

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 2013	Zero Dividend Preference Share 2015
Net Asset Value (“NAV”) per share	US\$ 1.34	55.06p	50.93p
No. of shares in issue	274.26 mm	63.37 mm	16.09 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling
Ticker	JPEL	JPEZ	JPZZ
Sedol	B07V0H2	B07V0R2	B00DDT8
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81
Market Makers	ABN Amro Cazenove HSBC Bank	Cazenove Collins Stewart HSBC Bank Winterflood	Cazenove Collins Stewart HSBC Bank Winterflood

All figures as at 30 June 2009. Does not include additional US\$ Equity Shares raised in July and August 2009.

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.

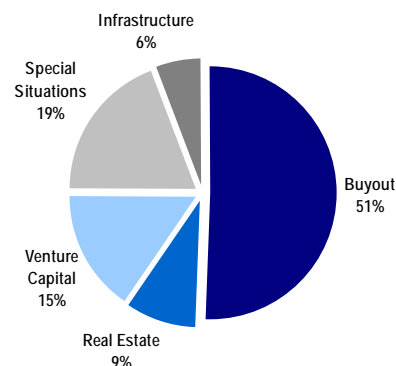
JPEL pursues the following strategies to seek to meet its investment objectives

- 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.

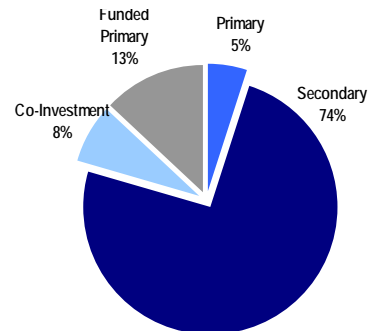
The Company's capital structure consists of three classes of shares: Equity Shares and two classes of Zero Dividend Preference Shares due 2013 and 2015, respectively (together, the “ZDP Shares”).

The Company has also announced that it will issue warrants free of subscription cost to shareholders on record as at 17 August 2009. One warrant will be issued for every six US\$ Equity Shares owned. The warrants will be publicly traded on the London Stock Exchange under the symbol “JPWW”.

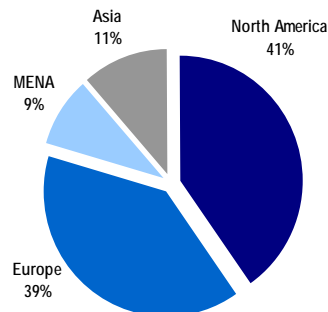
Fund Level – Investment Strategy^{1,2}



Fund Level – Investment Type¹



Company Level - Geography¹



1. The diversification charts above are based on Net Asset Value as at 30 June 2009 and use underlying company-level and fund-level values.
2. Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

JPEL

Manager's Comments

JPEL's NAV per equity share has grown 31.4% since inception (June 2005) versus declines of 22.8% and 16.1% in the S&P 500 and MSCI World (USD) indices, respectively. *

* Source: Manager. Bloomberg. As at 30 June 2009.
Past performance is not indicative of future performance.
Performance returns shown can increase or decrease due to currency fluctuations.

JPEL Performance

The quarter ending 30 June 2009 marked the Company's fourth anniversary and was one of the most eventful quarters in the Company's history as JPEL sought to raise fresh capital and reduce unfunded obligations. On 15 June 2009, JPEL announced plans to raise \$50 million through an offering of US\$ Equity Shares. Through a series of closings, the Company exceeded its fundraising target by 50% and also reduced its unfunded obligations by approximately \$30 million. These events have transformed the Company's balance sheet to take advantage of attractive investment opportunities. Also during the second quarter of 2009, the global markets rebounded and JPEL's stock price enjoyed a 30.6% increase from 31 March 2009. The Manager is hopeful that the increases seen in the public markets will be reflected in private equity valuations in the coming quarters.

