JPEL

J.P.Morgan Private Equity Limited

Unaudited Interim Report and Financial Statements

for the period ended 31 December 2014

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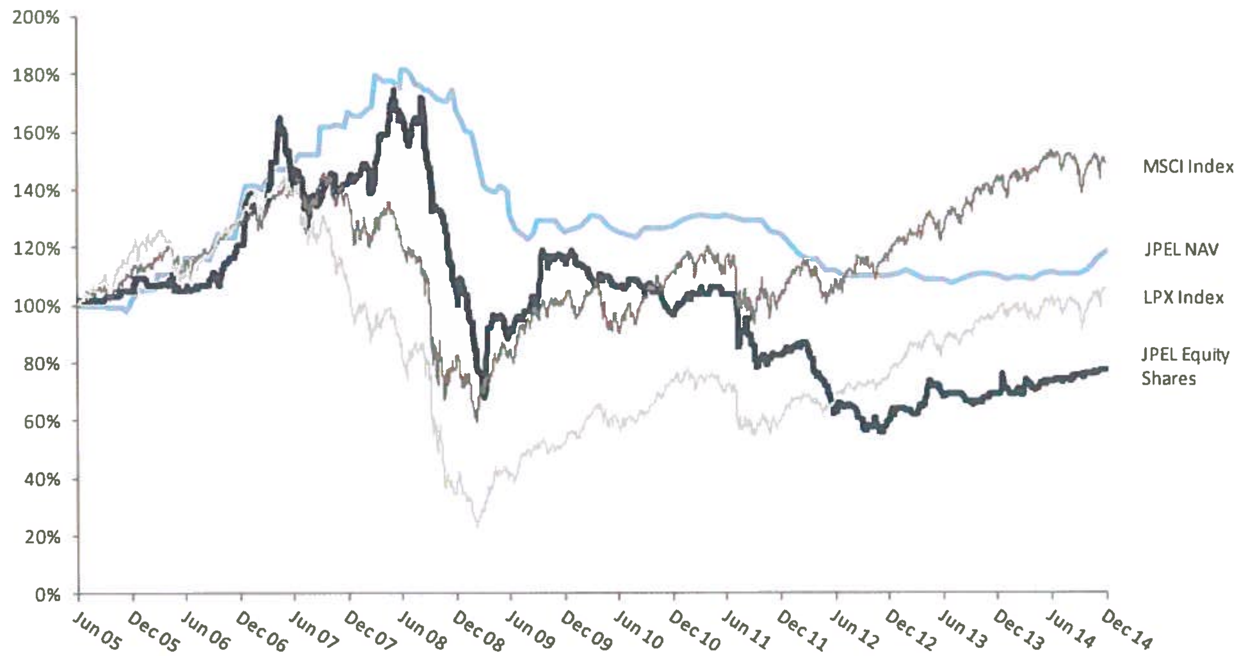
Financial Summary (Company Information)

	31 December 2014
US$ Equity Shares	
NAV per Share	$1.21
Share Price	$0.82
Shares in Issuance (excluding shares held in treasury)	337.9m
2015 ZDP Shares	
NAV per Share[1]	81.34p
Share Price	85.88p
Shares in Issuance (excluding shares held in treasury)	67.1m
2017 ZDP Shares	
NAV per Share[1]	85.05p
Share Price	98.88p
Shares in Issuance (excluding shares held in treasury)	30.4m
Statement of Financial Position (extract)	
Investments at Fair Value	$517.9m
Bank Deposits	$26.4m
Other Assets[2]	$3.6m
Credit Facility[3]	($12.1m)
Other Liabilities[4]	($1.7m)
Zero Dividend Preference Shares	($125.3m)
US$ Equity Net Asset Value[5]	**$408.8m**

Performance as at 31 December 2014

JPEL Performance Since Inception[6]



Past performance is not an indication of future performance.

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1 Throughout the document, the term Net Asset Value per share or "NAV per Share" for each of JPEL's two classes of Zero Dividend Preference Shares (2015 ZDP Shares and 2017 ZDP Shares) refers to the carrying value of the ZDP shares as at 31 December 2014. ZDP shareholders are entitled to a redemption amount that is increased daily at such a daily compound rate as would give a final entitlement as referenced in Note 10 to the Financial Statements on pages 31 and 32.

2 Includes accrued interest income and derivative assets.

3 On 20 June 2014, JPEL amended and extended its existing multi-currency credit facility in the amount of $150 million with Lloyds Bank. On 2 February 2015, JPEL paid down all remaining outstanding debt drawn under its Lloyds facility.

4 Includes fee accruals and other payables.

5 Information presented as non-consolidated. The Net Asset Value represents the capital of the Company which includes the Net Asset Value of the ZDP shares as well as the Net Asset Value of the US$ Equity Shares. Numbers may not sum due to rounding.

6 Source: Managers, Bloomberg as at 31 December 2014, JPEL NAV data as at 31 December 2014, released via the London Stock Exchange on 18 February 2015.

Overview & Strategy

OVERVIEW

J.P. Morgan Private Equity Limited ("JPEL" or the "Company") is a Guernsey registered and incorporated closed ended investment company that trades on the London Stock Exchange (LSE: JPEL, JPZZ, JPSZ) as a premium listing. The Company is designed primarily to invest in the global private equity market. The fair value of the Company's total assets as at 31 December 2014 was $547.9 million.

JPEL held its initial public offering on 30 June 2005 under the name "Bear Stearns Private Equity Limited". The Company currently has three classes of shares: US$ Equity Shares, 2015 Zero Dividend Preference Shares ("2015 ZDP Shares") and 2017 Zero Dividend Preference Shares ("2017 ZDP Shares"). At 31 December 2014, 2015 ZDP Shares made up 15.9% of total issued share capital, 2017 ZDP Shares made up 7.5% of total issued share capital and US$ Equity Shares made up the remaining 76.5%.

JPEL is managed by Bear Stearns Asset Management Inc. ("BSAM Inc."), JPMorgan Asset Management (UK) Limited ("JPMAM UK") and JF International Management Inc. ("JFIMI") (together, the "Managers"), wholly-owned subsidiaries of JPMorgan Chase & Co. The Company's investment decisions are made by Non EU Alternative Investment Fund Managers (BSAM Inc. and JFIMI). Following the acquisition of The Bear Stearns Companies Inc. by JPMorgan Chase & Co., the investment management team within BSAM Inc. that has managed the Company since its inception, joined J.P. Morgan Asset Management. The Company has entered into a management agreement with the Managers to invest the assets of the Company on a discretionary basis, subject to the overall supervision of the Board of Directors (the "Directors"), a majority of whom are independent Directors of the Company. The Directors have overall responsibility for the Company's investment policy and the Company's activities.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of $2.4 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.

The key measure of performance used by the Board and shareholders to assess the Company's performance is the NAV which is prepared on a monthly basis by Augentius (Guernsey) Limited (the "Administrator"). The Portfolio Review on pages 14 to 16 is prepared on the company basis as this information is considered more relevant to the needs of shareholders for assessment of the Company's performance.

INVESTMENT STRATEGY

The Company primarily pursues the following strategies to enhance shareholder value and to meet its investment objective:

- acquires secondary portfolios of direct investments and significantly invested partnership investments to accelerate NAV development;
- opportunistically invests in buyout, venture capital and 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; and
- actively manages the portfolio by repositioning its investment composition from time to time in order to capitalise on changes in private equity market conditions.

In summary, the investment strategy of the Company is to achieve both short-term and long-term capital appreciation by investing in a well-diversified portfolio of private equity interests and by capitalising on the inefficiencies of the global secondary private equity market.

Investment Policy

ASSET ALLOCATION

The majority of the Company Portfolio is allocated to buyout funds, and the balance to venture capital, real estate and multi-style funds.

- A buyout fund typically targets the acquisition of a significant portion or majority control of businesses which normally entails a change of ownership. Buyout funds ordinarily invest in more mature companies with established business plans to finance expansions, consolidations, turnarounds and sales, or spinouts of divisions or subsidiaries. A leveraged buyout, commonly referred to as a LBO, is a buyout that uses debt financing to fund a portion of the purchase price of the targeted business.

- Venture capital refers to private equity capital typically provided to early-stage, high-potential growth companies.

- A multi-style investment strategy refers to fund managers that make investments in companies in various stages of development. A multi-style manager may make investments in start-up enterprises, later-stage venture companies and established businesses – all within the same fund. These investments may involve control positions or may be minority, passive positions.

By investing in a portfolio of private equity funds, the Company is exposed to numerous underlying investments in individual companies, ranging from start-up ventures to large, multi-national enterprises. The Managers will endeavour to purchase private equity fund interests and co-investments in the secondary market to ensure that JPEL's portfolio contains investments that will be made and exited in different economic cycles.

The Company may invest capital not otherwise allocated to private equity into near cash and other investments. The Company, at the Managers' discretion, may invest in a wide variety of investments and other financial instruments.

The Company will not enter into derivative transactions (such as options, futures and contracts for difference) other than for the purposes of efficient portfolio management.

The Company will not take any legal or management control of any underlying company or fund in the Company Portfolio.

RISK DIVERSIFICATION

The Managers actively monitor the Company Portfolio and attempt to mitigate risk primarily through diversification. Not more than 20% of the Company's Net Asset Value, at the time of investment, is permitted to be invested in any single investment. For the avoidance of doubt, if the Company acquires a portfolio of companies in a single transaction, this limitation shall be applied individually to each of the underlying companies purchased and not to the portfolio as a whole.

LEVERAGE

The Company has the ability to borrow up to 30% of its Total Assets subject to and in accordance with the limitations and conditions in its Articles. As part of its leverage policy, the Company may borrow for short-term or temporary purposes as is necessary for settlement of transactions, to facilitate the operation of the over-commitment policy, or to meet ongoing expenses. The Directors and the Managers will not incur any short-term borrowings to facilitate any tender or redemption of Shares unless such borrowings have a repayment period of 180 days or less. The Company is indirectly exposed to borrowings to the extent that subsidiaries and underlying funds in its portfolio are themselves leveraged.

Chairman's Statement

The Company has continued to implement the strategic initiatives announced in January 2014. Notably during calendar year 2014, JPEL completed seven new investments, deploying $100.4 million, continued to reduce overall leverage and provided additional liquidity options for US$ Equity shareholders.

REVIEW OF STRATEGIC INITIATIVES AND COMPANY POSITION

In January 2014, JPEL announced a series of strategic initiatives focused on creating meaningful immediate and medium-term liquidity solutions for shareholders as well as reinvigorating NAV growth.

Review of Strategic Initiatives Announced in January 2014

1. ***Provide immediate liquidity*** to US$ Equity shareholders through a coordinated third party liquidity event. On 15 January 2014, institutional investors purchased 84 million US$ Equity Shares through market purchases at $0.80 per share, an 8.3% premium to the 14 January 2014 share price. This provided liquidity to approximately 24% of all US$ Equity shareholders in JPEL. The level of liquidity provided by these institutional investors exceeded the aggregate liquidity provided to US$ Equity shareholders through tenders and share buybacks over the prior three years.
2. ***Create Realisation Share Class ("RSC")*** to go into effect after the 2015 ZDP Shares have been repaid. The concept of the RSC was proposed in January 2014 and shareholder approval was granted at JPEL's May 2014 AGM. US$ Equity shareholders will have the option to exchange their US$ Equity Shares for shares in the RSC 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. US$ Equity shareholders will have the ability to continue to hold JPEL US$ Equity Shares in order to maintain exposure to JPEL's investment strategy and the Managers' pipeline of potential secondary direct investments.
3. ***Deploy up to $150 million*** into new investments in accordance with JPEL's post-credit crisis investment policy. As part of this announcement, JPEL ceased all dividend and capital distributions to US$ Equity shareholders in order to reinvest distributions, reinvigorate NAV growth and create a concentrated portfolio of companies through secondary direct and concentrated secondary investments. As of 31 December 2014, JPEL has invested $100.4 million in seven new deals, representing 20.6% of JPEL's private equity value at 31 December 2014. The Managers are on-track to invest the full $150 million target by the end of 2015.

