

JPEL Company Summary

Objective

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

Launched

30 June 2005

	US\$ Equity Share	Zero Dividend Preference Share 2015	Zero Dividend Preference Share 2017	JPEL Warrants
Net Asset Value ("NAV") per share	US\$ 1.09	71.60p	75.25p	N/A
No. of shares in issue	346.38 mm	67.08 mm	30.41 mm	57.90 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$
Ticker	JPEL	JPZZ	JPSZ	JPWW
Sedol	B07V0H2	B00DDT8	B5N4JV7	B60XDY5
ISIN	GB00B07V0H27	GG00B00DDT81	GG00B5N4JV75	GG00B60XDY53

All figures as at 28 June 2013. NAV Figures are based on unaudited net asset values as at 28 June 2013.

Company Description

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

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

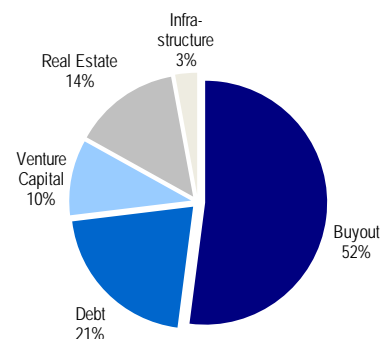
- Acquires secondary portfolios of direct investments and significantly invested partnership investments to accelerate NAV development.
- Opportunistically invests in buyout, venture capital, and other special situations funds and investments throughout the world based on attractive transaction values,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

The Company's capital structure consists of three classes of shares: US\$ Equity Shares ("Equity Shares") and two classes of Zero Dividend Preference Shares* due 2015 and 2017, respectively (together, the "ZDP Shares").

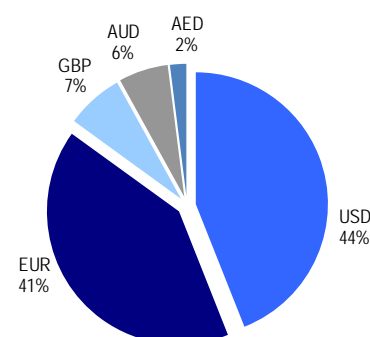
JPEL issued bonus warrants to shareholders on record as of 17 August 2009. The warrants are publicly traded on the London Stock Exchange under the symbol "JPWW."

* JPEL's 2013 ZDP Shares were retired on 29 April 2013.

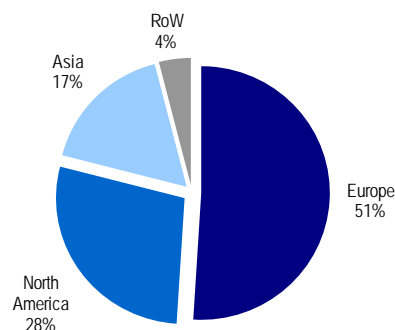
Fund Level - Investment Strategy^{1,2}



Fund Level - Currency Exposure¹



Company Level - Geography³



1. The diversification charts above are based on unaudited Investments at Market Value as at 28 June 2013 and use underlying fund-level values.
2. Special situations includes mezzanine, debt, turnaround and distressed investment strategies.
3. The diversification chart above is based on unaudited Investments at Market Value as at 28 June 2013 and uses underlying company-level values.

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Managers' Comments

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

Performance and Portfolio Update

During the month of June, JPEL received \$21.1 million of net distributions which, together with cash on hand, allowed the Company to pay down approximately \$30.0 million of debt from the Lloyds facility. JPEL's leverage ratio* has decreased to below 30%, down from 38.5% as at 31 December 2012. During the same period, JPEL's US\$ Equity Shares have increased 15.5% from \$0.63 on 31 December 2012 to \$0.73 on 30 June 2013.

JPEL's NAV per US\$ Equity share declined from \$1.11 to \$1.09 in the month of June. The decline in NAV is primarily the result of valuation adjustments in two JPEL investments, China Media Enterprises and Aqua Resources Fund. The majority of reports (approximately 85%) used in calculating JPEL's private equity value for the month of June are reports dated 31 March 2013 or later.

JPEL received \$23.6 million in distributions and funded \$2.5 million of capital calls. The Company received \$16.5 million from its investment in the Parallel co-investment portfolio due primarily to the sales of Oasis and Civica (which together represented approximately 3.1% of JPEL's private equity value at 31 May 2013). In addition, JPEL received \$1.1 million from Aksia Capital III as well as multiple smaller distributions from the portfolio.

Portfolio Activity

In July 2013, JPEL's largest single company holding representing approximately 11.0% of private equity value, Deutsche Annington Immobilien Group ("DAIG"), floated approximately 15.5% of the company on the Frankfurt Stock Exchange. As a result of the IPO, in August, JPEL received a small distribution from the company amounting to \$3.3 million. Subsequent to the offering, DAIG raised €1.3 billion of bonds, which have an average life of 4.7 years at total interest costs of 2.7%, improving the financing costs and maturity profile of the company. This compares favourably with the 4.6% all in rate on their current financing. Based on discussions that JPEL has had with DAIG's sponsor, the Managers anticipate that the valuation of DAIG will remain unchanged and DAIG will continue to be valued in-line with the pre-IPO private company valuation. Since its IPO at €16.50 per share, DAIG shares have traded up 10.6% and closed at €18.25 per share on 8 August 2013.