As at 30 June 2009, the Company's net asset value per US\$ Equity Share was \$1.34. This NAV is based primarily on financial statements received from underlying fund managers as at 31 March 2009, which reflected the continued degradation in major market benchmarks as well as worsening economic conditions witnessed earlier in 2009. The decline in JPEL's NAV per US\$ Equity Share during the second quarter compares favourably with the MSCI World Index (USD), which declined by 12.5% during the first quarter of 2009. The Dow Jones Industrial Average and the S&P 500 declined by 13.3% and 11.7%, respectively, during the same period.

NAV per share for the Company's 2013 and 2015 ZDP Shares increased from 54.10p to 55.06p and from 49.89p to 50.93p, respectively, during the second quarter, representing gains of 1.78% and 2.09%, respectively, per share. JPEL's 2013 ZDP share price and 2015 ZDP share price increased by 6.8% and 10.4%, respectively, for the same period.

The Company had approximately \$95 million of cash as at 18 August 2009. As such, JPEL expects to be in a strong position to take advantage of investment opportunities in the private equity secondary market and meet its outstanding commitment obligations. At this time, unfunded commitments represent approximately 29.7% of JPEL's private equity net asset value.

Distribution activity represented approximately 0.5% of private equity NAV during the second quarter and was consistent with levels seen during the first quarter of 2009. Capital calls totaled \$13.6 mm and were partially offset by \$2.7 mm of distributions.

Investment Activity

Given the continued volatility in the global marketplace, the Company remains extremely selective in deploying capital. During the second quarter, JPEL completed its first secondary purchase of private equity assets in 2009, acquiring commitments of \$4.5 million in a secondary portfolio of European life sciences companies.

Balance Sheet Information as at 30 June 2009*

Investments at Market Value	\$519.2 mm
Net Asset Value	\$437.2 mm

Summary of Portfolio as at 30 June 2009¹

Buyout Funds	86	U.S. Funds	83
Infrastructure	4	Non-U.S. Funds	80
Special Situations	33	Total Funds	163
Venture Capital	39		
Real Estate	7	Co-Investments	6

* Source: Manager. Does not include approximately \$75 million of fresh capital raised in July and August 2009.
1. Fund total includes private equity fund interests indirectly owned through the purchase of secondary interests.

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

JPEL

Manager's Comments

JPEL's Equity Share price has rebounded approximately 43.7% from its 52 week-low on 3 April 2009.*

* Source: Bloomberg. As at 18 August 2009.
Past performance is not indicative of future performance. Performance returns shown can increase or decrease due to currency fluctuations.

Portfolio Diversification

JPEL's portfolio is comprised of exposures to 163 fund interests and over 1,500 companies. The portfolio is well diversified by investment strategy, geography, industry and maturity. Within the buyout category, JPEL is further diversified, with over 85% of its buyout portfolio invested in small to medium-sized buyouts, which tend to utilize lower leverage and purchase multiples. Approximately 19% of JPEL's private equity portfolio is invested in mezzanine, distressed debt, and restructuring funds. Publicly traded companies account for less than 6% of private equity NAV at 30 June 2009.

JPEL's portfolio is well diversified by vintage year; the average age of the Company's portfolio is 3.9 years with exposures to over 25 industries.

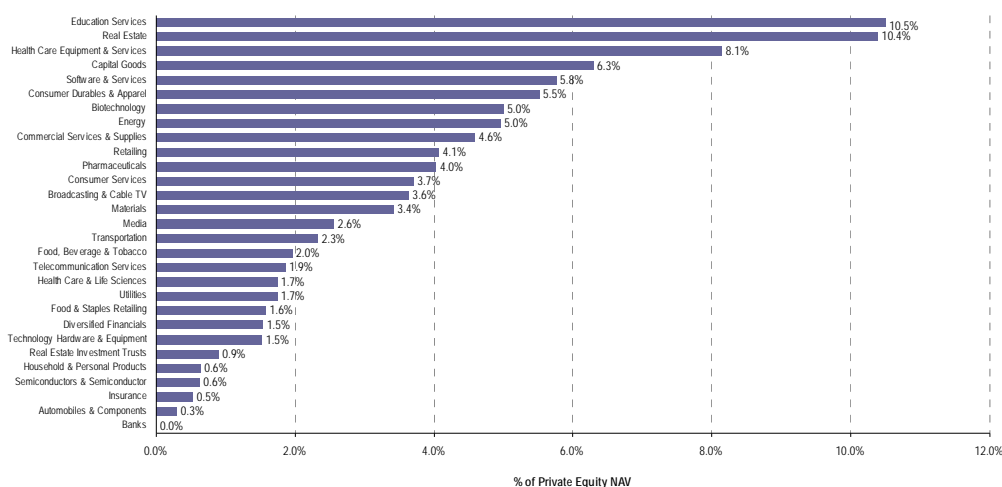
Average age of Portfolio by Investment Strategy

