout: 3.7 years
 - Mega buyouts: 9.4 years
- Venture Capital investments: 8.3 years
- Real Estate investments: 7.6 years
- Special Situations: 6.4 years
- Infrastructure investments: 7.9 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 as at 31 March 2014. Average is weighted based on unaudited Investments at Market Value at 31 March 2014 and uses underlying company-level values.

JPEL Industry Diversification



Note: The diversification chart above is based on unaudited Investments at Market Value as at 31 March 2014 and uses underlying company-level values.

Top 20 Fund Investments at 31 March 2014

1. Life Sciences Holdings SPV I Fund, L.P.	3.4%
2. Alcentra Euro Mezzanine No1 Fund L.P.	3.2%
3. Duke Street (Parallel Private Equity)	2.6%
4. Leeds Equity Partners V, L.P.	2.3%
5. Liberty Partners II, L.P.	2.2%
6. Barclays Private Equity (Parallel Private Equity)	2.1%
7. Hutton Collins Capital Partners II LP	2.0%
8. Almack Mezzanine I Fund L.P.	2.0%
9. Argan Capital Fund	1.9%
10. Milestone 2010, L.P.	1.9%
11. Omega Fund III, L.P.	1.9%
12. GSC European Mezzanine Fund II L.P.	1.8%
13. Macquarie European Infrastructure Fund	1.5%
14. Aqua Resources Fund Limited	1.5%
15. Guggenheim Aviation Offshore Investment Fund II	1.4%
16. 10th Lane Finance Co., LLC	1.2%
17. Beacon India Private Equity Fund	1.2%
18. Macquarie Wholesale Co-investment Fund	1.2%
19. Macquarie Alternative Investment Trust III	1.2%
20. AIG MezzVest II L.P.	1.2%

Top 20 Company Investments at 31 March 2014

1. Deutsche Annington Immobilien Group	13.1%
2. RCR Industrial S.a.r.l	4.3%
3. China Media Enterprises Limited	4.1%
4. Datamars SA	2.7%
5. Alliant Group	2.6%
6. Compre Group	2.2%
7. FibroGen	2.0%
8. Concorde Career Colleges, Inc.	2.0%
9. Gulf Healthcare International LLC	1.8%
10. Original Factory Shop	1.8%
11. Diaverum	1.5%
12. Everis Spain	1.3%
13. Placid Holdings	1.3%
14. Back Bay (Guernsey) Limited	1.2%
15. Agent Provocateur	1.0%
16. Egalet A/S	0.9%
17. Global TV	0.9%
18. SSK Pertorp	0.9%
19. CSC Customer Services Company	0.8%
20. Education Management Corporation	0.8%

Note: Based on unaudited Investments at Market Value as at 31 March 2014 and use underlying company-level values. Top 20 Fund Investments exclude limited partnerships set up specifically to for co-investment purposes.

JPEL

Company Overview

JPEL Contacts

Troy Duncan Gregory Getschow
troy.duncan@jpmorgan.com gregory.getschow@jpmorgan.com

Rosemary DeRise Samantha Ladd
US +1 212 648 2980 US +1 212 648 2982
rosemary.derise@jpmorgan.com samantha.ladd@jpmorgan.com

www.jpelonline.com

Board of Directors

Chairman

Trevor Ash (*Guernsey Resident*)

Members

Gregory Getschow (*US Resident*)

John Loudon (*UK Resident*)

Christopher Paul Spencer (*Guernsey Resident*)

All of whom may be contacted through

Carinthia House
9-12 The Grange
St Peter Port
Guernsey GY1 4BF

Investment Managers

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 and JPMorgan Asset Management (UK) Limited (collectively, the "Managers"), both wholly-owned subsidiaries of JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading financial services firm with assets under management of \$2.1 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.

MANAGERS

Bear Stearns Asset Management Inc.
270 Park Avenue
New York, NY 10017
United States

JF International Management Inc.
Chater House
8 Connaught Road, Hong Kong

SECRETARY, ADMINISTRATOR AND REGISTERED OFFICE

Augentius (Guernsey) Limited
Carinthia House
9-12 The Grange
St Peter Port
Guernsey GY1 4BF

AUDITOR

PricewaterhouseCoopers CI LLP
Royal Bank Place
1 Glatigny Esplanade
St Peter Port
Guernsey GY1 4ND

SOLICITOR

Herbert Smith LLP
Exchange House
Primrose Street
London EC2A 2HS UK

REGISTRAR

Capita IRG (CI) Limited
1 Le Truchot, 2nd Floor
St. Peter Port
Guernsey GY1 4AE

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.

This document may only be issued to or passed on to persons to whom it may be lawfully communicated pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2007, or otherwise only to professional clients and eligible counterparties. This document should not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or unauthorised. In addition, this document may not be given to a U.S. citizen or resident who is not a "Qualified Purchaser" or "Accredited Investor" within the meaning of the U.S. securities laws.

This document is issued on behalf of JPEL and has been approved by JPMorgan Asset Management (UK) Limited., which is authorised and regulated by the Financial Services Authority ("FSA") in the United Kingdom. The information in this document is provided solely for information, does not constitute investment advice or personal investment recommendations, and is neither an offer to buy or sell, nor a solicitation to buy or sell, any investments or units or shares in JPEL. To the extent that this document is issued in the United Kingdom, it is being issued to persons who are professional clients or eligible counterparties for the purposes of the FSA's rules. Past performance is not necessarily a guide to future performance.

Some information contained in this document may have been received from third party or publicly available sources that we believe to be reliable. We have not verified any such information and assume no responsibility for the accuracy or completeness thereof. The information stated and opinions expressed constitute best judgment at the time of publication, and are subject to change without prior notification. The price of units or shares (and the income from them) can go down as well as up and may be affected by changes in rates of exchange. An investor may not receive back the amount invested. Current tax levels and reliefs are liable to change and their value will depend on individual circumstances. The market prices of units and shares in JPEL do not necessarily reflect their underlying net asset value.

© 2014 Bear Stearns Asset Management Inc. All rights reserved. No information in this document may be reproduced or distributed in whole or in part without the express written prior consent of Bear Stearns Asset Management.