

### Company Description

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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, JPZZ, 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 three classes of shares: Equity Shares and two classes of Zero Dividend Preference Shares due 2015 and 2017, respectively.

### Summary at 28 February 2014

	US\$ Equity Share	Zero Dividend Preference Share 2015	Zero Dividend Preference Share 2017	JPEL Warrants
Net Asset Value ("NAV") per share	\$1.11	75.76p	79.44p	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

### Balance Sheet Information

(\$ in mm)

Investments at Market Value	\$531.7
Cash & Equivalents	\$30.4
<b>Total Assets</b>	<b>\$562.1</b>
<b>Total Liabilities</b>	<b>(\$50.4)</b>
<b>Total Net Asset Value (NAV)</b>	<b>\$511.7</b>
2015 ZDP NAV	(\$85.1)
<u>2017 ZDP NAV</u>	<u>(\$40.4)</u>
<b>US\$ Equity NAV</b>	<b>\$386.2</b>
Undrawn Credit Facility	\$101.7
Unfunded Commitments	\$74.9
Private Equity + Cash / Unfunded	7.5x

### Portfolio Update

JPEL's NAV per USD Equity Share remained flat at \$1.11 in the month of February. Approximately 51% of JPEL's February NAV is based on underlying sponsor reports from December 2013 or later. During the month, currency gains from the Euro and a slight markup of Deutsche Annington Immobilien (JPEL's largest company) based on the December 2013 valuation were offset by the increase in the Sterling versus the US Dollar (which increased JPEL's Sterling denominated ZDP liability) and a slight markdown in JPEL's emerging market portfolio.

In February 2014, JPEL received \$11.9 million in distributions and capital calls of \$0.8 million. Most notably, the Company received \$9.2 million from the Milestone Link Fund due to the sale of WinnCare S.A., a French supplier of bed sore prevention products (mattresses, cushions and comfort accessories) for dependent and elderly people. WinnCare was acquired in 2009 through the secondary purchase of a tail-end fund with two assets remaining. JPEL received 5.8x cost from the sale of WinnCare.

In February, the NAV per share for the Company's 2015 ZDP Shares increased 0.7% to 75.76p and the 2017 ZDP Shares increased 0.6% to 79.44p. The price of JPEL's 2015 ZDP Shares increased 1.4% to 82.75p and the 2017 ZDP Shares increased 1.2% to 91.25p during the month.

### Investment Activity

Since December 2013 JPEL has invested and committed \$49.2 million in new transactions. The Company completed investments in three secondary direct deals and committed to another secondary direct investment that is expected to close in mid April.

JPEL completed a \$14 million investment in a market leading US based tax advisory services firm whose primary business is to provide high-value consulting services relating to government-sponsored tax incentives. The company serves a broad spectrum of clients, from start-ups to the largest Fortune 1000 companies in nearly every industry, and is managed by ABRY Partners.

JPEL recently made a \$14.3 million investment in Datamars SA a pioneer and market leader in animal and industrial textile electronic identification systems. Datamars, which is headquartered in Lugano Switzerland, develops, manufactures and markets identification technology (visual and RFID tags, readers, antennas, software and services).

The investment was made as part of a secondary transaction providing liquidity to certain Datamars shareholders seeking to sell as well as primary capital used to finance the large add-on acquisition of Zee Tags, the global #3 in the livestock identification market by Datamars. The Datamars investment is managed by Columna Capital. A representative of JPEL will hold a board position at Datamars SA.

Source: J.P. Morgan Asset Management. Past performance is not indicative of future performance. Performance returns shown can increase or decrease due to currency fluctuations.

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### Investment Activity Continued

JPEL made a \$6.9 million investment in a leading Indian handset company and smart-phone provider with approximately \$1 billion in annual revenues. The company, which is presently focused on the emerging markets, has differentiated itself from larger multinational competitors by offering feature-rich mobile phones and value often at a fraction of the competitors' price.

JPEL has committed \$14 million to participate in a secondary direct investment in a UK based company with global operations. The Managers will share more information on the company after the transaction is completed.

The four investments share some common attributes that JPEL seeks\*:

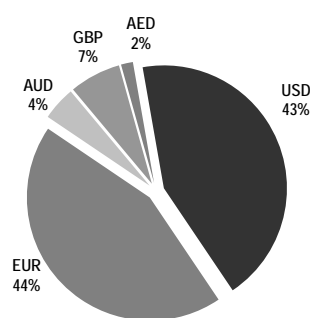
- Favorable entry value: entry value of 6.7x 2013E EBITDA and 5.6x 2014P EBITDA on a weighted average basis
- Limited debt: debt is 1.8x 2013E EBITDA on a weighted average basis and 2 of the 4 companies have net cash on the balance sheet
- High margins: weighted average LTM EBITDA margins of approximately 25%
- Market leadership: each of the four companies are market leaders (top 1-3 player) in their respective business segments
- Potential shorter liquidity: as existing private equity deals, all are seeking liquidity in next 1 to 4 years
- Visible EBITDA growth: each of the four investments projects significant EBITDA growth in near and mid-term

\* Weighted average values are based on the underlying EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) and debt for JPEL's four recent investments.

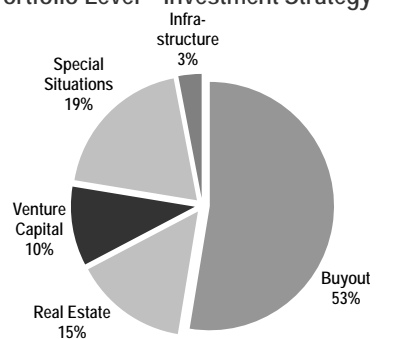
### Portfolio Summary at 28 February 2014

JPEL's portfolio is comprised of 100 fund interests, 11 co-investments and five fund of funds that include over 800 companies. As a secondary investor, JPEL's portfolio is heavily weighted towards funded investments, which comprise approximately 75%<sup>1</sup> 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 48% of the portfolio.

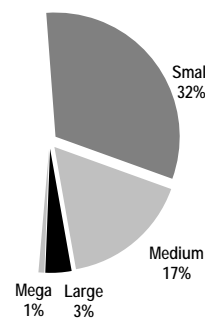
Portfolio Level – Currency<sup>2</sup>



Portfolio Level – Investment Strategy<sup>2,3</sup>



Portfolio Level – Buyout Type<sup>2</sup>



1. Includes secondary investments and funded primary investments.

2. The diversification charts above are based on private equity fair market value as at 28 February 2014 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.

3. Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

### MANAGERS

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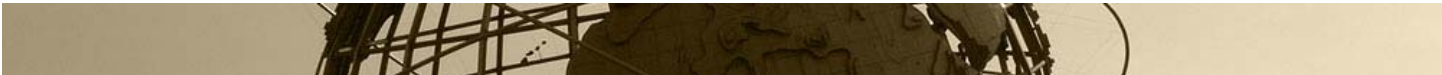
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**Key considerations, risks and investment information for Private Equity Investors**

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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