Stated Investment Strategy: January 2014 – December 2015

In deploying $150 million, JPEL has focused on concentrated secondary deals which are direct investments in a single company or secondary transactions with 1 to 3 companies. The reason for this is two-fold: (i) the standard secondary market for diversified limited partnership stakes is currently highly competitive with high pricing and (ii) JPEL is seeking to populate its top investments with companies that have certain attributes. The attributes JPEL seeks in companies include:

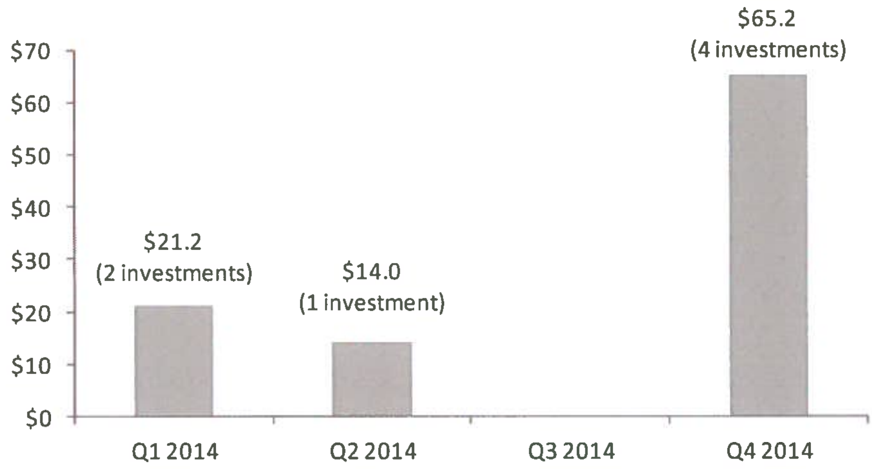
- Existing private equity backed company;
- Potential for near-term liquidity (2 - 4 years);
- Discounted entry value;
- Visible growth in profitability over the next 1 to 2 years;
- Limited gearing; and
- Market leadership.

Chairman's Statement continued

REVIEW OF STRATEGIC INITIATIVES AND COMPANY POSITION continued

Review of New Investments

2014 Calendar Year Investment Progress*
($ in millions)



* Source: Managers. As at 31 December 2014.

The seven transactions completed in calendar year 2014 share key attributes sought by JPEL. The assets were acquired at attractive values with the average purchase price of 5.6x LTM EBITDA. On a weighted average basis, leverage levels were 2.9x LTM EBITDA with a weighted average EBITDA margin of 18.4% at the time of acquisition.

- In February 2014, JPEL invested $14.3 million in **Datamars SA**, a leading supplier of animal identification systems (including pet and livestock) and textile identification systems;
- Also in February, JPEL invested $6.9 million in **Placid holdings**, a holding company with an investment in a branded Asian handset distributor, with a leading market position in smart phones and feature phones in India;
- In April 2014, JPEL participated in a syndicate of global investors led by Arle Capital to acquire **Innovia Films** from the Candover 2001 Fund. JPEL invested $14.0 million in Innovia, an international manufacturer of high quality, specialty films for its key markets of labels, overwrap, packaging and polymer banknote substrate;
- In October 2014, JPEL invested $16.0 million in **Celerion**, a US based clinical research organization which provides support to the pharmaceutical and biotechnology industries in the form of research services outsourced on a contract basis;
- In November 2014, JPEL invested $18.4 million (out of a $20 million commitment) in **Mr. Bult's, Inc.**, a secondary direct investment in the largest provider of municipal solid waste transportation services in the niche outsourced, long-haul market in the United States;
- In November 2014, JPEL invested $24.2 million in **You&Home SAS**, the spin out of three well-known French consumer brands alongside Milestone, the manager that successfully built and sold JPEL's Baby Cadum investment in 2013 in a similar industry. JPEL contributed $19.2 million in equity financing to the investment and $5.0 million in mezzanine debt financing; and
- In December 2014, JPEL completed a $6.6 million investment in the buyout of **Pilosio S.p.A**, a market leading company that builds scaffolding and formwork products for large international construction and engineering groups. The company was purchased out of administration and investors provided growth equity to fund the order pipeline.

Subsequent to the period, but prior to the publication of this Semi-Annual report in February 2015 and not included in the $100.4 million total, JPEL completed a $7.0 million investment in a leading US-based Software-as-a-Service ("SaaS") platform for state and local government agencies worldwide.

Chairman's Statement continued

REVIEW OF STRATEGIC INITIATIVES AND COMPANY POSITION continued

Review of Significant Follow-on Investments

In June and October of 2014, JPEL completed two follow-on investments in existing portfolio companies.

- ***Fibrogen***: Fibrogen is an Omega Fund portfolio company focused on the discovery, development and commercialization of therapeutic agents for treatment of fibrosis, anemia, cancer and other serious unmet medical needs. During the month of June, JPEL purchased two small secondary interests totalling $1.2 million from former employees at a discount to intrinsic value. On 14 November 2014, Fibrogen priced an initial public offering on the NASDAQ (FGEN) at $18.00 per share. Due to Fibrogen's limited trading history, the Managers are currently valuing the asset at the average December monthly trading price of $26.89 per share less a 10% discount as the shares are in lock-up and are held indirectly through limited partnership vehicles managed by Omega Funds. Based on this methodology, FibroGen is valued at $24.20 per share for the month of December.
- ***Paratek Pharmaceuticals:*** Paratek is an Omega Fund portfolio company focused on the discovery, development and commercialization of medicines designed to save lives and alleviate suffering. The company's lead product candidate is a broad-spectrum antibiotic being developed as a first-line monotherapy for serious community-acquired bacterial infections where antibiotic resistance is of concern. On 30 October 2014, Paratek completed a merger with NASDAQ listed Transcept Pharmaceuticals. In connection with the merger, Transcept changed its name to Paratek Pharmaceuticals, Inc. and commenced trading on the NASDAQ on 31 October 2014 under the symbol "PRTK". Immediately prior to the merger, certain Transcept stockholders and Paratek invested ~$93 million in the combined organization. Omega is a leading investor in Paratek and participant in the ~$93 million investor syndicate. On 31 October 2014, PRTK closed at $16.00 per share. Due to Paratek's limited trading history, JPEL's Managers have valued the company at the average trading price of $29.23 during the month of December, less a 10% discount as the shares are in lock-up and are held indirectly through limited partnership vehicles managed by Omega Funds. Based on this methodology, Paratek is valued at $26.31 per share for the month of December.

Strong Capital Position

Since December 2012, JPEL's capital position has greatly improved as a result of aggressive efforts to fortify the Company's balance sheet. I would like to highlight the following:

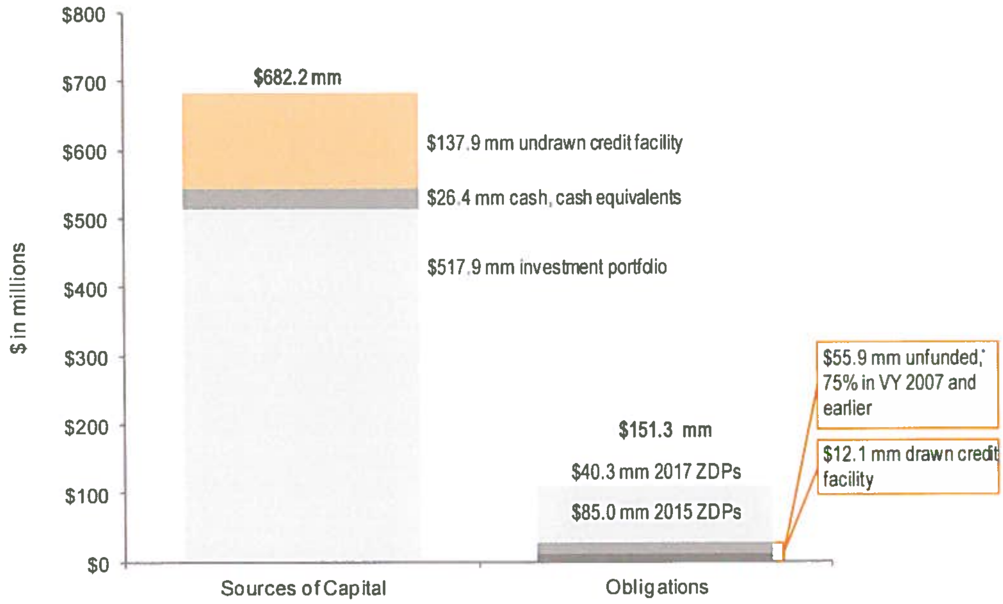
- JPEL's overall leverage has been reduced by $33.2 million or 19.5% over the last 12 months. Leverage has decreased from $170.6 million at 31 December 2013 to $137.3 million at 31 December 2014. Total leverage is defined as drawn capital under JPEL's Lloyds facility as well as 2015 and 2017 ZDP liabilities. On 2 February 2015, JPEL paid down all remaining outstanding debt drawn under its Lloyds facility;
- JPEL's total leverage ratio decreased from 30.4% to 25.1% from 31 December 2013 to 31 December 2014. Total leverage is defined as drawn capital under JPEL's Lloyds facility as well as 2015 and 2017 ZDP liabilities;
- During calendar year 2014, the portfolio generated gross distributions of $127.0 million ($50.4 million from 1 July 2014 through 31 December 2014). Capital calls were minimal during the calendar year, with JPEL receiving $13.08 of distributions for every $1.00 of capital called. JPEL funded $5.0 million in capital calls from 1 July 2014 through 31 December 2014;
- During the six month period ending 31 December 2014, JPEL augmented its cash position by selling the Parallel Portfolio, generating a further $36.1 million in cash proceeds. The sale was completed at a narrow discount to NAV (3.75% discount) and, as part of the sale, JPEL was released from $10.6 million of related unfunded commitments;
- To provide additional stability to JPEL's capital position, the debt facility with Lloyds Bank was extended through January 2018. Importantly, the facility has been extended past JPEL's 31 October 2017 ZDP maturity date;
- At 31 December 2014, JPEL had $26.4 million in cash and cash equivalents and $44.7 million worth of public shares in Deutsche Annington Immobilien Group ("DAIG"), JPEL's single largest underlying company exposure. Subsequent to the period, on 25 January JPEL sold 313,084 shares of DAIG in the open market at an average price of €29.83 per share, generating over €10.6 million of cash for JPEL. (JPEL currently holds approximately 1.0 million shares); and

REVIEW OF STRATEGIC INITIATIVES AND COMPANY POSITION continued

Strong Capital Position continued

- JPEL's portfolio is conservatively valued. JPEL's largest buyout investments are valued at a weighted-average Enterprise Value / Earnings Before Interest, Taxes, Depreciation & Amortization ("EV/EBITDA") multiple of 8.7x[1] (vs. peer group at 9.8x).[2] JPEL's top buyout investments have a weighted-average net debt/EBITDA multiple of 1.7x[1] (vs. peer group at 3.9x).[2]

JPEL Capital Structure at 31 December 2014*
($ in millions)



*Source: Managers. As at 31 December 2014. Approximately 75% of unfunded commitments or approximately $40 million represents funds with vintage years of 2007 and earlier. Numbers may not add due to rounding. Investment portfolio value at December 2014 include the Company's DAIG shares which are publicly traded.

Significant Distribution Activity

JPEL's portfolio continued to produce positive net distributions during the 2014 calendar year due in part to the seasoned nature of the portfolio and an improved exit environment in North America and Europe. Exclusive of new investment purchases and asset sales, JPEL received $127.0 million of gross distributions or 23.6% of JPEL's private equity portfolio value at 31 December 2013 and funded $9.7 million of capital calls.

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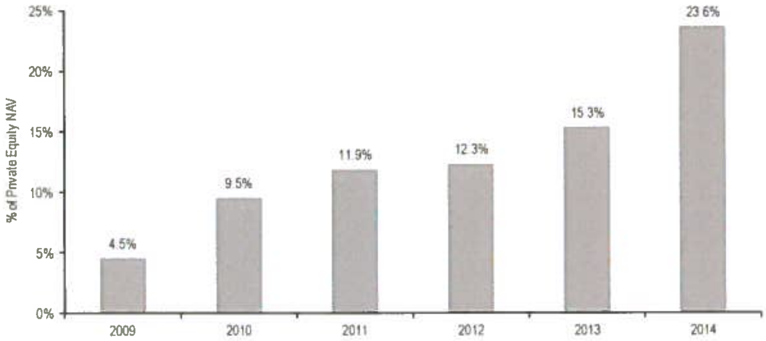
[1] Based on LTM information for JPEL's top 30 buyout investments as at June 2014. Percentages based on relevant investment value as a % of total value. Information available for 28 out of 30 companies.

