

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	Zero Dividend Preference Share 2017	JPEL Warrants
Net Asset Value ("NAV") per share	US\$ 1.14	68.05p	65.31p	69.25p	N/A
No. of shares in issue	380.35 mm	63.16 mm	67.08 mm	30.41 mm	57.90 mm
Currency of Quotation	US\$	£ Sterling	£ Sterling	£ Sterling	US\$
Ticker	JPEL	JPEZ	JPZZ	JPSZ	JPWW
Sedol	B07V0H2	B07V0R2	B00DDT8	B5N4JV7	B60XDY5
ISIN	GB00B07V0H27	GB00B07V0R25	GG00B00DDT81	GG00B5N4JV75	GG00B60XDY53
Market Makers	ABN Amro Cazenove HSBC Bank	Cazenove Collins Stewart HSBC Bank Winterflood	Cazenove Collins Stewart HSBC Bank Winterflood	Cazenove Collins Stewart HSBC Bank Winterflood	ABN Amro Cazenove HSBC Bank

All figures as at 30 June 2012. NAV Figures are based on unaudited net asset values as at 30 June 2012.

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.

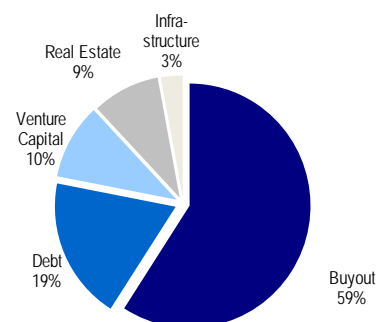
JPEL pursues the following strategies to seek to meet its investment objectives

- 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.
- Actively manages the portfolio by repositioning its investment composition from time to time in order to capitalise on changes in private equity market conditions.

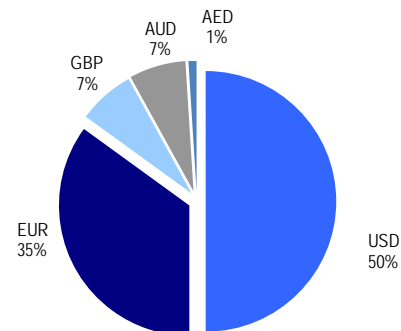
The Company's capital structure consists of three classes of shares: US\$ Equity Shares ("Equity Shares") and three classes of Zero Dividend Preference Shares due 2013, 2015 and 2017, respectively (together, the "ZDP Shares").

JPEL issued bonus warrants to shareholders on record as of 17 August 2009. The warrants are publicly traded on the London Stock Exchange under the symbol "JPWW."

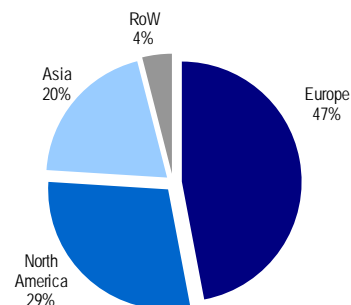
Fund Level - Investment Strategy^{1,2}



Fund Level - Currency Exposure¹



Company Level - Geography³



1. The diversification charts above are based on unaudited Investments at Market Value as at 30 June 2012 and use underlying fund-level values.
2. Special situations includes mezzanine, debt, turnaround and distressed investment strategies.
3. The diversification chart above is based on unaudited Investments at Market Value as at 30 June 2012 and uses underlying company-level values.

JPEL Managers' Comments

JPEL is the only listed private equity fund focused on the secondary private equity market.

Performance and Portfolio Update

JPEL's unaudited NAV per equity share remained flat at \$1.14 for the month of June and finished the quarter down from \$1.18 in March. During the month, JPEL's portfolio increased slightly but gains were offset by the accretion of the ZDP shares.

The investment environment continued to be difficult in Q2 2012 but distribution activity was healthy. JPEL received distributions of \$5.9 million in June versus \$2.3 million of capital calls. In total during the quarter, the Company received distributions of \$34.2 million, offsetting capital calls of \$4.5 million. With the realization of Baby Cadum and increasingly steady exit activity from JPEL's North American assets, Q2 2012 was JPEL's strongest quarter for distributions since inception.

At 30 June, JPEL's equity shares traded at \$0.68 per share. In the last twelve months, JPEL has purchased 11.2 million equity shares. The Managers will continue to purchase the Company's shares.

