

Company Description

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

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

Summary at 31 January 2011

	US\$ Equity Share	Zero Dividend Preference Share 2013	Zero Dividend Preference Share 2015	JPEL Warrants	Balance Sheet Information	\$
Net Asset Value ("NAV") per share	\$1.32	61.59p	58.10p	N/A	Investments at Market Value	\$620.8 mm
No. of shares in issue	367.90 mm	63.37 mm	69.42 mm	58.08 mm	Cash & Equivalents	\$88.7 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$	Total Assets	\$709.4 mm
Ticker	JPEL	JPEZ	JPZZ	JPWW	Net Asset Value	\$611.5 mm
Sedol	B07V0H2	B07V0R2	B00DDT8	B60XDY5	Unfunded Commitments	\$128.9 mm
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B60XDY53	Private Equity + Cash & Equivalents / Unfunded Commitments	5.5x

JPEL Performance

JPEL's NAV per US\$ Equity Share increased 1.5% from \$1.30 to \$1.32 during the month of January due to gains in the Asian portfolio. At the time that the 31 January Month End Report was published, JPEL had yet to receive many fourth quarter 2010 underlying valuation reports, with only approximately 34.8% of private equity sponsor reports dated 31 December 2010 or later. The Managers anticipate that JPEL will receive the majority of fourth quarter 2010 reports in March 2011.

For the 10th consecutive month, JPEL's portfolio produced net positive distributions. The Company received \$3.4 million in distributions versus \$1 million in capital calls during the month of January. The Managers are pleased to witness this trend indicating a return towards more normal distribution activity. JPEL's US\$ Equity Share price increased 3.4% to \$1.05 for the month of January.

NAV per share for the Company's 2013 and 2015 ZDP Shares increased from 61.23p to 61.59p and from 57.69p to 58.10p, respectively, during January, representing gains of 0.6% and 0.7%, respectively, per share. The share price for the 2013 ZDP Shares decreased 0.4% to 65.50p for January, while the 2015 ZDP Shares decreased 1.5% to 66.25p during the month.

It is the Managers' opinion that the current market offers an attractive secondary investment environment in terms of both supply of potential transactions and pricing. JPEL is witnessing strong deal flow stemming from regulatory changes in the US and Europe, as well as growth equity investment opportunities in Asia.

Recent Investments

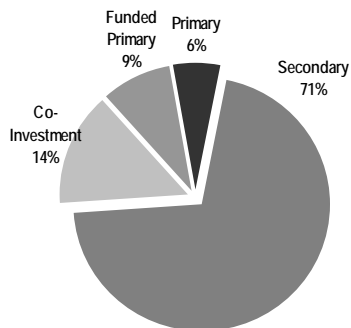
In the month of January 2011, JPEL closed on a secondary direct investment in a leading European industrial flooring company with significant operations in Latin America. JPEL was able to enter this investment at an attractive valuation due to the liquidity needs of three diverse sellers: a hedge fund in liquidation, a proprietary trading desk and a European construction company.

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

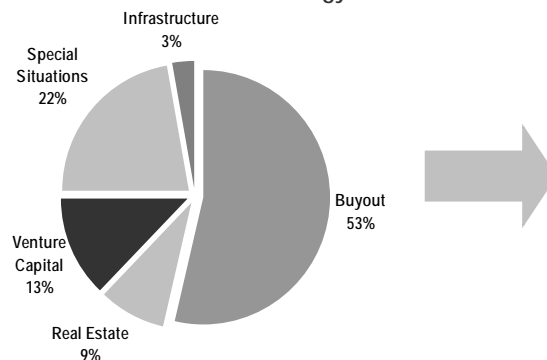
Portfolio Summary at 31 January 2011

JPEL's portfolio is comprised of 167 fund interests that include over 1,500 companies across approximately 28 industries. As a secondary investor, JPEL's portfolio is heavily weighted towards funded investments, which comprise approximately 80%¹ of the portfolio. In addition, the Managers place an emphasis on investing in small to medium sized buyout funds, which tend to utilize lower leverage and purchase multiples; these funds represent approximately 47% of the portfolio.

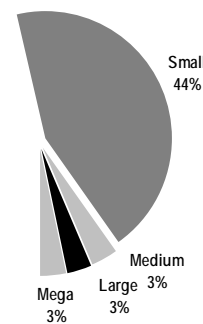
Fund Level – Investment Type²



Fund Level – Investment Strategy^{2,3}



Fund Level – Buyout Type²



- Includes secondary investments and funded primary investments.
- The diversification charts above are based on private equity fair market value as at 31 January 2011 and use underlying fund-level values. Fund classifications for buyout strategy is based on total fund commitments: Small: \$0 - \$500 million; Medium: \$500 - \$2,000 million; Large: \$2,000 million - \$5,000 million; Mega: over \$5,000 million. Co-investments allocated by size of underlying sponsor fund.
- Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

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Key considerations, risks and investment information for Private Equity Investors

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

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

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