[2] Peer group includes Graphite, SVG and Pantheon. As at 30 June 2014.

REVIEW OF STRATEGIC INITIATIVES AND COMPANY POSITION continued

Significant Distribution Activity continued

5 Year Distribution Activity as a Percentage of Prior December Year-End Private Equity Value*



* Source: Managers. As at 31 December 2014.

JPEL's pre-credit crisis portfolio generated significant distributions during the 2014 calendar year, representing 58.3% of total distributions, or $73.9 million.

Pre-Credit Crisis Distribution Activity*

Calendar Year Ended 31 December	Pre-Credit Crisis Distributions as % of Total Distributions	Pre-Credit Crisis Distributions as % of Prior Year Pre-Credit Crisis Portfolio Value
2012	68.1%	14.5%
2013	56.1%	15.2%
2014	58.3%	26.8%

* Source: Managers. As at 31 December 2014. Pre-credit crisis is defined as those investments made prior to 30 September 2008.

Notable Distributions: Deutsche Annington Immobilien Group ("DAIG")

DAIG is Germany's largest private-sector residential real estate company both in terms of portfolio value and the number of units owned. As at 30 June 2014, DAIG owned approximately 185,000 residential units worth a total of €11.4 billion. On 16 May 2014, JPEL received a cash dividend of €1.2 million and on 20 May 2014, Terra Firma (DAIG's Sponsor) conducted an in-kind distribution to shareholders at a price of €20.69 per share (less carried interest attributed to Terra Firma). JPEL received approximately 2.4 million shares of DAIG. In conjunction with this distribution of shares, JPEL participated alongside other investors in a block trade. JPEL sold 25% of its position in DAIG at €19.50 as part of the block trade, resulting in cash proceeds of approximately €11.8 million.

During the month of September, JPEL sold 500,000 shares of DAIG at an average price of €23.24, resulting in proceeds of €11.6 million.

In December 2014, DAIG, announced that it had agreed to acquire Gagfah, a Luxembourg-based owner and manager of residential properties, in a deal that valued Gagfah at €3.9 billion.

As discussed previously, after the period, but prior to the publication of the Semi-Annual Report, on 22 January 2015, JPEL sold 313,084 shares of DAIG in the open market at an average price of €29.83 per share, generating over €10.6 million of cash for JPEL. On 13 February 2015, JPEL sold 250,000 shares of DAIG in the open market at an average price of €33.36 per share, generating over €8.3 million of cash for JPEL. (JPEL currently holds 750,000 shares).

DAIG's stock price increased from €21.49 on 30 June 2014, to €28.12 on 31 December 2014, or 30.9%. Subsequent to the period, DAIG's stock price increased to €31.48, or 11.9% on 11 February 2015. JPEL has control over the DAIG shares and values DAIG at the last trade price on the last day of each month.

Chairman's Statement continued

REVIEW OF STRATEGIC INITIATIVES AND COMPANY POSITION continued

Notable Distributions: Deutsche Annington Immobilien Group ("DAIG") continued

As a reminder, JPEL gained exposure to DAIG in 2006 through a €1.4 million investment in Terra Firma's DAIG co-investment fund ("TFDA"). In 2008, JPEL purchased a larger investment in TFDA at a substantial discount to the prevailing NAV at that time. Based on the carrying value of DAIG at 31 December 2014, JPEL's investment has generated a return on investment of approximately 3.21x JPEL's cost.

NAV AND SHARE PRICE PERFORMANCE

In the six months ending 31 December 2014, JPEL's NAV per US$ Equity Share increased by $0.07 or 6.4% to $1.21.

JPEL's US$ Equity Shares have responded to the initiatives put forth and have increased by 29.4% from 31 December 2012, and 11.8% since 31 December 2013.

The public market value of the Company's US$ Equity Shares increased by 5.5% during the six month period ending 31 December 2014. As at 11 February 2015 the Company's US$ Equity Shares traded up an additional 6.1% from semi-annual period end to $0.87 which represents a 28.1% discount to prevailing net asset value as at 31 December 2014, versus the average discount of the selected peer group of 17.3%.[1] The Board and the Managers continue to believe that the current market price does not reflect the underlying value of the Company's portfolio, and as such, the Company may seek to opportunistically repurchase US$ Equity Shares in the open market. During the six-month period ending 31 December 2014, JPEL repurchased 8,475,000 shares in the open market at an average price of $0.795663 per share, representing a discount of 34.2% to JPEL's 31 December 2014 NAV of $1.21 per US$ Equity Share.

JPEL's two remaining classes of ZDP Shares have performed well. The NAV of JPEL's 2015 ZDP Shares rose 4.4% during this period, from 77.94p per share to 81.34p per share. At 31 December 2014, JPEL's 2015 ZDP Shares traded at a 5.6% premium to NAV. The NAV of 2017 ZDP Shares rose 4.2% during this period, from 81.63p per share to 85.05p per share. At 31 December 2014, JPEL's 2017 ZDP Shares traded at a 16.3% premium to NAV.

The Board and the Managers will continue to focus on strengthening the Company's balance sheet and deploying capital in investments to maximize NAV per US$ Equity Share. Although we are pleased with the progress that has been accomplished over the last twelve months, we will continue to work towards these stated goals in the coming months.

MARKET OUTLOOK

JPEL's Managers believe that the Company's mature portfolio will continue to generate positive net distribution flows to fuel further reduction of debt through the repayment of JPEL's 2015 Zero Dividend Preference Shares in October of 2015 as well as the continuation of the $150 million investment program through December 2015.

The Company continues to focus on co-investments and secondary direct investments which offer reasonable risk-adjusted returns. It is unlikely that JPEL will seek to purchase standard limited partnership interests in the traditional secondary market, as it continues to be crowded with capital.

JPEL's Managers continue to be primarily focused on investing in concentrated private equity secondaries and secondary direct opportunities. As discussed in January 2014, the Managers intend to create a more concentrated portfolio by deploying up to $150 million in 15 - 20 private companies through December 2015. To date, the Managers have completed eight investments representing $107.5 million. JPEL's Managers expect that JPEL's top 30 companies will represent a significant portion of private equity value by the end of the stated investment period.

JPEL's Board and Managers remain committed to increasing shareholder value and improving the Company's NAV per US$ Equity Share. I would like to thank shareholders for the support that they have placed in the Company.

Trevor Ash
Chairman
19 February 2015

[1] Source: J.P. Morgan Cazenove Alternative Statistics, Bloomberg as at 11 February 2015 Peer Group members based on multi-manager listed private equity funds included in the research publication "LPE Focus" by Jefferies and includes: APEF, PEHN, NBPE, HVPE, PEY, GPE, SEP, PIN and FPEO.

Corporate Actions

2014 CORPORATE ACTIONS

- On 15 January 2014, the Company released a strategic update, that included the following:
  - Immediate liquidity event funded by third party institutional investors
    1. Certain institutional investors informed the Company that they would purchase up to 84 million US$ Equity Shares through market purchases at $0.80 per US$ Equity Share.
  - Cessation of capital distributions and investment of $150 million in growth companies
    1. Following the coordinated market purchases, the Company announced that it will cease dividend and capital distributions to US$ Equity shareholders and continue with its investment strategy of reinvesting distributions from JPEL's existing portfolio.
    2. The Managers intend to deploy up to $150 million in approximately 15-20 private companies, predominantly in the US and Western European markets, via the secondary and co-investment markets over the next 24 month period.
  - Proposal for creation of Realisation Share Class ("RSC")
    1. At the Company's next AGM, resolutions will be put forward to shareholders to:
       - a) restructure the distribution rights of the US$ Equity Shares; and
       - b) to create the RSC 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.
    2. The Board intends to effect this restructuring such that on a date following the repayment of the 2015 ZDP Shares, US$ Equity shareholders will have the option to exchange one US$ Equity Share for one RSC, with cash realisations to commence for RSC shareholders beginning 31 January 2016. US$ Equity shareholders will have the option to remain in the current US$ Equity Share Class.
    3. As required by the Company's Articles of Incorporation, distribution to RSC holders prior to the 2017 Final Capital Entitlement Date will only be made provided that the minimum level of cover as stated in the articles can be maintained for 2017 ZDP Share class.
    4. Following creation of the RSC, the proportion of cash realisations from the Company's investment portfolio to which remaining US$ Equity shareholders are entitled will be reinvested in accordance with the Company's investment policy. The Board will consider an appropriate distribution policy for US$ Equity Shares beyond the 2017 ZDP Final Capital Entitlement Date, when JPEL's final ZDP share class is retired. Should these resolutions not be passed, the Board will continue to explore alternatives to create liquidity for the Company's shareholders.

- On 6 February 2014, JPEL announced that Liberum was appointed as the Company's joint corporate broker with immediate effect.

- On 4 April 2014, JPEL published a circular (the "AGM Circular") to Shareholders.

  - The AGM Circular contained notice of an annual general meeting ("AGM") and a notice of a class meeting of the holders of US$ Equity Shares, both held on 1 May 2014 at Carinthia House, 9-12 The Grange, St. Peter Port, Guernsey GY1 4BF.
    1. JPEL's Board of Directors (the "Board") highlighted the following special resolution to adopt new Articles of Incorporation to provide US$ Equity shareholders with the option to convert to a Realisation Share Class:
       - It is expected that the Realisation Share Class will provide a future additional liquidity option for US$ Equity shareholders;
       - Holders of shares of the Realisation Share Class will be entitled to their proportional cash proceeds from JPEL's investment portfolio attributable to the Realisation Share Class.
       - Realisation Shares will be issued only after the 2015 ZDP Shares have been repaid their final capital entitlement (31 October 2015); and
       - Eligible US$ Equity shareholders will be entitled, but not obliged, to elect to convert all or part of their holdings of US$ Equity Shares into Realisation Shares.

Corporate Actions continued

2014 CORPORATE ACTIONS continued

- All resolutions proposed at the AGM are detailed below:
  Special Resolutions
  1. To renew the Company's authority to make purchases of up to 15% of each class of its own issued Shares pursuant to any proposed Tender Offer.
  2. To renew the Company's general authority to make market purchases of up to 14.99% of each class of its own issued Shares.
  3. To renew the disapplication of the pre-emption rights for up to 10% of each class of its own issued Shares as set out in the Articles of Incorporation.
  4. To adopt new Articles of Incorporation to provide US$ Equity shareholders with the option to convert to a Realisation Share Class.

  Ordinary Resolutions
  5. To approve and adopt the Annual Report and Financial Statements of the Company for the year ended 30 June 2013.
  6. To re-elect Gregory S. Getschow as a non-executive Director of the Company, who retires by rotation.
  7. To re-elect John Loudon as a non-executive, independent Director of the Company, who retires by rotation.
  8. To re-elect PricewaterhouseCoopers CI LLP as Auditors to the Company.
  9. To re-authorise the Directors to determine the Auditors' remuneration.
  10. To re-authorise and agree the remuneration of the Directors in accordance with the Articles of Incorporation.

  The following resolution was proposed separately at the US$ Equity Class Meeting:
  Special Resolution
  1. To adopt new Articles of Incorporation to provide US$ Equity shareholders with the option to convert to a Realisation Share Class.

- On 2 May 2014, JPEL announced the results of its 1 May 2014 AGM:
  - JPEL's Board of Directors announced that a special resolution was passed at the AGM to adopt new Articles of Incorporation to provide US$ Equity shareholders with the option to convert to a Realisation Share Class
    1. It is expected that the Realisation Share Class will provide a future additional liquidity option for US$ Equity shareholders.
    2. Holders of shares of the Realisation Share Class will be entitled to their proportional cash proceeds from JPEL's investment portfolio attributable to the Realisation Share Class.
    3. Realisation Shares will be issued only after the 2015 ZDP Shares have been repaid their final capital entitlement (31 October 2015).
    4. Eligible US$ Equity shareholders will be entitled, but not obliged, to elect to convert all or part of their holdings of US$ Equity Shares into Realisation Shares.
  - Summary of resolutions passed at JPEL's May 2014 AGM:
    Special Resolutions
    1. To renew the Company's authority to make purchases of up to 15% of each class of its own issued Shares pursuant to any proposed Tender Offer.
    2. To renew the Company's general authority to make market purchases of up to 14.99% of each class of its own issued Shares.
    3. To renew the disapplication of the pre-emption rights for up to 10% of each class of its own issued Shares as set out in the Articles of Incorporation.
    4. To adopt new Articles of Incorporation to provide US$ Equity shareholders with the option to convert to a Realisation Share Class.