JPEL's Managers remain focused on improving the Company's liquidity and capital structure. In July, JPEL announced that it will hold the Company's Annual General Meeting on 5 September 2012. All votes are due by 3 September 2012. The following special resolution will be proposed to the Company as a whole at the AGM and to each class of shareholders at the relevant class meeting:

- Amend the limits on borrowing to 30 per. cent of the Total Assets of the Company.
- Amend the final capital entitlement dates of each of the Company's three classes of ZDP Shares. JPEL proposes that each final capital entitlement date be moved forward by two months but that each final capital entitlement will remain the same.
- Increase the minimum cover under the ZDP Test from 1.3 times to 2.0 times, as defined in the Company's Articles.

The implementation of the changes described above is conditional on approval of the relevant resolutions at each of the AGM and each of the class meetings.

JPEL would also like to highlight the following resolution to be proposed at the US\$ Equity Share Class Meeting:

- Approve the refinancing proposal for the Company's 2013 ZDP Shares. JPEL proposes that the Company's 2013 ZDP Shares be refinanced primarily through a combination of available cash and undrawn borrowings under the existing credit facility.

The Managers believe that the combination of all ordinary, special and extraordinary resolutions proposed at the meetings referred to in the circular will provide JPEL with maximum flexibility to efficiently manage its capital structure. A full copy of the circular and annual report and accounts are available on JPEL's website www.jpelonline.com.

ZDP Performance

During the quarter, the NAV per share for the Company's 2013 ZDP Shares increased 1.8% to 68.05, the 2015 ZDP Shares increased 2.1% to 65.31p and the 2017 ZDP Shares increased 2.0% to 69.25. The share price for the 2013 ZDP Shares remained flat at 69.75p for the quarter, while the 2015 ZDP Shares increased 0.3% to 72.38p and the 2017 ZDP Shares decreased 0.8% to 76.50p during the quarter.

Balance Sheet Information as at 30 June 2012*

Investments at Market Value	\$629.7 mm
Cash & Equivalents	\$21.3 mm
Total Assets	\$651.0 mm
Net Asset Value ²	\$603.8 mm
Unfunded Commitments	\$100.5 mm
(Private Equity + Cash & Equivalents) / Unfunded Commitments	6.0x

Summary of Portfolio as at 30 June 2012¹

Buyout Funds	45	Co-Investments	11
Special Situations Funds	27	Fund of Funds	6
Venture Capital Funds	26	Listed Private Equity	1
Real Estate Funds	7		
Infrastructure Funds	4		

* Source: Managers. Based on unaudited 30 June 2012 information.

1. Fund of Funds includes the Company's investments in Bear Stearns Private Opportunity Ventures, L.P., Private Equity Access Fund II Ltd, and portfolios held through the Macquarie Private Capital Trust.

2. Unaudited as at 30 June 2012.

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

JPEL

Managers' Comments

Portfolio Highlights

JPEL's portfolio is comprised of interests in 109 separate fund interests, 11 co-investments, six fund of funds, and one listed private equity fund that include over 1,500 companies across approximately 24 industries. The top 20 fund interests account for 40.6% of private equity NAV. The portfolio continues to be weighted towards healthcare-oriented companies with approximately 15.9% of investment value in this sector. In addition, approximately 89% of its buyout portfolio is invested in small to medium sized buyouts, which tend to utilize lower leverage and purchase multiples. JPEL's portfolio is well diversified by vintage year; the average age of the Company's portfolio is 5.8 years. JPEL has continued to emphasize investments in companies with rational debt levels.

