

Company Description

J.P. Morgan Private Equity Limited (“JPEL” or the “Company”) 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 May 2011

	US\$ Equity Share	Zero Dividend Preference Share 2013	Zero Dividend Preference Share 2015	JPEL Warrants	Balance Sheet Information	\$
Net Asset Value (“NAV”) per share	\$1.33	63.04p	59.70p	N/A	Investments at Market Value	\$646.5 mm
No. of shares in issue	356.88 mm	63.31 mm	68.59 mm	57.90 mm	Cash & Equivalents	\$38.0 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$	Total Assets	\$684.5 mm
Ticker	JPEL	JPEZ	JPZZ	JPWW	Net Asset Value	\$606.7 mm
Sedol	B07V0H2	B07V0R2	B00DDT8	B60XDY5	Unfunded Commitments	\$119.4 mm
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B60XDY53	Private Equity + Cash & Equivalents / Unfunded Commitments	5.7 x

JPEL Performance

JPEL’s NAV per Equity Share ended the month of May at \$1.33 which represents a slight decrease of 0.7% from the prior month. The decline is primarily a result of unrealized foreign currency movements with little change at the portfolio level. JPEL’s portfolio can be viewed as conservatively valued as 47% of private equity assets are invested in small to mid-sized buyout funds which have been holding their portfolios at moderate values since the credit crisis. The weighted average EV/EBITBA multiple of JPEL’s 33 largest buyout holdings, which represent nearly 30% of the JPEL’s private equity value, is a relatively restrained 8.2x.¹ As the market environment begins to improve JPEL is optimistic for future portfolio growth.

The exit environment remains agreeable. JPEL’s portfolio generated net positive cash flow in the month of May, with distributions outpacing capital calls \$4.7 million to \$1.2 million.

JPEL’s equity shares gained 2.8% during the month to end at \$1.12 per share; this represents a high for JPEL equity shares in the 2011 calendar year. JPEL continues to maintain the lowest discount to NAV in its peer group. As at 7 July (the most recent date to publication) JPEL’s equity shares traded at a 18.0% discount versus the peer group average discount of 30.9%.²

NAV per share for JPEL’s 2013 ZDP Shares increased from 62.66p to 63.04p during the month of May, representing a gain of 0.6%. NAV per share for JPEL’s 2015 ZDZP Shares increased 0.7%, from 59.28p to 59.70p, during the period. The share price for the 2013 ZDP Shares increased 2.7% to 67.25p for May, while the 2015 ZDP Shares increased 2.1% to 68.63p during the month.

Investment Pipeline

JPEL has signed a purchase agreement for one transaction which is expected to close by mid July. JPEL has negotiated a secondary direct investment in a leading healthcare company based in Dubai. JPEL is purchasing an interest in the company at what is thought to be a substantial discount to market value. This investment has a projected time horizon of two to three years.

In addition, JPEL is in advanced stages of due diligence on three other transactions in Europe and Africa which are expected to close in the third quarter.

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

1. Source: Managers. Represents largest underlying buyout investments within JPEL’s largest 50 underlying companies. Buyout related investments represent 33 of JPEL’s largest 50 underlying company investments or 29.8% of private equity investment values. Based on latest available underlying company data at time of release of 31 December 2010 NAV.

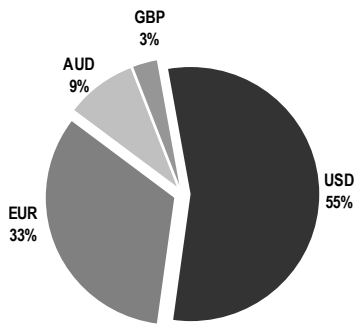
2. Cazenove Alternative Stats, Bloomberg as at 7 July 2011. JPEL data based on 31 May 2011 NAV released via RNS on 11 July 2011. Snapshot of performance on 7 July 2011 and does not represent the average discount to NAV since inception. The Peer group is not an exhaustive list and is based on the multi-manager peer group included in LPE Focus| RBS manager survey and includes a selection of funds set forth in such research. The peer group includes: APEN, SHPN, PEHN, PIN, CPEN, PEY, CCAAP, ABSP, HPEQ, FPEO, NBPE, HVPE, SEP.

Portfolio Summary at 31 May 2011

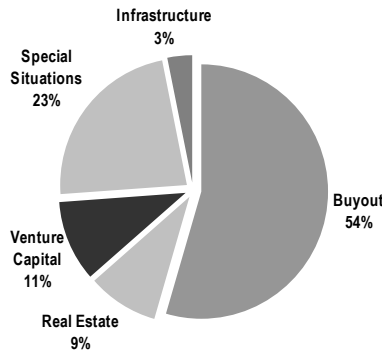
Professional Investors Only – Not For Public Distribution

JPEL’s portfolio is comprised of 107 fund interests, 12 co-investments and six fund of funds that include over 1,500 companies. As a secondary investor, JPEL’s portfolio is heavily weighted towards funded investments, which comprise approximately 78%¹ of the portfolio. In addition, the Managers place an emphasis on investing in small to medium sized buyout funds, which tend to utilize lower leverage and purchase multiples; these funds represent approximately 47% of the portfolio.

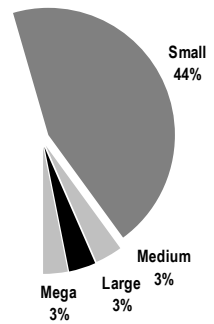
Fund Level – Currency²



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 May 2011 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.

MANAGERS

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

JPMorgan Asset Management (UK) Limited
20 Finsbury Street
London EC2Y 9AQ UK

JPEL CONTACTS

Troy Duncan
UK +44 207 742 3032
troy.duncan@jpmorgan.com

Gregory Getschow
US +1 212 648 1150
gregory.getschow@jpmorgan.com

Rosemary DeRise
US +1 212 648 2980
rosemary.derise@jpmorgan.com

Samantha Ladd
US +1 212 648 2982
samantha.ladd@jpmorgan.com

SECRETARY, ADMINISTRATOR AND REGISTERED OFFICE
HSBC Management (Guernsey) Limited
Arnold House
St Julian’s Avenue
St Peter Port
Guernsey GY1 3NF

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

AUDITOR
KPMG Channel Islands Limited
20 New Street
St Peter Port
Guernsey GY1 4AN

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

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.

© 2011 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, Inc.

J.P Morgan Asset Management (UK) Limited. Registered in England No. 01161446. Registered address: 125 London Wall, London EC2Y 5AJ