    Ordinary Resolutions
    5. To approve and adopt the Annual Report and Financial Statements of the Company for the year ended 30 June 2013.
    6. To re-elect Gregory S. Getschow as a non-executive Director of the Company, who retires by rotation.
    7. To re-elect John Loudon as a non-executive, independent Director of the Company, who retires by rotation.

Corporate Actions continued

2014 CORPORATE ACTIONS continued

8. To re-elect PricewaterhouseCoopers CI LLP as Auditors to the Company.
9. To re-authorise the Directors to determine the Auditors' remuneration.
10. To re-authorise and agree the remuneration of the Directors in accordance with the Articles of Incorporation.

The following resolution was passed separately at the US$ Equity Class Meeting.

Special Resolution

1. To adopt new Articles of Incorporation to provide US$ Equity shareholders with the option to convert to a Realisation Share Class.

- On 20 June 2014, JPEL announced that it had amended its existing credit agreement with Lloyds Bank.
  - JPEL's credit facility was extended by one year and will now expire in January 2018 (after JPEL's 2017 ZDP Share Class matures) and contains additional flexibility under its covenants to better allow the Company to execute its previously announced strategic initiatives, including the creation of the Realisation Share Class in 2016, as approved at JPEL's latest AGM.

- On 22 August 2014, JPEL announced that on 30 June 2014, Qualifying Bonus Issue shareholders exercised 44,416 Warrants, representing Subscription Rights to subscribe for 44,416 US$ Equity Shares pursuant to the Bonus Issue described in the prospectus published by the Company on 18 June 2009.
  - Application was made for the newly allotted US$ Equity Shares to be admitted to the Official List of the UKLA Listing Authority and to trading on the Main Market of the London Stock Exchange with the admission on 26 August 2014.
  - Following this allotment, the Company's issued share capital will consist of 346,420,574 Shares of no par value (excluding treasury shares) each classified as US$ Equity Shares, 67,077,371 shares of no par value (excluding treasury shares) each classified as 2015 Zero Dividend Preference Shares, and 30,410,753 shares of no par value (excluding treasury shares) each classified as 2017 Zero Dividend Preference Shares.

- On 19 September 2014, JPEL purchased 6,000,000 US$ Equity Shares into treasury at a price of $0.79474 per US$ Equity Share.

- On 23 October 2014, JPEL purchased 1,600,000 US$ Equity Shares at a price of $0.79675 per US$ Equity Share for cancellation.

- On 18 November 2014, JPEL purchased 875,000 US$ Equity Shares at a price of $0.80 per US$ Equity Share for cancellation.

- Subsequent to the period (19 February 2015), JPEL announced the appointment of Mr. Anthony (Tony) Dalwood as an Independent Non-Executive Director of the Company with immediate effect. Mr. Dalwood was formerly Chairman of SVG Investment Managers and CEO of SVG Advisers, the global private equity funds business and manager of $5 billion in AUM. He established the public equities business for Schroder Ventures (London) Limited. Prior to this he was a Director at UBS Global Asset Management (formerly Phillips & Drew Fund Management) where he was a member of the UK Equity Investment Committee and responsible for managing over £1.5 billion of UK equities. He is currently CEO of Gresham House plc, and a Board director of Branton Capital and the London Pension Fund Authority.

Statement of Principal Risks and Uncertainties

The Company, the Company's investments and the underlying portfolio companies are materially affected by a variety of risks and uncertainties in the global financial markets and economic conditions throughout the world. The risks described below are the principal risks which are considered by the Board to be material to the shareholders of the Company. Greater detail on these risks is provided in Note 3 of the Annual Financial Statements. The Directors consider that the principal risks and uncertainties have not changed materially since the year end and are not expected to change materially for the remaining six months of the financial year.

- **Market risk:** Market risk embodies the potential for both gains and losses and includes interest rate risk, currency risk and price risk. The Managers work to mitigate risk by building a diversified portfolio, focusing on achieving a balance across Managers, investment styles, industrial sectors and geographical focus;
- **Interest rate risk:** Interest rate risk refers to the Company's exposure to changes in interest rates, primarily relating to cash and cash equivalents and floating rate debt obligations. The majority of the Company's financial liabilities are Zero Dividend Preference Shares which are at a fixed rate and therefore not impacted by interest rate fluctuations. External interest bearing liabilities are limited in size by the Company's internal policies;
- **Currency risk:** Currency risk arises from the possibility that fluctuations in foreign currency exchange rates will affect the value of the Company's assets and liabilities, the net asset value and the market price of the US$ Equity Shares. As at 31 December 2014, the Company had two currency hedges in place to partially mitigate fluctuations in its foreign exchange exposure. Subsequent to the period, in preparation for the final capital entitlement payment for the Company's 2015 Zero Dividend Preference Shares on 31 October 2015, JPEL entered into a forward contract to lock-in £30 million at a rate of 1.51562;
- **Price risk:** Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in that market;
- **Credit risk:** Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. The Company's exposure to credit risk is managed on an ongoing basis by the Managers and on a quarterly basis by the Board of Directors;
- **Liquidity risk:** The Company's financial instruments primarily include investments in unlisted equity investments that are not publicly traded and therefore may be illiquid. As a result the Company may not be able to liquidate some of its investments in these instruments at an amount close to their fair value should such liquidation be necessary to meet liquidity requirements, including the need to meet outstanding undrawn commitments and other obligations as and when these fall due. The Company has a $150 million revolving loan facility agreement with Lloyds Bank which provides both short-term and long-term liquidity;
- **Other risks:** The Company is exposed to various other risks with respect to its financial assets including valuation risk, reliance on Managers, political and regulatory risk; and
- **Going concern:** The Directors have taken into consideration the Company's expected cash flows for the foreseeable future in respect of commitments to invest, on-going fees and the redemption of the 2015 Zero Dividend Preference Shares. Given the Company's current cash position, and the vast sum undrawn from the Lloyds facility which has been extended until January 2018, combined with expected distributions, the Directors believe the Company has adequate resources to continue in operational existence for the foreseeable future.

Responsibility Statement

The Directors confirm to the best of their knowledge:

a. The condensed half year financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting; and

b. The Interim Report includes a fair review of the information required by the FCA's Disclosure and Transparency Rules 4.2.7R; and

c. The Interim Report includes a fair review of the information required by the FCA's Disclosure and Transparency Rules 4.2.8R (disclosure of related party transactions and changes therein).

The Interim Report was approved by the Board on 19 February 2015 and the above Responsibility Statement was signed on its behalf by

Trevor Ash
Chairman

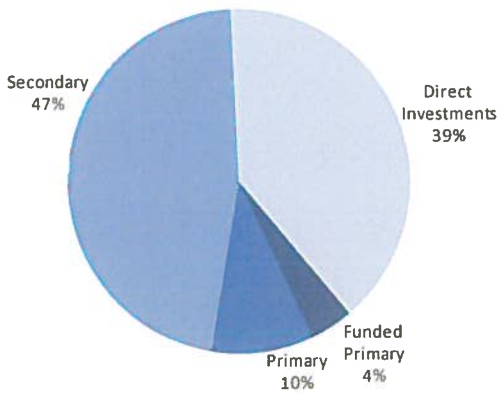
Managers' Review

PORTFOLIO REVIEW

Since the credit crisis, JPEL has focused on investing in concentrated positions which enable the Managers to have greater insight in to assets and, in many cases, stronger control rights. As discussed earlier in this Semi-Annual Report, the attributes JPEL seeks in companies include: (i) existing private equity backed company, (ii) potential for near-term liquidity (2 - 4 years), (iii) discounted entry value, (iv) visible growth in profitability over the next 1 to 2 years, (v) limited gearing, and (vi) market leadership.

As of 31 December 2014, JPEL's portfolio includes 87 fund interests, 20 co-investments and five fund of funds. With an investment value of $517.9 million, JPEL's portfolio is diversified globally across multiple investment strategies and industries. As at 31 December 2014, 17 of JPEL's top 20 companies were completed after the credit-crisis.

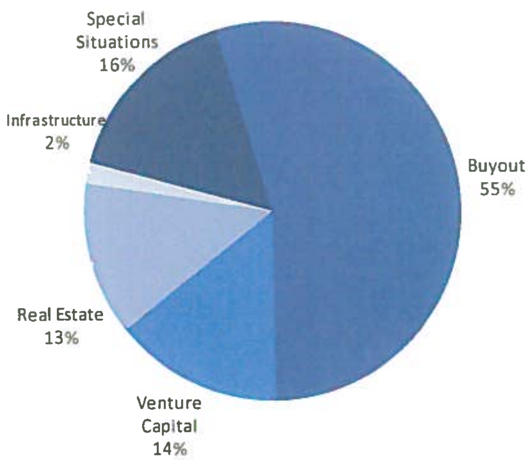
Investment Type[1]



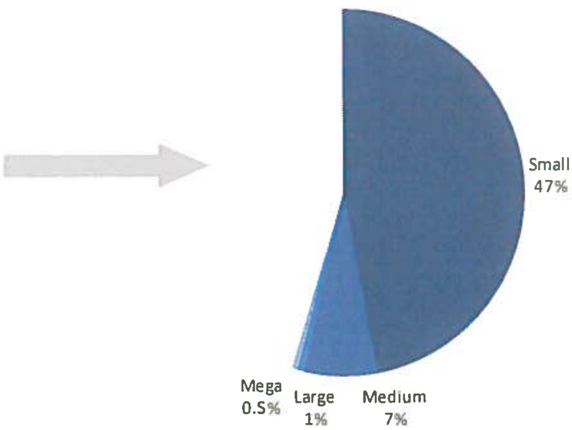
JPEL's portfolio is primarily composed of "highly funded assets" which include assets acquired in the secondary market, direct investments and funded primary investments. In total these assets represent 90% of the portfolio. JPEL's strategy is focused on secondary and concentrated investments which represent 47% and 39% of the portfolio, respectively. Funded primary investments, which are 4% of the portfolio, are portfolios that were partially invested at the time of investment and tend to produce distributions and NAV growth more quickly since they are further along the private equity "J-Curve".

From time to time, JPEL may make a primary commitment to a fund, typically as part of a secondary transaction. As at 31 December 2014, primary investments made up 10% of JPEL's portfolio.

Investment Strategy[1]



Buyout Fund Sizes[2]



Currently, buyout funds constitute approximately 55% of JPEL's portfolio. Within this strategy, the majority of the Company's investments are with fund managers that focus on small to medium sized buyouts, which generally utilize less leverage. JPEL maintains a 16% allocation to special situation funds which includes mezzanine, debt, turnaround and distressed funds. Real estate, venture capital and infrastructure funds represent 13%, 14% and 2% of private equity net asset value, respectively.

1 Based on 31 December 2014, market value of investments, percentages based on underlying fund-level values.

2 Fund classifications for buyout strategy are 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.

Managers' Review continued

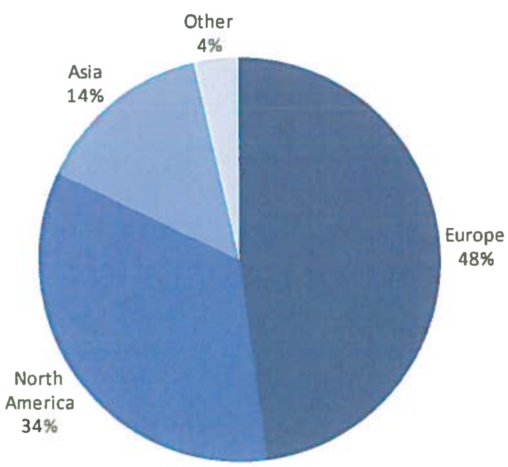
PORTFOLIO REVIEW continued

Portfolio Age[1]

Weighted Average Age of Portfolio by Investment Strategy	
Average age of investments:	7.7 years
▪ Buyout investments:	3.4 years
▪ Small buyout:	2.9 years
▪ Medium buyout:	5.2 years
▪ Large buyout:	6.9 years
▪ Mega buyouts:	10.7 years
▪ Venture Capital investments:	11.3 years
▪ Real Estate investments:	6.7 years
▪ Special Situations:	5.7 years
▪ Infrastructure investments:	8.4 years

When making investment decisions, JPEL seeks more mature assets that have good potential for near-term exits. With an average age of 7.7 years, JPEL's portfolio is well positioned on the private equity "J-Curve" to continue to receive distributions. JPEL's venture capital investments have a more mature weighted average life of 11.3 years.