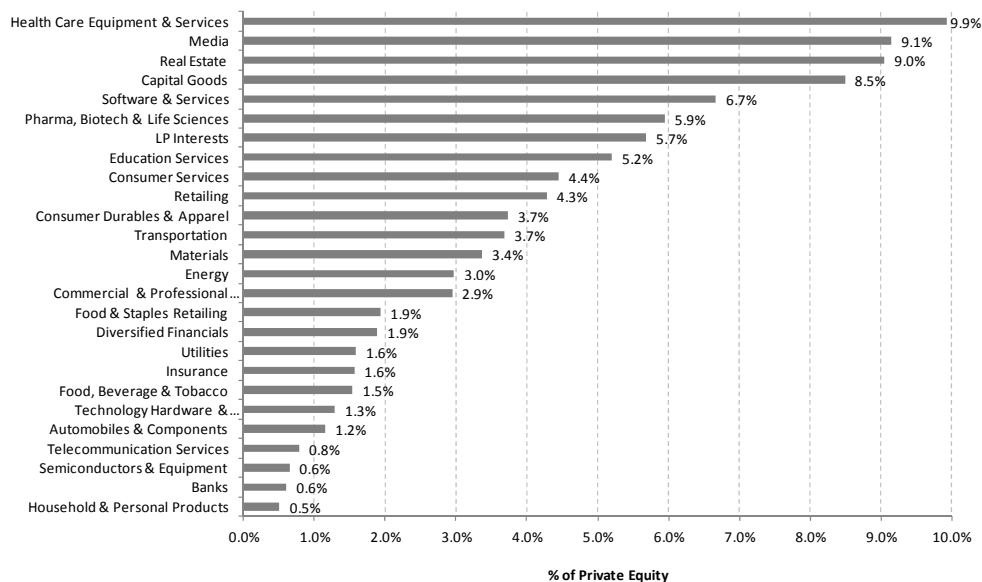
JPEL Only: Average age of Portfolio by Investment Strategy

- **Average age of investments: 5.8 years**
- Buyout investments: **4.3 years**
 - Small buyout: **4.1 years**
 - Medium buyout: **4.7 years**
 - Large buyout: **3.6 years**
 - Mega buyouts: **6.1 years**
- Venture Capital investments: **7.0 years**
- Real Estate investments: **5.8 years**
- Special Situations: **5.6 years**
- Infrastructure investments: **6.0 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 as at 30 June 2012. Average is weighted based on unaudited Investments at Market Value at 30 June 2012 and uses underlying company-level values.

JPEL Industry Diversification



Note: The diversification chart above is based on unaudited Investments at Market Value as at 30 June 2012 and uses underlying company-level values.

Top 20 Fund Investments at 30 June 2012

1. Parallel Private Equity Duke Street LP	4.8%
2. Life Sciences Holdings SPV I Fund, L.P.	3.0%
3. Alcentra Euro Mezzanine No1 Fund L.P.	2.9%
4. Avista Capital Partners (Offshore), L.P.	2.8%
5. Liberty Partners II, L.P.	2.8%
6. Barclays Private Equity PVL P LP	2.7%
7. Almack Mezzanine I Fund L.P.	2.0%
8. Guggenheim Aviation Offshore Investment Fund II, L.P.	1.9%
9. Hutton Collins Capital Partners II LP	1.8%
10. Blue River Capital I, LLC	1.7%
11. Catalyst Buyout Fund 1	1.7%
12. Argan Capital Fund	1.6%
13. 3i Parallel Ventures LP	1.6%
14. Milestone Link Fund, L.P.	1.6%
15. Omega Fund III, L.P.	1.4%
16. Beacon India Private Equity Fund	1.4%
17. GSC European Mezzanine Fund II L.P.	1.4%
18. Leeds Equity Partners IV, L.P.	1.3%
19. Macquarie Wholesale Co-investment Fund	1.2%
20. AIG MezzVest II L.P.	1.2%

Top 20 Company Investments at 30 June 2012

1. China Media Enterprises Limited	7.1%
2. Deutsche Annington Immobilien Group	6.9%
3. RCR Industrial S.a.r.l	2.8%
4. Concorde Career Colleges, Inc.	1.9%
5. FibroGen	1.7%
6. Gulf Healthcare International LLC	1.6%
7. WinnCare	1.4%
8. 2e2	1.3%
9. Oasis	1.3%
10. Paratek	1.2%
11. Zena	1.0%
12. Original Factory Shop	1.0%
13. Education Management Corporation	1.0%
14. LifeLock, Inc.	1.0%
15. KMC Constructions Limited	1.0%
16. Compre Group	0.9%
17. Back Bay (Guernsey) Limited	0.9%
18. Civica	0.9%
19. Bionmis	0.8%
20. Ex Libris Group	0.8%

Note: Based on unaudited Investments at Market Value as at 30 June 2012 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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Members

Gregory Getschow (*US Resident*)

John Loudon (*UK Resident*)

Christopher Paul Spencer (*Guernsey Resident*)

All of whom may be contacted through

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Investment Managers

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 and JPMorgan Asset Management (UK) Limited (collectively, the "Managers"), both wholly-owned subsidiaries of JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading financial services firm with assets under management of \$2.1 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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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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