

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, JPEZ, 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 four classes of shares: Equity Shares and three classes of Zero Dividend Preference Shares due 2013, 2015 and 2017, respectively. JPEL issued warrants free of subscription cost to shareholders on record as of 17 August 2009.

Summary at 31 January 2012

	US\$ Equity Share	Zero Dividend Preference Share 2013	Zero Dividend Preference Share 2015	Zero Dividend Preference Share 2017	JPEL Warrants	Balance Sheet Information	\$
Net Asset Value ("NAV") per share	\$1.24	66.10p	63.11p	67.02p	N/A	Investments at Market Value	\$695.7mm
No. of shares in issue	398.33 mm	63.31 mm	68.59 mm	30.41 mm	57.90 mm	Cash & Equivalents	\$19.3mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	£ Sterling	US\$	Total Assets	\$715.0mm
Ticker	JPEL	JPEZ	JPZZ	JPSZ	JPWW	Net Asset Value	\$661.7mm
Sedol	B07V0H2	B07V0R2	B00DDT8	B5N4JV7	B60XDY5	Unfunded Commitments	\$109.4mm
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B5N4JV75	GG00B60XDY53	Private Equity + Cash & Equivalents / Unfunded Commitments	6.5 x

JPEL Performance

JPEL's NAV per US\$ Equity share decreased 2.4% to \$1.24 per share during the month of January. Eight-four percent of JPEL's January NAV is based on private equity valuations as of 30 September 2011. JPEL will be receiving updated valuations as of 31 December 2011 over the next two months.

The decrease in NAV was due primarily to a decline in the trading price of EDMC and the write down of Radius Systems, a company within the recently acquired Parallel Portfolio¹. The total holding value of the Parallel Portfolio, however, continues to be in excess of JPEL's cost basis.

Within JPEL's top 20 investments, which represent 54% of the private equity investment value, on a consistent currency basis, 4 funds increased in value, 11 funds remained the same and 5 funds decreased in value during the month. In aggregate, the top 20 investments decreased by \$2.6 million.

In January 2012, JPEL received \$4.1 million distributions and \$4.9 million capital calls. JPEL received distributions from Aksia's sale of Robushi, an Italian company that manufactures and distributes blowers, compressors, vacuum and centrifugal pumps, both bareshaft and packaged for industrial applications; DFJ Esprit for the sale of Clearswift a company that provides businesses with IT security technology solutions; and share sales of Warner Music Group by Bain and Triumph Group by Carlyle.

JPEL's US\$ Equity share price increased 1.9% to end the month at \$0.88 per share.

During the month, the NAV per share for the Company's 2013 ZDP Shares increased 0.6% to 66.10, the 2015 ZDP Shares increased 0.7% to 63.11p and the 2017 ZDP Shares increased 0.7% to 67.02. The share price for the 2013 ZDP Shares increased 0.4% to 69.25p for January, while the 2015 ZDP Shares increased 1.9% to 73.13p and the 2017 ZDP Shares gained 4.1% to 79.88p during the month.

1. The Parallel Portfolio refers to the portfolio of 38 co-investments which JPEL acquired on 12 September 2011.

Investment Activity

The Managers added one new investment to the portfolio in January. Since the broader market sell-off in August and September 2011 the listed private equity sector has been trading at a substantial discount to net asset value. JPEL has been closely monitoring the sector, looking for attractive entry price opportunities in the market. In January, JPEL acquired shares in a listed private equity fund at approximately 70% discount to NAV.

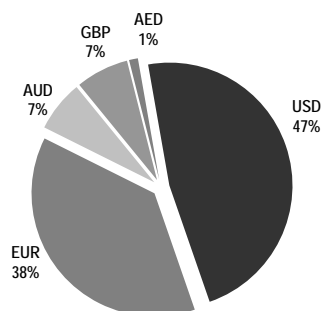
JPEL's Managers also believe that JPEL's current share price presents a deep value opportunity and therefore continues to purchase its shares in the open market.

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

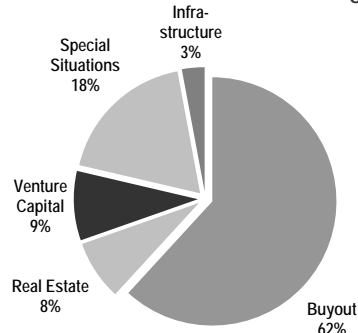
Portfolio Summary at 31 January 2012

JPEL's portfolio is comprised of 108 fund interests, 11 co-investments, 1 listed private equity holding and six fund of funds that include over 1,500 companies. As a secondary investor, JPEL's portfolio is heavily weighted towards funded investments, which comprise approximately 78%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 56% of the portfolio.

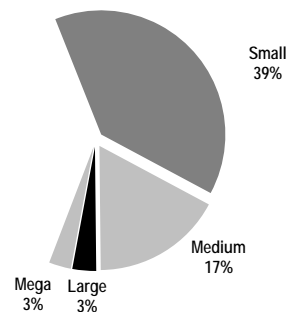
Portfolio Level – Currency²



Portfolio Level – Investment Strategy^{2,3}



Portfolio Level – Buyout Type²



- Includes secondary investments and funded primary investments.
- The diversification charts above are based on private equity fair market value as at 31 January 2012 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.
- Special situations includes mezzanine, debt, turnaround and distressed investment strategies.

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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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