Geographic Footprint[2]



European Exposure

Country	% of Portfolio
Germany	12.0%
United Kingdom	9.0%
Spain	5.7%
France	5.4%
Switzerland	3.3%
Sweden	3.1%
Finland	2.5%
Italy	2.3%
Luxembourg	1.0%
Belgium	0.9%
Denmark	0.7%
Netherlands	0.5%
Ireland	0.5%
Poland	0.4%
Norway	0.2%
Malta	0.2%
Jersey	0.1%
Hungary	0.1%
Total	**47.9%**

JPEL's private equity portfolio is diversified with investments in over 35 countries, helping to mitigate country and regional risk as well as to capitalise on the growth of expanding economies. Europe and North America represent the majority of the Company's portfolio at 48% and 34% respectively. JPEL's allocation to Asia stands at 14% while investments in the rest of the world represent 4% of the portfolio.

Within Europe, nearly 22% of JPEL's underlying assets are located in Germany and the United Kingdom. Approximately 69% of the Company's exposure to Germany is a result of JPEL's investment in Deutsche Annington Immobilien Group, a highly diversified real estate portfolio of lower income housing. Spain comprises 6% of JPEL's private equity investments, of which approximately 72% is invested in a leading industrial flooring company which derives the majority of its revenue outside of Spain from Western Europe and Latin America.

[1] Based on 31 December 2014, market value of investments, percentages based on underlying company-level values. Average age of investments is based on the 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 December 2014. Average is weighted based on investments at market value as at 31 December 2014, percentages based on underlying company-level values.

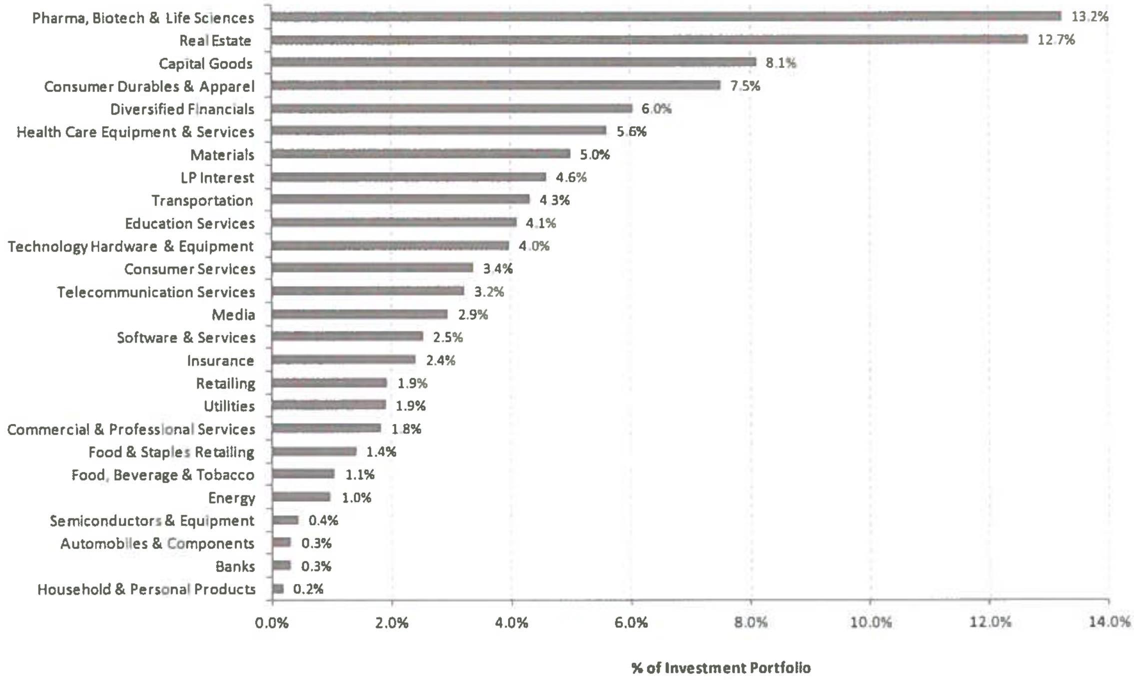
[2] Based on 31 December 2014, market value of investments, percentages based on underlying company-level values.

Managers' Review continued

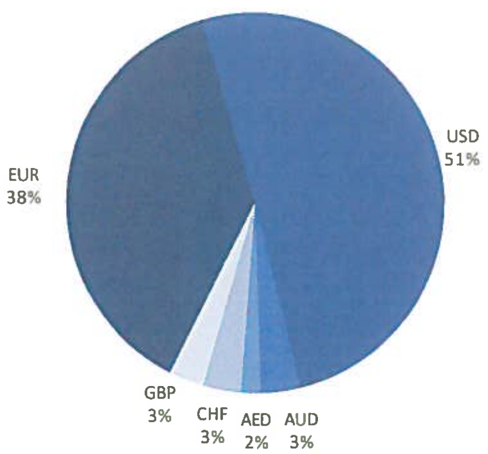
PORTFOLIO REVIEW continued

Industry Composition[1]

In addition to geographic diversification, the Managers diversify JPEL's portfolio by industry composition. The portfolio is currently weighted towards real estate at approximately 13% of the portfolio and healthcare-oriented companies with approximately 19% of investment value in this sector.



Currency Composition[2]



The Managers continue to monitor JPEL's exposure to foreign currencies and take currency exposure into consideration when making investment decisions. The currency composition of JPEL's portfolio may change as the Company continues to pursue an investment policy focused on geographic diversification.

As at 31 December 2014, investments held in US Dollars made up approximately 51% of JPEL's private equity market value. Investments held in Euros comprised 38% of the private equity portfolio, while the Australian Dollar, UAE Dirham, Swiss Franc and Sterling represented 3%, 2%, 3% and 3% of the portfolio, respectively.

[1] Based on 31 December 2014, market value of investments, percentages based on underlying company-level values.

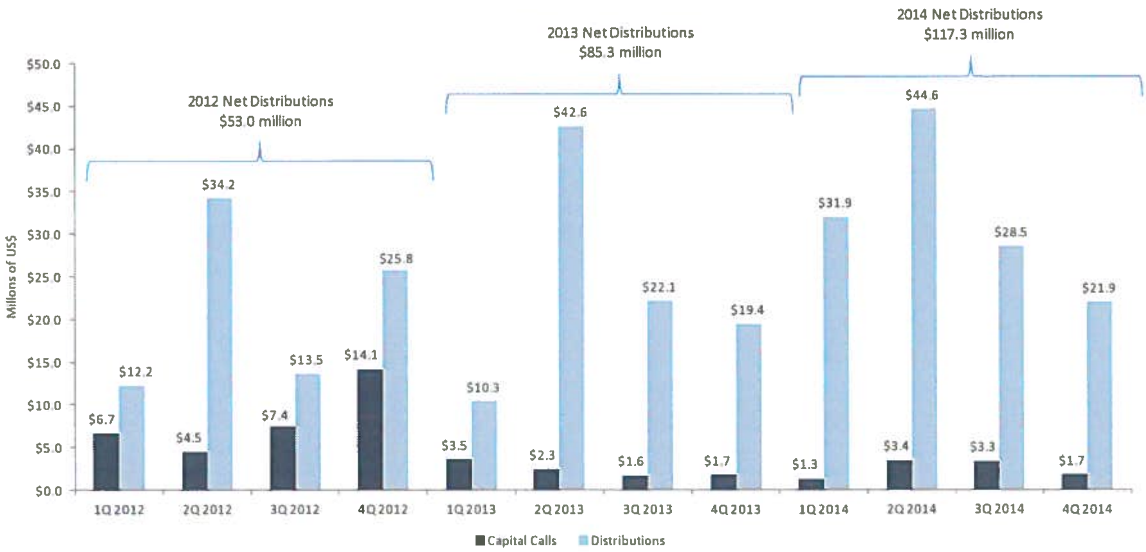
[2] Based on 31 December 2014, market value of investments, percentages based on underlying fund-level values.

Managers' Review continued

CAPITAL CALLS AND DISTRIBUTIONS

JPEL invests with a goal of delivering consistent NAV growth and generating a high level of distributions.

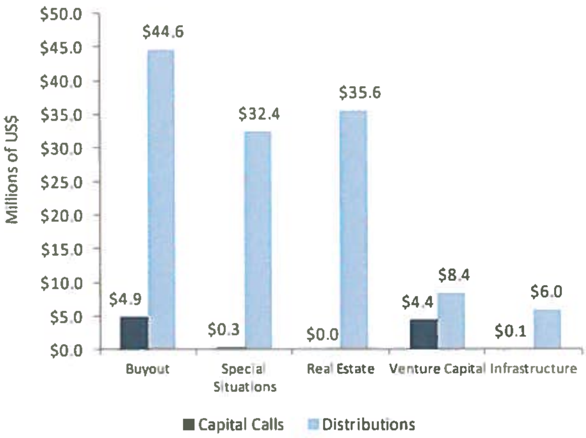
Capital Call and Distribution Summary[1]
(past three years)



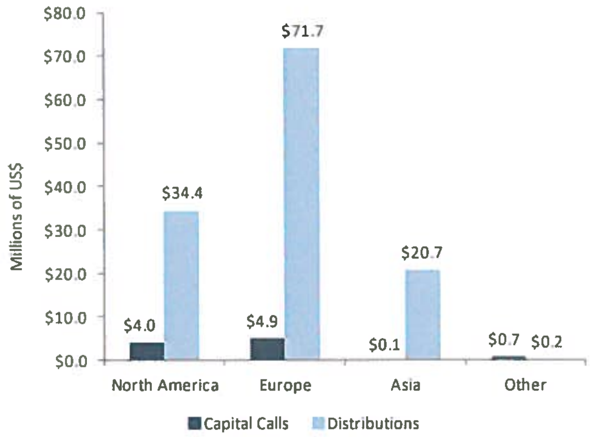
JPEL's distribution activity has been steadily increasing over the past three years. In 2014, the Company received net distributions of $117.3 million versus $85.3 million in 2013.

Cash Flow Breakout[1]

Cash Flows by Investment Strategy
(12 months ending 31 December 2014)



Cash Flows by Geographic Region
(12 months ending 31 December 2014)



In the past twelve months JPEL's buyout, real estate and special situations strategies have produced strong distribution cash flow with the majority coming from Europe and North America.

[1] JPEL's cash flows have been updated to reflect distributions from BoS Mezzanine Partners.

