

**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, 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 31 August 2015

	USD Equity Share	Zero Dividend Preference Share 2015	Zero Dividend Preference Share 2017	Balance Sheet Information	(USD in mm)
Net Asset Value ("NAV") per share	\$1.26	86.07p	89.79p	Investments at Market Value	\$510.6
No. of shares in issue	337.95 mm	67.08 mm	30.41 mm	Cash & Equivalents	47.3
Currency of Quotation	USD	GBP	GBP	<b>Total Assets</b>	<b>\$557.9</b>
Ticker	JPEL	JPZZ	JPSZ	<b>Total Liabilities and Payables</b>	<b>(\$2.0)</b>
Sedol	B07V0H2	B00DDT8	B5N4JV7	<b>Total Net Asset Value (NAV)</b>	<b>\$555.9</b>
ISIN	GB00B07V0H27	GG00B00DDT81	GG00B5N4JV75	2015 ZDP NAV	(88.6)
				<u>2017 ZDP NAV</u>	<u>(41.9)</u>
				<b>US\$ Equity NAV</b>	<b>\$425.4</b>
				Undrawn Credit Facility	150.0
				Unfunded Commitments	51.1
				Private Equity + Cash / Unfunded	10.9x

### Report Highlights

- 2015 Zero Dividend Preference Shares to be redeemed in full on 30 October\*
- Sale of JPEL Portfolio company Compre in October

### August NAV Performance

The NAV per share of JPEL's equity shares declined \$0.01 in August 2015 from \$1.27 to \$1.26. Gains in JPEL's investments in Alliant and Leeds V were offset by unrealized write-downs in Celerion and Yangzhou which resulted in the decrease in NAV for the month.

The August NAV is based on underlying sponsor valuations from June 30, 2015 or later for approximately 92% of the portfolio.

In August, the NAV per share for the Company's 2015 ZPD shares increased 0.7% to 86.07p and the 2017 ZDP Shares increased 0.7% to 89.79p.

### ZDP Update

On 30 October 2015, JPEL will retire the 2015 Zero Dividend Preference Shares ("2015 ZDP Shares") which are set to reach their Final Capital Entitlement Date on 31 October 2015\*. The Final Capital Entitlement of the 2015 ZDP Shares was paid using a combination of cash on hand and utilisation under the Company's substantially lower-cost credit facility. Over the past few years, JPEL's capital position has improved as a result of the Board's actions to fortify the Company's balance sheet. The retirement of the 2015 ZDP Shares is the most recent example of the Company's ability to reposition and strengthen its balance sheet.


### August Share Price Performance

JPEL's USD Equity Share price declined 3.7% during the month of August, from \$1.03875 to \$1.00.

During the month, the price of JPEL's 2015 ZDP Shares increased 0.1% to 86.25p and the price of JPEL's 2017 ZDP Shares remained unchanged at 99.125p.

\* The 2015 ZDP Final Capital Entitlement Date is defined as 31 October 2015 however, this is not a business day. The Final Capital Entitlement Date is the immediately preceding business day, 30 October 2015, but this will not affect the Final Capital Entitlement amount, being 87.30 pence per 2015 ZDP Share.

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.



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### Portfolio Drivers

*Alliant.* JPEL's investment in the US based tax advisory company was marked up in August. Alliant is off to a solid start through the first six months of 2015, growing revenue and EBITDA by 11.5% and 2.6%, respectively, compared with the first half of 2014, marking the highest half year revenue and EBITDA in the Company's history. In addition, JPEL received a \$700k distribution from Alliant in September 2015. Including the September distribution, JPEL has received \$1.6 million from Alliant since inception or 11.7% of the investment cost.

*Leeds Equity Partners V.* JPEL's investment in Leeds Equity Partners V was marked up during the period primarily due to the strong performance of Evanta Ventures, Inc. Evanta is a producer of peer-to-peer leadership forums for C-suite executives and leading sports franchises.

*Yangzhou Yai Tai Property Limited.* The Hong Kong based residential real estate development was marked down during the month due to a decline in the public comparables.

*Celerion.* The US based clinical research company was down for Q2 2015 based on moderate EBITDA results in H1 2015. The sponsor indicated that the performance is a result of a revenue timing problem, as the company's backlog is the highest in its history. More positively, Celerion was recently able to reduce debt and fund a pending small acquisition by completing a sale leaseback that unlocked substantial value.

### Realization Activity

During the month, JPEL received distributions of \$8.3 million and capital calls of \$0.2 million. JPEL received \$6.5 million from BoS Mezzanine Partners, L.P. a portfolio of special situations funds which JPEL acquired in 2007.

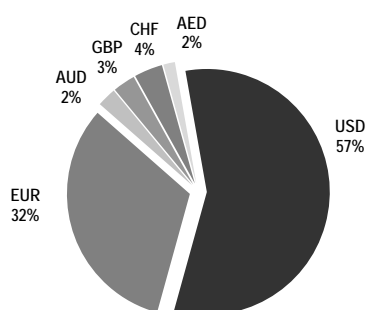
In October, JPEL received notice from Milestone that they completed the sale of the Compre Group, a leading provider of consulting and managed services to the international insurance industry. JPEL received net proceeds of \$11.6 million in late October. In total, the investment generated returns of 2.7x JPEL's cost and a 28% IRR. At August 2015, Compre was JPEL's 13th largest company investment representing approximately 2.1% of the investment portfolio.

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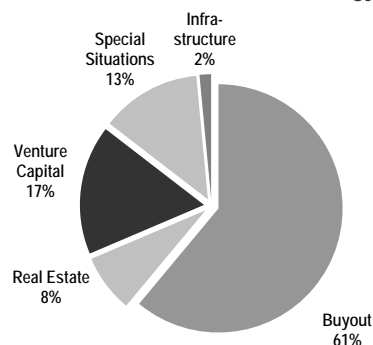
### Portfolio Summary at 31 August 2015

JPEL's portfolio is comprised of 87 fund interests, 22 co-investments and five fund of funds that include over 700 companies. As a secondary investor, JPEL's portfolio is heavily weighted towards funded investments, which comprise approximately 91%<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 59% of the portfolio.

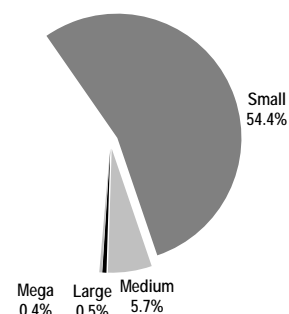
Portfolio Level – Currency<sup>2</sup>



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



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



Source: J.P. Morgan Asset Management

1. Includes secondary investments, co-investments and funded primary investments.

2. The diversification charts above are based on private equity fair market value as at 31 August 2015 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.

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

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