

FOR INSTITUTIONAL/WHOLESALE/PROFESSIONAL CLIENTS AND QUALIFIED INVESTORS ONLY – NOT FOR RETAIL USE OR DISTRIBUTION

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 and JPSZ). 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 two classes of shares: Equity Shares and Zero Dividend Preference Shares due 2017.

Summary at 31 January 2016

	USD Equity Share	Zero Dividend Preference Share 2017
Net Asset Value ("NAV") per share	\$1.23	92.90p
No. of shares in issue	337.95 mm	30.41 mm
Currency of Quotation	USD	GBP
Ticker	JPEL	JPSZ
Sedol	B07V0H2	B5N4JV7
ISIN	GB00B07V0H27	GG00B5N4JV75

Balance Sheet Information	(USD in mm)
Investments at Market Value	\$475.8
Cash & Equivalents	26.6
Total Assets	\$502.4
Total Liabilities and Payables	(\$45.5)
Total Net Asset Value (NAV)	\$456.9
<u>2017 ZDP NAV</u>	<u>(40.3)</u>
US\$ Equity NAV	\$416.6
Undrawn Credit Facility	106.6
Unfunded Commitments	41.5
Private Equity + Cash / Unfunded	12.1x

January Report Highlights:

- NAV declined \$0.03 to \$1.23 due to sell-off in publicly traded biotechnology investments
- Net distributions of \$3.0 million received

January NAV Performance

The NAV per share of JPEL's US\$ Equity shares decreased \$0.03 from \$1.26 to \$1.23 in the month of January 2016. The primary driver during the month was an unrealized decrease in the share price of three of JPEL's publicly traded biotechnology companies, Paratek Pharmaceuticals, Egalet Corporation and FibroGen, Inc., which declined 22.9%, 23.6% and 33.4%, respectively. While the underlying business of each of these three companies remained positive the share price declines suffered in line with the overall sell-off in the S&P Biotechnology Select Industry Index which declined 28.1% in January.¹ The S&P Biotechnology Select Industry Index measures the performance of stocks in the S&P Total Market Index that are classified in the GICS biotechnology sub-industry.

JPEL's January 2016 NAV is based on underlying sponsor reports dated 31 December 2015 or later for approximately 28% of the portfolio. Aside from the public companies, which JPEL marks on a monthly basis, few year-end 2015 reports have been received. Based on past precedent, JPEL anticipates that it will receive the vast majority of December 2015 sponsor reports in late March and early April 2016.

The NAV of JPEL's 2017 ZDP Shares increased 0.7% to 92.90p in January.

January Share Price Performance

JPEL's USD Equity Share price remained unchanged at \$0.9425 for the month of January.

During the month of January, the price of JPEL's 2017 ZDP Shares increased by 0.4% to 100.5p.

Distribution Activity

JPEL received distributions of \$3.1 million and capital calls of \$0.07 million in January 2016. The Company received \$1.6 million from Gridiron Capital Fund, L.P., primarily from the sale of ESP Holdco, Inc., a leading innovator and manufacturer of professional-grade energy intelligence and power protection solutions for service based business. JPEL also received \$0.9 million from Industry Ventures V, L.P. from the sale of its remaining interest in Lowercase Ventures Fund QP I, L.P. Gridiron Capital and Industry Ventures V, with vintage years of 2006 and 2008, respectively, are examples of JPEL's diminishing pre-financial crisis investments which are expected to fully run-off over the next three years.

Source: J.P. Morgan Asset Management. Net Asset Value (NAV) performance is shown net of fees. Past performance is not indicative of future performance. Performance returns shown can increase or decrease due to currency fluctuations.

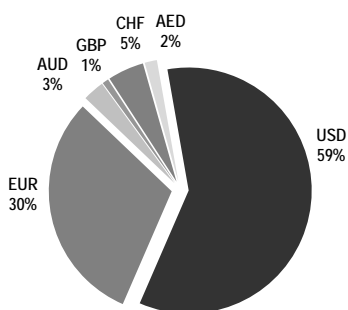
1. Source: S&P Dow Jones Indices McGraw Hill Financial at 29 January 2016.

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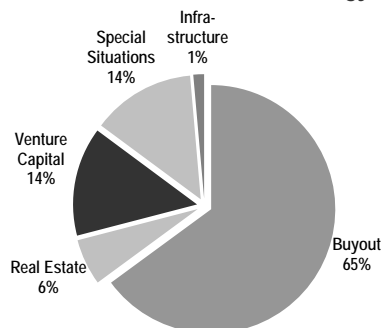
Portfolio Summary at 31 January 2016

JPEL's portfolio is comprised of 87 fund interests, 21 co-investments and five fund of funds that include over 600 companies. As a secondary investor, JPEL's portfolio is heavily weighted towards funded investments, which comprise approximately 91%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 62% of the portfolio.

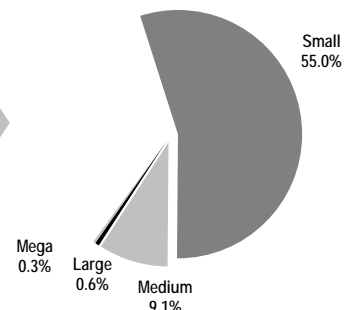
Portfolio Level – Currency²



Portfolio Level – Investment Strategy^{2,3}



Portfolio Level – Buyout Type²



Source: J.P. Morgan Asset Management

- Includes secondary investments, co-investments and funded primary investments.
- The diversification charts above are based on private equity fair market value as at 31 January 2016 and use underlying fund-level values. Fund classifications for buyout strategy is based on total fund commitments in USD: 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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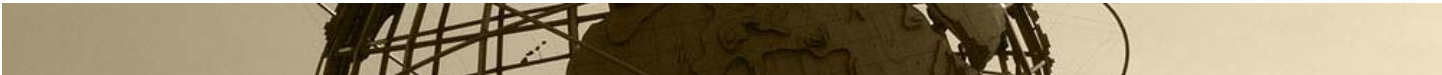
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Having taken legal advice, the Board confirms that the shares of JPMorgan Private Equity Limited ("the Company") qualify as "excluded securities" under these new rules. Therefore shares issued by the Company can be recommended by IFAs and other authorised firms as an investment for retail investors in accordance with the NMPI rules.

Investors should note that there is no right to cancel an agreement to purchase shares under the Rules of the Financial Conduct Authority and that the normal protections provided by the UK regulatory system do not apply and compensation under the Financial Services Compensation Scheme is not available.

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