China Media Enterprises, JPEL's second largest individual company investment, was marked down due to a challenging first quarter 2013, resulting in an approximate \$0.01 reduction in JPEL's overall NAV per US\$ Equity Share. The company's revenue and EBITDA for Q1 2013 were below prior year as a result of management changes which impacted client retention and a slowdown in economic growth in China. Since JPEL's initial investment, China Media has improved revenue and EBITDA by 28% and 14.4%, respectively, from the fiscal year ending 2009 to the fiscal year ending 2012. However, since the second quarter of 2012 and through the first quarter of 2013, the company has experienced a challenging market environment. Growth has declined compared to 2011 due to general slow economic conditions in China and a significant decline in advertising spending in local markets. The guidance for the remainder of the year is for continued difficulty with Hong Kong based luxury advertising spending. That said, the company is still investing for future growth, including spending to upgrade their existing billboards.

Aqua Resources Fund ("Aqua"), 1.3% of JPEL's private equity value at June 2013, is a portfolio of five water related companies that was publicly traded and taken private in November 2012. Aqua's managers took conservative provisions on two of the underlying companies with the intent to revisit the valuations at year end. This change in valuation resulted in an approximate \$0.01 decline in JPEL's NAV per US\$ Equity Share. More positively, the managers have entered into a conditional sale and purchase agreement to sell a company which represents 49% of the portfolio.

Civica, JPEL's 8th largest investment based on 31 May NAV, was sold at a premium to its holding value (that mark up was reflected in JPEL's April NAV).

Oasis, JPEL's 10th largest investment based on 31 May 2013 NAV, was realized near its holding value.

ZDP Performance

During the quarter, NAV per share for the Company's 2015 ZDP Shares increased 2.1% to 71.6p and the 2017 ZDP Shares increased 2.1% to 75.3p. The share price for the 2015 ZDP Shares increased 2.9% to 79.4p for the quarter, while the 2017 ZDP Shares increased 2.8% to 87.5p. JPEL's 2013 ZDP Shares were retired on 29 April 2013 at the final capital entitlement price of 73.0p.

* Total leverage ratio is defined as current value of the outstanding ZDP liabilities, plus leverage drawn under the Company's credit facility, divided by JPEL's Total Assets.

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

Balance Sheet Information as at 28 June 2013 (\$ in mm)*

Investments at Market Value	\$529.6
Cash & Equivalents	\$14.5
Total Assets	\$544.1
Total Liabilities	(\$57.7)
Net Asset Value (NAV)²	\$486.4
2015 ZDP NAV	(\$73.1)
2017 ZDP NAV	(\$34.8)
US\$ Equity NAV	\$378.5
Undrawn Credit Facility	\$94.7
Unfunded Commitments	\$79.0
(Private Equity + Cash & Equivalents) / Unfunded Commitments	6.89x

Summary of Portfolio as at 28 June 2013¹

Buyout Funds	41
Special Situations Funds	27
Venture Capital Funds	22
Real Estate Funds	6
Infrastructure Funds	4
Co-Investments	11
Fund of Funds	5

* Source: Managers. Based on unaudited 28 June 2013 information.

1. Fund of Funds includes the Company's investments in Bear Stearns Private Opportunity Ventures, L.P., Private Equity Access Fund II Ltd, and portfolios held through the Macquarie Private Capital Trust.

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Managers' Comments

Portfolio Highlights

JPEL's portfolio is comprised of interests in 100 separate fund interests, 11 co-investments, and five fund of funds that include over 1,500 companies across approximately 26 industries. The top 20 fund interests account for 39.7% of private equity NAV. The portfolio is weighted towards real estate and healthcare-oriented companies with approximately 13.3% and 13.2% of investment value in these sectors, respectively. In addition, approximately 92% of its buyout portfolio is invested in small to medium sized buyouts, which tend to utilize lower leverage and purchase multiples. JPEL's portfolio is well diversified by vintage year; the average age of the Company's portfolio is 6.6 years. JPEL has continued to emphasize investments in companies with rational debt levels.