Managers' Review continued

TOP 20 FUNDS & COMPANIES INFORMATION

Top 20 Funds[1,2]

	Fund	Region	Fund Strategy	% of Private Equity Investments
1	Life Sciences Holdings SPV I Fund, L.P.	Europe	Venture Capital	6.9%
2	Alcentra Euro Mezzanine No1 Fund L.P.	Europe	Special Situations	3.4%
3	Leeds Equity Partners V, L.P.	North America	Buyout	3.3%
4	Omega Fund III, L.P.	Europe	Venture Capital	2.0%
5	Liberty Partners II, L.P.	North America	Buyout	1.7%
6	Beacon India Private Equity Fund	Asia	Buyout	1.4%
7	Black Diamond Capital Management	North America	Special Situations	1.2%
8	10th Lane Finance Co., LLC	North America	Special Situations	1.2%
9	Almack Mezzanine I Fund L.P.	Europe	Special Situations	1.2%
10	Aqua Resources Fund Limited	Europe	Buyout	1.2%
11	GSC European Mezzanine Fund II L.P.	Europe	Special Situations	1.2%
12	Global Buyout Fund, L.P.	Other	Buyout	1.1%
13	AIG MezzVest II L.P.	Europe	Special Situations	1.1%
14	Industry Ventures Fund V, L.P	North America	Venture Capital	1.0%
15	Macquarie Alternative Investment Trust III	Asia	Buyout	0.9%
16	Hutton Collins Capital Partners II LP	Europe	Special Situations	0.9%
17	Global Opportunistic Fund	Other	Buyout	0.9%
18	Highstar Capital III Prism Fund, L.P.	North America	Infrastructure	0.8%
19	Gridiron Capital Fund, L.P.	North America	Buyout	0.8%
20	Macquarie Wholesale Co-investment Fund	Asia	Buyout	0.8%

Top 20 Companies[1,2]

	Company	Country	Industry Group	% of Private Equity Investment
1	Deutsche Annington Immobilien Group	Germany	Real Estate	8.7%
2	You&Home SAS	France	Consumer Durables & Apparel	4.6%
3	FibroGen Inc.	Finland	Pharma, Biotech & Life Sciences	4.5%
4	Paratek Pharmaceuticals, Inc.	US	Pharma, Biotech & Life Sciences	4.4%
5	RCR Industrial S.a.r.l	Spain	Capital Goods	4.3%
6	Mr. Bult's, Inc.	US	Transportation	3.6%
7	Datamars S.A.	Switzerland	Technology Hardware & Equipment	3.3%
8	Alliant Group	US	Diversified Financials	3.1%
9	Celerion	US	Pharmaceuticals	3.1%
10	Yangzhou Ya Tai Property Limited	China	Real Estate	2.6%
11	Placid holdings	India	Communications Equipment	2.5%
12	Innovia Films	United Kingdom	Materials	2.3%
13	Compre Group	United Kingdom	Insurance	2.3%
14	Gulf Healthcare International LLC	United Arab Emirates	Health Care Equipment & Services	1.9%
15	Groupo Zena	Luxembourg	Diversified Financials	1.8%
16	Accurate Result Investments Limited	China	Media	1.6%
17	Concorde Career Colleges, Inc.	US	Consumer Services	1.6%
18	Diaverum	Sweden	Health Care Equipment & Services	1.5%
19	Nobel Learning Communities, Inc.	US	Consumer Services	1.3%
20	Pilosio S.p.A	Italy	Capital Goods	1.3%

[1] Top 20 Funds and Top 20 Companies include underlying funds and companies indirectly owned through the purchase of secondary interest in Private Equity Access Fund II Ltd, Bear Stearns Global Turnaround Fund, L.P., BoS Mezzanine Partners Fund, L.P. (BoS company-level exposure includes estimated pro rated fund-level leverage), and Macquarie Private Capital Trust.

[2] Percentages are calculated based on 31 December 2014, unaudited market value of investments.

Condensed Interim Statement of Comprehensive Income - Unaudited

for the period ended 31 December 2014

	Notes	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Income			
Interest and distribution income	3	2,978	374
Other net changes in fair value of financial assets and financial liabilities through profit or loss	5	12,612	26,784
Realised foreign currency gain on forward contracts		7,973	372
Total net income		**23,563**	**27,530**
Expenses			
Investment management fees		(2,673)	(2,781)
Accounting and administration fees		(125)	(125)
Audit fees		(131)	(131)
Directors' fees		(81)	(80)
Other expenses		(1,996)	(1,482)
Total expenses		**(5,006)**	**(4,599)**
Net profit		**18,557**	**22,931**
Finance costs			
Interest expense - Loans	4	(172)	(739)
Interest expense - ZDP	10	(5,367)	(4,884)
Unrealised foreign currency gain/(loss)		8,751	(12,179)
Profit before tax		**21,769**	**5,129**
Tax expense		-	-
Profit for the period		**21,769**	**5,129**
Other comprehensive income		-	-
Total comprehensive income for the period:		**21,769**	**5,129**
Earnings per share			
Earnings per Equity share		$0.06	$0.01

All items in the above statement are derived from continuing operations.

The notes on pages 23 to 33 form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Financial Position - Unaudited

as at 31 December 2014

	Notes	31 December 2014 $'000	30 June 2014 $'000
Non-current assets			
Financial assets at fair value through profit or loss	8	517,896	484,291
Current assets			
Cash and cash equivalents		26,403	25,410
Receivables		1,222	3,173
Derivative financial assets		2,346	-
		29,971	28,583
Non-current assets held for sale		-	36,588
Current liabilities			
Payables and accruals		(1,662)	(2,283)
Derivative financial liabilities		-	(1,023)
Net current assets		28,309	25,277
Non-current liabilities			
Loan balances	9	(12,123)	(20,545)
Zero dividend preference shares	10	(125,252)	(131,873)
		(137,375)	(152,418)
Net Assets		408,830	393,738
Represented by:			
Share capital	11	453,200	459,877
Accumulated loss		(44,370)	(66,139)
Total equity		408,830	393,738
NAV per Equity share		$1.21	$1.14

The condensed interim financial statements on pages 19 to 22 are approved by the Board of Directors on 19 February 2015 and were signed on its behalf by:

Trevor Ash
Director

Chris Spencer
Director

The notes on pages 23 to 33 form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Changes in Equity - Unaudited

for the period ended 31 December 2014

	Share capital $'000	Accumulated loss $'000	Total $'000
At 1 July 2014	459,877	(66,139)	393,738
Profit for the period	-	21,769	21,769
Total comprehensive income for the period	-	**21,769**	**21,769**
Share buy backs (Note 11)	(6,742)	-	(6,742)
Shares issued on warrant conversion (Note 11)	65	-	65
Total transactions with owners of the Company for the period ended 31 December 2014	**(6,677)**	-	**(6,677)**
At 31 December 2014	**453,200**	**(44,370)**	**408,830**

The notes on pages 23 to 33 form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Changes in Equity - Unaudited

for the period ended 31 December 2013

	Share capital $'000	Accumulated loss $'000	Total $'000
At 1 July 2013	467,108	(84,240)	382,868
Profit for the period	-	5,129	5,129
Total comprehensive loss for the period	-	**5,129**	**5,129**
Total transactions with owners of the Company for the period ended 31 December 2013	-	-	-
At 31 December 2013	**467,108**	**(79,111)**	**387,997**

The notes on pages 23 to 33 form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Cash Flows - Unaudited

for the period ended 31 December 2014

	Notes	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Operating activities			
Profit for the period		21,769	5,129
Adjustments for:			
Interest income	3	(64)	(16)
Distributions from investments	3	(2,914)	(358)
Interest expense		5,539	5,623
Net realised derivative gains		(7,212)	(373)
Net unrealised derivative (gains)/losses	5	(3,369)	43
Net gains on financial assets and financial liabilities through profit or loss	5	(9,243)	(26,827)
Unrealised foreign currency (gain)/loss		(8,751)	12,179
Operating cash flows before changes in working capital		(4,245)	(4,600)
(Increase)/decrease in receivables		(25)	205
Increase in payables		77	215
Cash used in operations		(4,193)	(4,180)
Investing activities			
Purchase of investments		(92,953)	(17,876)
Net proceeds from sale of investments		109,011	40,336
Interest received		64	16
Cash received on settlement of derivative financial instruments		7,212	373
Other income distributions from investments	3	360	358
Cash from investing activities		23,694	23,207
Financing activities			
Proceeds from warrant conversion	11	65	-
Equity shares buy back	11	(6,742)	-
Loans received		12,377	-
Loans paid		(19,705)	(9,935)
Interest paid		(147)	(763)
Cash used in financing activities		(14,152)	(10,698)
Net increase/(decrease) in cash and cash equivalents		5,349	8,329
Cash and cash equivalents at beginning of period		25,410	13,032
Effects of exchange difference arising from cash and cash equivalents		(4,356)	309
Cash and cash equivalents at end of the period		26,403	21,670

The notes on pages 23 to 33 form an integral part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

J.P. Morgan Private Equity Limited (the "Company") is a closed ended investment fund incorporated as a limited liability company in Guernsey under The Companies (Guernsey) Law, 2008. As at December 2014, the Company's capital structure consisted of three classes of shares, US$ Equity Shares and two series of Zero Dividend Preference Shares, all of which are listed on the London Stock Exchange.

The primary objective of the Company is to achieve capital growth, with income as a secondary objective, from a diversified portfolio consisting predominantly of private equity limited partnership interests. The Company may also invest directly in private equity investments.

The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements for the year ended 30 June 2014 except as described below under 'Standards and amendments effective for annual periods beginning on or after 1 July 2014'.

Statement of compliance

These condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting (IFRS) and in accordance with the requirement of IAS 34 *Interim Financial Reporting*.

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June 2014.

These condensed interim financial statements were approved by the Board of Directors on 19 February 2015.

Standards and amendments effective for annual periods beginning on or after 1 July 2014

IAS 32, 'Offsetting Financial Instruments Assets and Liabilities' (IAS 32)

The amendments do not change the offsetting model in IAS 32, 'Financial Instruments: Presentation', but clarify that in order to offset financial assets and liabilities, the right of set-off must not be contingent on future events, and must be legally enforceable in the normal course of business. The amendments also clarify that master netting agreements where offset is only legally enforceable when future events occur (e.g. defaults), do not allow offsetting. Finally, the amendments specify situations when offsetting is permitted when gross settlement mechanisms are used. The amendment is effective for annual periods beginning on or after 1 January 2014. The Managers have adopted these amendments and there is no impact on the Company's financial statements.

Segmental information

The Board has considered the requirements of IFRS 8 – "Operating Segments". The Board is of the view that the Company is engaged in a single segment of business, being Private Equity. The Board, as a whole, has been determined as constituting the chief operating decision maker of the Company.

As of 31 December 2014, five shareholders hold greater than 10% of the total number of US$ Equity Shares in issue with holdings of approximately 19.7%, 15.4%, 12.9%, 11.1% and 11%.

The Board is charged with setting the Company's investment strategy in accordance with the Company's prospectus, dated 16 August 2011. They have delegated the day-to-day implementation of this strategy to the Managers but retain responsibility to ensure that adequate resources of the Company are directed in accordance with their decisions. The Managers have been given full authority to act on behalf of the Company in the management of the Company's assets in accordance with the Amended and Restated Investment Management Agreement on behalf of the Company and to carry out other actions as appropriate to give effect thereto.

Whilst the Managers may make investment decisions on a day-to-day basis regarding the allocation of funds to different investments, any changes to the investment strategy or major allocation decisions have to be approved by the Board, even though they may be proposed by the Managers. The Board therefore retains full responsibility as to the major allocation decisions made on an ongoing basis. The Managers will act under the terms of the Amended and Restated Investment Management Agreement which cannot be changed without the approval of the parties to the agreement.

The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the NAV which is prepared on a monthly basis by Augentius (Guernsey) Limited (the "Administrator"). The NAV reported by the Administrator is prepared on a basis consistent with International Financial Reporting Standards.

Notes to the Condensed Interim Financial Statements continued

1. SIGNIFICANT ACCOUNTING POLICIES continued

The Company's financial assets held as of the year end and the geographical area the Company is invested into are presented in the table below. The Company does not hold any non-current assets other than financial instruments.

	31 December 2014		30 June 2014	
Region	$ '000	%*	$ '000	%*
Europe	263,772	51%	283,467	54%
North America	164,230	32%	143,885	28%
Asia	69,543	13%	73,457	14%
RoW	20,351	4%	20,070	4%
TOTAL	517,896	100%	520,879	100%

* The above percentages are based on fund level values.

2. FINANCIAL RISK

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 30 June 2014. There have been no changes in the risk management department since year end or in any risk management policies.

3. INTEREST AND DISTRIBUTION INCOME

The following table details the interest and other distribution income earned during the period:

	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Interest income from cash and cash equivalents	64	16
Distributions from financial assets at fair value through profit or loss	2,914	358
	2,978	**374**

4. LOAN INTEREST EXPENSE

The following table details the interest expense incurred during the period:

	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Interest expense from financial liabilities at amortised cost	**172**	**739**

5. NET GAINS/ (LOSSES) ON INVESTMENTS

The following table summarises the gains from financial assets and liabilities at fair value through profit or loss for the period:

	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Designated at fair value through profit or loss		
Investment portfolio	9,243	26,827
Held for trading		
Derivative financial instruments	3,369	(43)
Net gain from financial assets and liabilities at fair value through profit or loss	**12,612**	**26,784**

6. FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level I: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level II: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level III: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

	31 December 2014			
	Total $'000	Level I $'000	Level II $'000	Level III $'000
Financial assets at fair value through profit or loss	517,896	44,808	-	473,088
Derivative financial instruments	2,346	-	2,346	-
	520,242	**44,808**	**2,346**	**473,088**
Financial liabilities at fair value through profit or loss:				
Derivative financial instruments	-	-	-	-
	520,242	**44,808**	**2,346**	**473,088**

	30 June 2014			
	Total $'000	Level I $'000	Level II $'000	Level III $'000
Financial assets at fair value through profit or loss	484,291	54,416	-	429,875
Non-current assets held for sale	36,588	-	-	36,588
	520,879	**54,416**	**-**	**466,463**
Financial liabilities at fair value through profit or loss:				
Derivative financial instruments	(1,023)	-	(1,023)	-
	519,856	**54,416**	**(1,023)**	**466,463**

There have been no significant transfers between the levels during the period.