- Average age of investments: **3.9 years**
- Buyout investments: **3.5 years**
 - Small buyout: **3.2 years**
 - Medium buyout: **3.2 years**
 - Large buyout: **4.3 years**
 - Mega buyouts: **4.1 years**
- Venture Capital investments: **6.4 years**
- Real Estate investments: **4.0 years**
- Special Situations: **3.1 years**
- Infrastructure investments: **3.0 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 at 1 September 2009. Average is weighted based on Net Asset Value at 30 June 2009 and uses underlying company-level values.

JPEL has emphasized investments in industries that have counter-cyclical or defensive characteristics



Note: The diversification chart above is based on Net Asset Value as at 30 June 2009 and uses underlying company-level values.

Top 20 Fund Investments at 30 June 2009

1. Terra Firma Deutsche Annington	7.97%
2. Global Opportunistic Fund	5.98%
3. Avista Capital Partners (Offshore)	4.68%
4. Liberty Partners II	4.50%
5. Highstar Capital III Prism Fund	3.53%
6. Omega Fund III	3.45%
7. Esprit Capital I	3.27%
8. Lifescience Holding Vehicle	3.26%
9. Almack Mezzanine I	2.52%
10. Hutton Collins Capital Partners II	2.35%
11. Alcentra Euro Mezzanine No1	2.23%
12. Global Buyout Fund	2.21%
13. Leeds Equity Partners IV	1.99%
14. Olympus Capital Asia III (Offshore)	1.84%
15. Strategic Value Global Opportunities Master Fund	1.77%
16. Macquarie Wholesale Co-investment Fund	1.66%
17. Strategic Value Global Opportunities Feeder	1.48%
18. AIG-MezzVest II	1.34%
19. Argan Capital Fund	1.23%
20. Industry Ventures Fund IV, L.P.	1.14%

Top 20 Company Investments at 30 June 2009

1. Deutsche Annington Immobilien Group	7.46%
2. Education Management Corporation	5.30%
3. Concorde Career Colleges	2.74%
4. Hunter Acquisition Limited	2.29%
5. Knight Holdco	1.94%
6. Paratek Pharmaceuticals Inc.	1.93%
7. Gulf Healthcare International	1.85%
8. Step 2 Holdings	1.13%
9. Olympus Alloy Holdings	1.05%
10. Nycomed	1.02%
11. Ajan & Brothers Company 1	0.99%
12. Lantheus	0.91%
13. Santaris Pharma	0.81%
14. Zena	0.75%
15. Everis Spain	0.71%
16. FibroGen Inc.	0.70%
17. Planet Pharmacies	0.62%
18. HHH Ports America Holdings I	0.62%
19. EduK Group	0.58%
20. Hortex Holding S.A.	0.57%

JPEL's top 20 fund investments and the top 20 company exposures account for 58.4% and 34.0% of the Company's private equity portfolio, respectively.

Note: Based on Net Asset Value as at 30 June 2009 and use underlying company-level values. Top 20 Fund Investments exclude limited partnerships set up specifically to for co-investment purposes.

JPEL

Company Overview

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* On 16 June 2009, the Company announced that Gregory Getschow was formally appointed as a director of the Company effective as at 11 June 2009.

Investment Manager

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. (“BSAM Inc.”), a wholly-owned subsidiary of JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading financial services firm with assets under management of \$2.2 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.

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

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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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