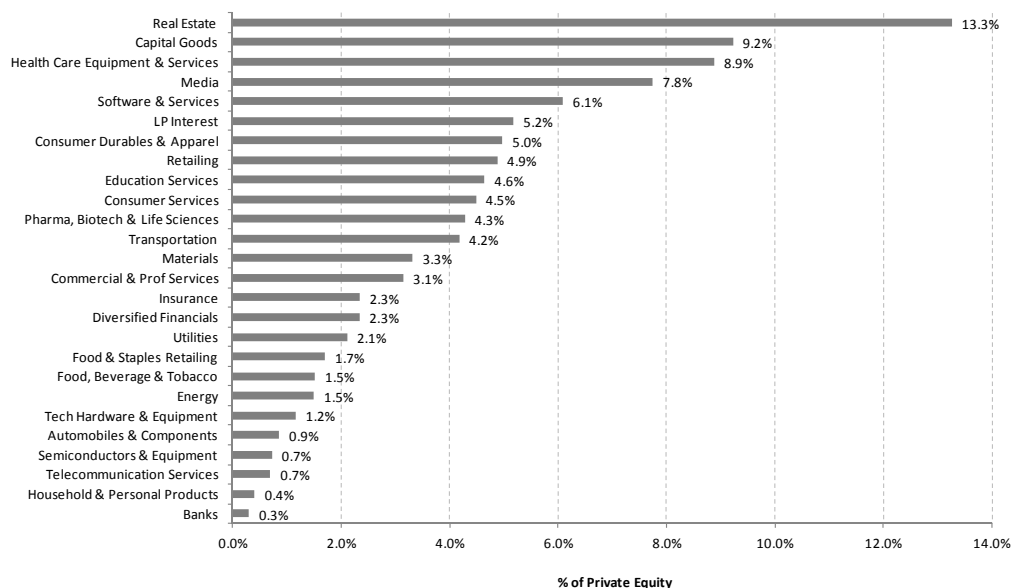
JPEL Only: Average age of Portfolio by Investment Strategy

- **Average age of investments: 6.6 years**
- Buyout investments: 4.9 years
 - Small buyout: 4.6 years
 - Medium buyout: 5.8 years
 - Large buyout: 4.0 years
 - Mega buyouts: 6.8 years
- Venture Capital investments: 7.1 years
- Real Estate investments: 6.8 years
- Special Situations: 6.5 years
- Infrastructure investments: 7.1 years

Source: Manager.

Average age of investments based on the vintage year and specific date in which each individual portfolio company investment was made, subject to availability. Weighting is based on underlying portfolio company level values. Age calculated as at 28 June 2013. Average is weighted based on unaudited Investments at Market Value at 28 June 2013 and uses underlying company-level values.

JPEL Industry Diversification



Note: The diversification chart above is based on unaudited Investments at Market Value as at 28 June 2013 and uses underlying company-level values.

Top 20 Fund Investments at 28 June 2013

1. Liberty Partners II, L.P.	4.0%
2. Alcentra Euro Mezzanine No1 Fund L.P.	3.0%
3. Life Sciences Holdings SPV I Fund, L.P.	2.7%
4. Duke Street (Parallel Private Equity)	2.5%
5. Guggenheim Aviation Offshore Investment Fund II, L.P.	2.5%
6. Almack Mezzanine I Fund L.P.	2.5%
7. Leeds Equity Partners V, L.P.	2.1%
8. Milestone Link Fund, L.P.	2.1%
9. Hutton Collins Capital Partners II LP	2.0%
10. Barclays Private Equity PVLP LP	2.0%
11. Argan Capital Fund	1.7%
12. Macquarie Wholesale Co-investment Fund	1.6%
13. Milestone 2010, L.P.	1.5%
14. GSC European Mezzanine Fund II L.P.	1.5%
15. Catalyst Buyout Fund 1	1.4%
16. Beacon India Private Equity Fund	1.4%
17. Blue River Capital I, LLC	1.4%
18. Black Diamond Capital Management	1.3%
19. Macquarie European Infrastructure Fund	1.3%
20. Aqua Resources Fund Limited	1.3%

Top 20 Company Investments at 28 June 2013

1. Deutsche Annington Immobilien Group	11.5%
2. China Media Enterprises Limited	5.3%
3. RCR Industrial S.a.r.l	3.9%
4. Concorde Career Colleges, Inc.	2.3%
5. FibroGen Europe	1.9%
6. WinnCare	1.9%
7. Compré Group	1.7%
8. Original Factory Shop	1.6%
9. Gulf Healthcare International LLC	1.4%
10. Zena	1.2%
11. LifeLock, Inc.	1.1%
12. Back Bay (Guernsey) Limited	1.1%
13. KMC Constructions Limited	0.9%
14. Everis Spain	0.9%
15. Component Hardware Group, Inc.	0.8%
16. Global TV	0.8%
17. CSC Customer Services Company	0.7%
18. Education Management Corporation	0.7%
19. Agent Provocateur	0.7%
20. Lifehealthcare	0.7%

Note: Based on unaudited Investments at Market Value as at 28 June 2013 and use underlying company-level values. Top 20 Fund Investments exclude limited partnerships set up specifically to for co-investment purposes.

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Company Overview

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Investment Managers

JPEL is a closed-ended investment company that is registered and incorporated under the laws of Guernsey. JPEL is managed by Bear Stearns Asset Management Inc and JPMorgan Asset Management (UK) Limited (collectively, the "Managers"), both wholly-owned subsidiaries of JPMorgan Chase & Co.

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

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