The changes in the fair value of Portfolio Funds and subsidiaries which the Company has classified as Level III are as follows:

	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Fair value at beginning of the period	466,463	530,001
Purchase of investment and funding of capital calls	94,748	16,867
Transfers from level I	-	-
Distributions from limited partnership interests	(92,033)	(39,458)
Net fair value movement in the period (including foreign exchange gains and losses)	3,910	24,312
Fair value at the end of the period	**473,088**	**531,722**

6. FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE continued

A reconciliation of the Level III portfolio gains or losses included in profit or losses for the period ended 31 December 2014 are as follows:

	01/07/2014 to 31/12/2014 $'000	01/07/2013 to 31/12/2013 $'000
Reconciliation of accumulated unrealised movements		
Accumulated unrealised losses at beginning of the period	(68,709)	(75,222)
Net unrealised gains in the period (including foreign exchange gains and losses)	10,875	6,513
Accumulated unrealised losses at the end of the period	**(57,834)**	**(68,709)**

During the period the Company received $7,981,338 as realised gain from investments still held at the period end. $10,875,154.39 relates to unrealised appreciation in value of investments held at the period end. Total gains in investments classified as Level III that are still held at period end were $7,269,535.

Total realised and unrealised gains and losses recorded for Level III Portfolio Funds and subsidiaries, if any, are reported in "Other net changes in fair value of financial assets and financial liabilities through profit or loss" in the statement of comprehensive income.

Valuation of investments

The Company has interests in various different types of investments including: investments in subsidiaries, unquoted investments in funds, direct investments in unquoted companies and direct investments in public companies.

Investments in subsidiaries

Investments in subsidiaries are based on the latest available net asset values of the subsidiaries. The Company reviews the net asset values and considers the liquidity of the subsidiaries or its underlying investments, value date of the net asset values and any restrictions on dividends from the subsidiaries. If necessary, the Company makes adjustments to net asset values of the subsidiaries to obtain the best estimate of its fair value.

Unquoted investments in funds

The unquoted investments in funds are valued in accordance with International Private Equity and Venture Capital Valuation Guidelines (IPEVCG).

Investments in private equity funds do not have a readily available market and are generally valued based on the fair value of each private equity fund as reported by the respective general partner as per the capital statement, which necessarily incorporates estimates made by those general partners. The Company believes that this value, in most cases, represents fair value as of the relevant statement date, although, if other factors lead the Company to conclude that the value provided by the general partner does not represent fair value, the Directors and Managers will adjust the value of the investment from the general partner's estimate. The Company estimates fair value based on publicly available information and the most recent financial information provided by the general partners, as adjusted for cash flows since the date of the most recent financial information.

Where no valuation is available from the general partner or an independent valuation agent the Directors and Managers will estimate the fair value in accordance with IPEVCG.

The public equity securities known to be owned within the purchased private equity fund are based on the most recent information reported to the Company by the general partners.

Direct investments in unquoted companies

Direct investments into unquoted investments are generally valued based on the fair value of each investment as reported by the respective management.

Direct investments into unquoted investments where no fair value is being provided to the Company by the management or sponsor are carried at fair value, as estimated by the Directors and Managers. In estimating fair value, the Directors and Managers also consider the value assigned to each investment by the lead investor (if any) with which the Company has co-invested, to the extent known.

6. FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE continued

Valuation of investments continued

Direct investments in unquoted companies continued

The Directors and Managers also consider the estimated fair value based on the projected enterprise value at which the underlying company could be sold in an orderly disposition over a reasonable period of time and in a transaction between willing parties other than in a forced sale or liquidation. In these instances, market multiples considering specified financial measures (such as EBITDA, adjusted EBITDA, cash flow, net income, revenues or NAV) and/or a discounted cash flow or liquidation analysis can be used.

The table below summarises only the valuation of direct investments in unquoted companies that are estimated by the Directors and Managers and shows the effect of changing one or more of the assumptions behind the valuation techniques adopted, based on reasonable possible alternative assumptions.

	31 December 2014					
Description	Fair Value ($000's)	Valuation Technique	Unobservable Inputs	Average Input	Reasonable possible shift +/- (absolute value)	Change in Valuation +/-
Asia						
Equity*	8,513	Comparable trading multiples	EBITDA	8.5x	+/- 5%	400,512 / (400,512)
North America						
Equity	5,657	Comparable trading multiples	EBITDA	11.3x	+/- 5%	362,782 / (368,870)

	30 June 2014					
Description	Fair Value ($000's)	Valuation Technique	Unobservable Inputs	Average Input	Reasonable possible shift +/- (absolute value)	Change in Valuation +/-
Asia						
Equity*	19,994	Comparable trading multiples	EBITDA	8.6x	+/- 5%	394,958 / (394,958)
North America						
Equity	5,373	Comparable trading multiples	EBITDA	13.2x	+/- 5%	235,596 / (241,684)

* As discussed in Note 8 on page 30, the Managers restructured the Company's investment in China Media Enterprises Limited ("CME") to mitigate the Company's exposure to CME's non-Hong Kong operations. The above 30 June 2014 Fair Value for Asia / Equity represents the total value of CME. The above 31 December 2014 Fair Value for Asia / Equity reflects the interest of CME's Hong Kong operations only.

Direct investments in public companies

When valuing direct investments in public companies the Company uses the quoted market price at the reporting date. In addition, the Company may apply a discount to the quoted market price to account for lack of liquidity.

Valuation processes

The Managers perform the valuation of financial assets required for financial reporting purposes, including Level 3 fair values. The Managers report to the Board of Directors and the Audit Committee. Discussions of the valuation process and results are held between the Managers and the Board of Directors at least once every quarter.

7. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The following table summarizes within the fair value hierarchy the Company's assets and liabilities not measured at fair value but for which fair value is disclosed. The fair value of the below financial assets and liabilities approximate their carrying amounts:

	31 December 2014			
	Total	Level I	Level II	Level III
Assets	$'000	$'000	$'000	$'000
Other receivables	1,222	-	-	1,222
Cash and cash equivalents	26,403	26,403	-	-
Total financial assets at fair value	**27,625**	**26,403**	**-**	**1,222**
Liabilities				
Loan balances	(12,123)	-	(12,123)	-
Zero dividend preference shares	(125,252)	-	(125,252)	-
Other payables, accrued expenses and other financial liabilities	(1,662)	-	-	(1,662)
Total financial liabilities at fair value	**(139,037)**	**-**	**(137,375)**	**(1,662)**

	30 June 2014			
	Total	Level I	Level II	Level III
Assets	$'000	$'000	$'000	$'000
Other receivables	3,173	-	-	3,173
Cash and cash equivalents	25,410	25,410	-	-
Total financial assets at fair value	**28,583**	**25,410**	**-**	**3,173**
Liabilities				
Loan balances	(20,545)	-	(20,545)	-
Zero dividend preference shares	(131,873)	-	(131,873)	-
Other payables, accrued expenses and other financial liabilities	(2,283)	-	-	(2,283)
Total financial liabilities at fair value	**(154,701)**	**-**	**(152,418)**	**(2,283)**

8. SCHEDULE OF INVESTMENTS

Vehicle	Investment	31-Dec-14 $000's	30-Jun-14 $000's
Back Bay	Stoneleigh Back Bay Associates LLC	6,366	6,319
BMFL/BMML	BoS Mezzanine Partners, LP*	39,931	43,497
BSPEL Aus	Macquarie Private Capital Trust	34,175	45,217
BSPEL Lux	Alto Capital II	1,749	2,175
BSPEL Lux	Realza Capital Fondo, FCR	1,744	2,553
Convey	China Media Enterprises Limited**	-	19,994
Iberian	Alia Capital Fund I C.V.	633	1,203
JPEL	10th Lane Finance Co., LLC	6,352	6,304
JPEL	Aksia Capital III	3,630	3,761
JPEL	Apollo Investment Fund V, L.P.	331	504
JPEL	Apollo Real Estate Investment Fund IV, L.P.	731	783
JPEL	Ares European Real Estate Fund I (IF), L.P.	663	720
JPEL	Argan Capital Fund	3,521	5,093
JPEL	Arlington Capital Partners II, L.P.	1,258	1,326
JPEL	Arrow Path Fund II, L.P.	1,885	1,718
JPEL	Bain Capital Fund VI, L.P.	-	9
JPEL	BCP V Co-Investors	1,191	1,431
JPEL	Beacon India Private Equity Fund	7,292	6,961
JPEL	Bear Stearns Global Turnaround Fund LP	14,099	16,332
JPEL	Bear Stearns Private Opportunity Ventures, L.P.	1,723	1,740
JPEL	Black Diamond Capital Management	6,417	7,490
JPEL	Blackstone Real Estate Partners IV, L.P.	1,358	1,569
JPEL	Blue River Capital I, LLC	3,947	4,648
JPEL	Candover 2001 Fund	-	20
JPEL	Candover 2005 Fund	2,024	2,283
JPEL	Clearwater Capital Partners Fund I, L.P.	1,509	1,840
JPEL	Clearwater Capital Partners Opportunities Fund (Cayman) Ltd.	152	228
JPEL	Colony Investors VI, L.P.	149	132
JPEL	CPC RD Investment LLC	415	415
JPEL	Deutsche Annington Immobilien Group	44,747	53,445
JPEL	DFJ Esprit Capital III L.P.	3,874	3,666
JPEL	Esprit Capital I Fund	3,784	4,396
JPEL	Gemini Israel III, L.P.	3	23
JPEL	Global Buyout Fund, L.P.	5,806	5,512
JPEL	Global Opportunistic Fund	4,472	3,952
JPEL	Gridiron Capital Fund, L.P.	4,200	3,779
JPEL	Guggenheim Aviation Offshore Investment Fund II, L.P.	293	5,309
JPEL	Highstar Capital III Prism Fund, L.P.	4,319	3,955
JPEL	Hupomone Capital Fund, L.P.	210	1,598
JPEL	Hutton Collins Capital Partners II LP	965	1,281
JPEL	Industry Ventures Fund IV, L.P	1,688	1,799
JPEL	Industry Ventures Fund V, L.P	4,947	4,333
JPEL	Leeds Equity Partners IV Co-Investment Fund A, L.P.	64	973
JPEL	Leeds Equity Partners IV, L.P.	1,716	5,609
JPEL	Leeds Equity Partners V, L.P.	16,934	12,838
JPEL	Liberty Partners II, L.P.	8,599	11,522
JPEL	Life Sciences Holdings SPV I Fund, L.P.	35,682	19,380
JPEL	Luxury Optical Holding Co.	5,242	4,958
JPEL	Main Street Resources I, L.P.	429	243
JPEL	Main Street Resources II, L.P.	1,417	1,653
JPEL	Markstone Capital Partners, L.P.	1,472	2,649
JPEL	Milestone 2010, L.P	10,816	10,109
JPEL	Milestone Link Fund, L.P.	2,664	2,638
JPEL	Montagu III L.P.	4	346
JPEL	Morning Street Partners, L.P.	775	775

