

Company Description

J.P. Morgan Private Equity Limited 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 2010

	US\$ Equity Share	Zero Dividend Preference Share 2013	Zero Dividend Preference Share 2015	JPEL Warrants	Balance Sheet Information	\$
Net Asset Value (“NAV”) per share	US\$ 1.28	57.38p	53.45p	N/A	Investments at Market Value	\$564.4mm
No. of shares in issue	367.74 mm	63.37 mm	69.42 mm	58.08 mm	Cash & Equivalents	\$126.7 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	US\$	Total Assets	\$691.1 mm
Ticker	JPEL	JPEZ	JPZZ	JPWW	Net Asset Value	\$589.9 mm
Sedol	B07V0H2	B07V0R2	B00DDT8	B60XDY5	Unfunded Commitments	\$129.5 mm
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B60XDY53	Private Equity + Cash & Equivalents / Unfunded Commitments	5.34x

JPEL Performance*

As at 31 January 2010, JPEL’s net asset value per US\$ Equity share was \$1.28, an increase of 0.4% from 31 December 2009. While the Company’s underlying private equity portfolio increased by 1.8% for the month of January, foreign exchange movements negatively impacted private equity performance by approximately 1.2%. The main driver of these foreign exchange movements can be attributed largely to a weakening of the Euro which fell over 3% versus the US Dollar during the month of January.

Given the increase in foreign exchange rate volatility beginning in early January 2010, the Company elected to purchase an 18-month EUR/USD put option to hedge approximately 50% of its private equity portfolio exposure to movements in the EUR/USD pairing. In anticipation of future GBP/USD volatility, on 27 January, JPEL elected to convert the majority of its Sterling cash balance to US Dollars.

NAV per share for the Company’s 2013 and 2015 ZDP Shares increased from 57.06p to 57.38p and from 53.1p to 53.45p, respectively, during January, representing gains of 0.6%% and 0.7%, respectively, per share. Although, the global markets fell during January, JPEL’s US\$ Equity Share price traded up 1.6% to \$1.24.

Recent Investments

During January 2010, JPEL completed a secondary investment in Beacon India Private Equity Fund, an India-focused growth capital private equity fund sponsored by Baer Capital Partners. The portfolio is diversified with company holdings in the energy, real estate, and consumer retail industries.

JPEL continues to look for opportunities in the secondary market and will seek additional opportunities to purchase assets in developing economies.

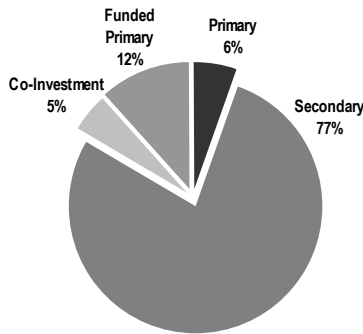
* Past performance is not indicative of future performance. Performance returns shown can increase or decrease due to currency fluctuations.

Portfolio Summary at 31 January 2010

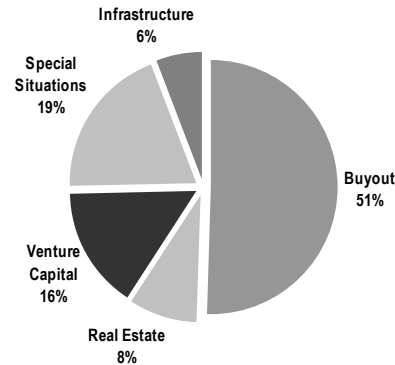
Professional Investors Only – Not For Public Distribution

JPEL’s portfolio is comprised of 165 fund interests that include over 1,500 companies across approximately 35 industries. As a secondary investor, JPEL’s portfolio is heavily weighted towards funded investments, which comprise approximately 89%¹ of the portfolio. In addition, the Manager places an emphasis on investing in small to medium sized buyout funds, which tend to utilize lower leverage and purchase multiples; these funds represent approximately 38% of the portfolio.

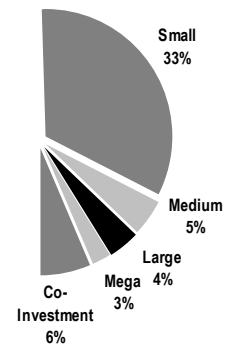
Fund Level – Investment Type²



Fund Level – Investment Strategy^{2,3}



Fund Level – Buyout Type²



1. Includes secondary investments and funded primary investments.
2. The diversification charts above are based on private equity fair market value as at 31 January 2010 and use underlying fund-level values.
3. Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

MANAGER

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

JPEL CONTACTS

Troy Duncan
UK +011 44 207 742 3032
troy.duncan@jpmorgan.com

Gregory Getschow
US +1 212 648 1151
troy.duncan@jpmorgan.com

Rosemary DeRise

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

SECRETARY, ADMINISTRATOR AND REGISTERED OFFICE
HSBC Management (Guernsey) Limited
St Martins House
Le Bordage
St Peter Port
Guernsey GY1 1BP

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

AUDITOR

KPMG Channel Islands Limited
2 Grange Place
PO Box 235
St. Peter Port
Guernsey GY1 4LD

SOLICITOR

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

Key considerations, risks and investment information for Private Equity Investors

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

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

This document may only be issued to or passed on to persons to whom it may be lawfully communicated pursuant to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or otherwise only to professional clients and eligible counterparties and should not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or unauthorised. In addition, this document may not be given to a U.S. citizen or resident who is not a “Qualified Purchaser” or “Accredited Investor” within the meaning of the U.S. securities laws.

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

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

© 2010 Bear Stearns Asset Management Inc. All rights reserved. No information in this document may be reproduced or distributed in whole or in part without the express written prior consent of Bear Stearns Asset Management.

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