8. SCHEDULE OF INVESTMENTS continued

Vehicle	Investment	31-Dec-14 $000's	30-Jun-14 $000's
JPEL	Omega Fund III, L.P.	6,734	7,041
JPEL	Oxford Bioscience Partners IV, L.P.	162	298
JPEL	Primopiso Acquisition S.a.r.l	22,221	25,150
JPEL	Private Equity Access Fund II Ltd	2,550	2,610
JPEL	Quadrangle Capital Partners, L.P.	209	828
JPEL	Strategic Value Global Opportunities Feeder Fund I-A, LP	1,080	1,676
JPEL	Strategic Value Global Opportunities Master Fund, LP	736	2,393
JPEL	SVE Star Ventures	-	148
JPEL	Terra Firma Deutsche Annington L.P.	12	-
JPEL	Thomas H. Lee Equity Fund V, L.P.	80	584
JPEL	Trumpet Feeder Ltd	1,313	1,208
JPEL	Warburg Pincus Private Equity VIII, L.P.	2,348	2,970
JPEL	Wellington Partners Ventures II GMBH & CO.KG (B)	1,063	1,228
JPEL	Wellington Partners Ventures III Life Science Fund L.P.	2,334	2,765
JPEL Holdings	Accurate Result Investments Limited**	8,513	-
JPEL Holdings	Alliant Investor A, LLC	16,087	14,393
JPEL Holdings	Aqua Resources Fund Limited	6,154	7,056
JPEL Holdings	Britania Investments S.a.r.l	5,226	3,276
JPEL Holdings	Cavalier International SA	4,927	-
JPEL Holdings	Fairfield L.P.	11,985	13,896
JPEL Holdings	Gulf Healthcare International LLC	8,598	7,784
JPEL Holdings	Identitag Secondary Opportunities S.A.R.L	16,904	18,949
JPEL Holdings	Industry Ventures Fund VI, L.P.	2,160	2,380
JPEL Holdings	MBI Holding, Inc.	18,392	-
JPEL Holdings	Milestone Investisseurs 2014 SLP	18,885	-
JPEL Holdings	MTS Celerion Holdings, LLC	16,000	-
JPEL Holdings	Omega Fund IV, L.P.	1,445	1,181
JPEL Holdings	Parallel Ventures Limited Partnership and Parallel Private Equity Limited Partnership	-	36,588
JPEL Holdings	Placid Holdings	13,123	13,471
JPEL Holdings	Polo Holdings S.à.r.l.	6,532	-
JPEL Holdings	Yangzhou Ya Tai Property Limited**	13,490	-
JPEL TF	Terra Firma Deutsche Annington L.P. (JPEL TF Limited)	266	-
Total market value of Investments held by the Company		**517,896**	**520,879**

*The value attributed to BoS Mezzanine Partners, LP represents the valuation of JPEL's interest in BMML. This comprises BoS Mezzanine Partners, LP, $40,190,073 and net liabilities of $259,493.

**During the period, the Managers restructured the Company's investment in China Media Enterprises Limited ("CME") to mitigate the Company's exposure to CME's non-Hong Kong operations. As part of this restructuring, the Company now holds an interest in CME's Hong Kong operations ("Accurate Result Investments Limited") as well as a separate investment in a large residential and commercial real estate development project in Yangzhou, China ("Yangzhou").

Investment Vehicle	Abbreviation
JP Morgan Private Equity Limited	JPEL
Back Bay (Guernsey) Limited	Back Bay
BSPEL Australia Limited	BSPEL Aus
BSPEL (Lux) S.á r.l.	BSPEL Lux
BSPEL Mezzanine Funding Limited	BMFL
BSPEL/Migdal Mezzanine Limited	BMML
Iberian Acquisition Holdings LLC	Iberian
JPEL Convey Limited	Convey
JPEL Holdings Limited	JPEL Holdings
JPEL TF Limited	JPEL TF

9. LOAN BALANCES

	31 December 2014 $'000	30 June 2014 $'000
Lloyds Bank	12,123	20,545
Maturity profile		
Due after more than one year	12,123	20,545

The Company has entered into a multi-currency loan facility agreement with Lloyds Bank. The facility is for $150,000,000 and bears interest of US$ LIBOR/EURIBOR + 330 bps on drawn amounts with a leverage of greater than 10% loan to value. At leverage rates of below 10% the loan bears interest of US$ LIBOR/EURIBOR +285 bps. A flat 0.9% rate is paid on undrawn amounts.

The facility has a remaining term of approximately two years and will expire on 31 January 2018. The facility also contains a number of covenants that restrict total leverage and promote asset diversification. Specifically, the Company is limited to a leverage ratio of 40% of Total Assets. Furthermore, the asset base off of which the Company may borrow funds may be reduced if certain diversity criteria are breached; including geography, investment strategy, investment type, and company and manager concentration limitations. As at 31 December 2014, the Company's leverage ratio was 2.5%, and the Company continued to be in compliance with the terms of the credit agreement. The facility is drawn down to €10,000,000 ($12,123,024) at 31 December 2014 (June 2014: €15,000,000 ($20,545,106)). On 2 February 2015, JPEL paid down all remaining outstanding debt drawn under its Lloyds facility.

10. ZERO DIVIDEND PREFERENCE SHARES

The Company started the period with two classes of ZDP shares: 2015 ZDP shares and 2017 ZDP shares.

The holders of the 2015 ZDP shares are entitled to a redemption amount of 48.75 pence per ZDP share as increased daily at such a daily compound rate as would give a final entitlement of 87.30 pence on 31 October 2015. The effective interest rate is 8.45% p.a. based on the placing price of 50 pence per ZDP share. ZDP shares rank prior to the US$ Equity Shares in respect of the repayment of their entitlement of up to 87.3 pence per ZDP share. However, they rank behind any borrowings made by the Company that remain outstanding. They carry no entitlement to income and the whole of their return takes the form of capital.

The holders of the 2017 ZDP shares are entitled to a redemption amount of 65 pence per ZDP share as increased daily at such a daily compound rate as would give a final entitlement of 107.10 pence on 31 October 2017. The effective interest rate is 8.48% p.a. based on the placing price of 65 pence per ZDP share. ZDP shares rank prior to the US$ Equity Shares in respect of the repayment of their entitlement of up to 107.1 pence per ZDP share and pari passu to the 2015 ZDP shares and 2015 ZDP shares. However, they rank behind any borrowings made by the Company that remain outstanding. They carry no entitlement to income and the whole of their return takes the form of capital.

ZDP shareholders will not be entitled to receive any part of the revenue profits, including any accumulated revenue reserves of the Company on a winding-up.

The movement of the ZDP shares in the period was as follows:

	Number of shares	2014 $'000
Balance as at 30 June 2014	97,488,124	131,873
Interest accretion	-	5,367
Unrealised FX movement	-	(11,988)
Balance as at 31 December 2014	97,488,124	125,252

	Number of shares	2013 $'000
Balance as at 30 June 2013	97,488,124	107,859
Interest accretion	-	4,884
Unrealised FX movement	-	9,721
Balance as at 31 December 2013	97,488,124	122,464

10. ZERO DIVIDEND PREFERENCE SHARES continued

ZDP 2015 Shares		Number of shares
Balance as at 30 June 2014	Date	67,077,371
Balance as at 31 December 2014		67,077,371
Issue date	19 December 2008	
Valuation date	31 December 2014	
Days from issue	2,203	
Daily compound rate	0.0232434%	
Initial price	48.75 pence	
Price at valuation	81.34 pence	

ZDP 2017 Shares		Number of shares
Balance as at 30 June 2014	Date	30,410,753
Balance as at 31 December 2014		30,410,753
Issue date	12 September 2011	
Valuation date	31 December 2014	
Days from issue	1,206	
Daily compound rate	0.0222971%	
Initial price	65 pence	
Price at valuation	85.05 pence	

The interest charge accrued for the period on the ZDP shares was $5,367,080 (2013: $4,884,169).

At December 2014 the fair value of the 2015 ZDP shares was $84,972,590 (2013: 82,989,158) and the fair value of the 2017 ZDP shares was $40,279,380 (2013: $39,475,268).

11. ISSUED SHARE CAPITAL

Authorised share capital

The authorised share capital of the Company is £100 divided into 100 founder shares of £1 each, and an unlimited number of redeemable participating preference shares of no par value each, which may be issued and designated as US$ Equity Shares, Sterling Equity Shares, Euro Equity Shares, ZDP shares or any other shares (denominated in any currency) as may be determined by the Board from time to time in accordance with Article 3(4)(d) of the Company's Articles of Association.

Issued share capital

The movement of the US$ Equity Shares in the period was as follows:

	Date	Number of shares	Price
Balance as at 30 June 2014		346,376,158	
Shares issued on warrant conversion	27/08/2014	44,416	$1.47
Share buy back	22/09/2014	(6,000,000)	$0.79
Share buy back	24/10/2014	(1,600,000)	$0.80
Share buy back	18/11/2014	(875,000)	$0.80
Balance as at 31 December 2014		**337,945,574**	

The US$ Equity Shares carry the right to receive all revenue profits of the Company (including accumulated revenue reserves) which are available for distribution and from time to time determined to be distributed by way of interim and/or final dividends and at such times as the directors may determine. On winding-up, US$ Equity shareholders will be entitled to the net assets of the Company after any payables have been paid and the accrued entitlement of the ZDP shares has been met.

12. SUBSIDIARIES

The Company has established a number of investment holding vehicles that are held purely for the purposes of holding the underlying investment in private equity funds. These special purpose entities are presented in detail below:

Name	Country of Incorporation	% Holding	Principal activity
BSPEL Mezzanine Funding Limited ("BMFL")	Guernsey	100.0	Holding company
BSPEL/Migdal Mezzanine Limited ("BMML")	Guernsey	80.0	Holding company
BSPEL Australia Limited ("BSPEL Aus")	Guernsey	100.0	Holding company
BSPEL (Lux) S.á r.l. ("BSPEL Lux")	Luxembourg	100.0	Holding company
JPEL TF Limited ("JPEL TF")	Guernsey	100.0	Holding company
Iberian Acquisition Holdings LLC ("Iberian")	Delaware	100.0	Holding company
JPEL Convey Limited ("Convey")	Guernsey	100.0	Holding company
Back Bay (Guernsey) Limited ("Back Bay")	Guernsey	78.8	Holding company
JPEL Holdings Limited ("JPEL Holdings")	Guernsey	100.0	Holding company

13. RELATED PARTY TRANSACTIONS

JPMorgan Asset Management (UK) Limited, Bear Stearns Asset Management Inc. and JF International Management Inc. (the "Managers") are all related parties of the Company.

Mr. Getschow is a senior executive of Bear Stearns Asset Management Inc., one of the Managers to the Company and a subsidiary of JPMorgan Chase & Co.

Other than Mr. Spencer who owns 30,067 US$ Equity Shares, no other Director holds directly or indirectly shares in the Company.

Mr. Ash is entitled to receive Directors fees of £40,000 per annum, Mr. Loudon and Mr. Spencer are each entitled to receive Directors fees of £30,000 per annum. Mr Getschow has waived his right to Directors Fees.

14. POST BALANCE SHEET EVENTS

The Directors are not aware of any post balance sheet events which require further disclosure in the financial statements.

Information about the Company

DIRECTORS:	Trevor Charles Ash (Chairman) Gregory Getschow John Loudon Christopher Paul Spencer Tony Dalwood (Appointed 19 February 2015)
MANAGERS (as to the Private Equity Portfolio):	BEAR STEARNS ASSET MANAGEMENT INC. c/o J.P. Morgan Asset Management 320 Park Avenue, 15th Floor New York, NY 10022 - 6815 United States of America
	JPMORGAN ASSET MANAGEMENT (UK) LIMITED 125 London Wall London EC2Y 5AJ
	JF INTERNATIONAL MANAGEMENT INC. Chater House 8 Connaught Road Hong Kong
ADMINISTRATOR AND COMPANY SECRETARY:	AUGENTIUS (GUERNSEY) LIMITED Carinthia House 9-12 The Grange St Peter Port Guernsey GY1 4BF
INDEPENDENT AUDITOR:	PRICEWATERHOUSECOOPERS CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND
SOLICITORS (as to English and US law):	HERBERT SMITH FREEHILLS LLP Exchange House Primrose Street London EC2A 2HS United Kingdom
	AKIN GUMP LLP 41 Lothbury London EC2R 7HF United Kingdom
LEGAL ADVISERS (as to Guernsey Law):	CAREY OLSEN 7 New Street St Peter Port Guernsey GY1 4BZ

Information about the Company continued

REGISTRAR:	CAPITA IRG (CI) LIMITED 2nd Floor 1 Le Truchot St Peter Port Guernsey GY1 4AE
REGISTERED OFFICE:	Carinthia House 9–12 The Grange St Peter Port Guernsey GY1 4BF