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J.P.Morgan Private Equity Limited

Unaudited Interim Report and Condensed Consolidated Financial Statements

for the period ended 31 December 2012

Table of Contents

Financial Summary (Company Information)

	31 December 2012
US$ Equity Shares	
NAV per Share	$1.12
Share Price	$0.63
Shares in Issuance (excluding shares held in treasury)	346.4m
2013 ZDP Shares	
NAV per Share[1]	71.32p
Share Price	72.00p
Shares in Issuance (excluding shares held in treasury)	62.7m
2015 ZDP Shares	
NAV per Share[1]	68.65p
Share Price	76.25p
Shares in Issuance (excluding shares held in treasury)	67.1m
2017 ZDP Shares	
NAV per Share[1]	72.28p
Share Price	84.75p
Shares in Issuance (excluding shares held in treasury)	30.4m
Statement of Financial Position (extract)	
Investments at Fair Value	$616.2m
Bank Deposits	$15.0m
Other Assets[2]	$1.1m
Credit Facility[3]	($59.4m)
Other Liabilities[4]	($2.4m)
Total Net Asset Value[5]	$570.5m

Performance as at 31 December 2012

JPEL Performance Since Inception at 30 June 2005[6]

Past performance is not an indication of future performance.

1. Throughout the document, the term Net Asset Value per share or "NAV per Share" for each of JPEL's three classes of Zero Dividend Preference Shares (2013 ZDP Shares, 2015 ZDP Shares and 2017 ZDP Shares) refers to the carrying value of the ZDP shares as at 31 December 2012. ZDP shareholders are entitled to a redemption amount that is increased daily at such a daily compound rate as would give a final entitlement as referenced in Note 9 to the Consolidated Financial Statements on pages 25 to 27.
2. Includes accrued interest income.
3. JPEL maintains a multi-currency credit facility in the amount of US$150 million with Lloyds TSB Bank plc.
4. Includes fee accruals, other payables and derivative liabilities.
5. Information presented as non-consolidated. The Net Asset Value represents the capital of the Company which includes the Net Asset Value of the ZDP shares as well as the Net Asset Value of the US$ Equity Shares.
6. Source: Managers, Bloomberg as at 31 December 2012. JPEL NAV data as at 31 December 2012, released via the London Stock Exchange on 8 February 2013. LPX ® Composite performance shown is indexed to JPEL's initial trade price of $1.07 on 30 June 2005. The index is well diversified across regions and LPE investment styles and represents the development of all LPE companies covered by LPX® that fulfill certain liquidity constraints. The LPX® Composite is a global Listed Private Equity ("LPE") index with a broad number of constituents.

Overview & Strategy

OVERVIEW

J.P. Morgan Private Equity Limited ("JPEL" or the "Company") is a Guernsey registered and incorporated closed ended investment company that trades on the London Stock Exchange (LSE: JPEL, JPEZ, JPZZ, JPSZ, JPWW). The Company is designed primarily to invest in the global private equity market. The fair value of the Company's total assets as at 31 December 2012 was $632.3 million.

JPEL held its initial public offering on 30 June 2005 under the name "Bear Stearns Private Equity Limited". The Company currently has four classes of shares: US$ Equity Shares, 2013 Zero Dividend Preference Shares ("2013 ZDP Shares"), 2015 Zero Dividend Preference Shares ("2015 ZDP Shares") and 2017 Zero Dividend Preference Shares ("2017 ZDP Shares"). At 31 December 2012, 2013 ZDP Shares made up 12.7% of total capital, 2015 ZDP Shares made up 13.1% of total capital, 2017 ZDP Shares made up 6.3% of total capital and US$ Equity Shares made up the remaining 67.9%.

JPEL issued warrants free of subscription cost to shareholders on record as at 17 August 2009. One warrant was issued for every six US$ Equity Shares owned. The warrants are publicly traded on the London Stock Exchange under the symbol "JPWW". As at the time of publication of the Semi-Annual Report, there were 57,895,919 warrants in issuance.

JPEL is managed by Bear Stearns Asset Management Inc. ("BSAM Inc."), JPMorgan Asset Management (UK) Limited ("JPMAM UK") and JF International Management Inc. ("JFIMI") (together, the "Managers"), all wholly-owned subsidiaries of JPMorgan Chase & Co. Following the acquisition of The Bear Stearns Companies Inc. by JPMorgan Chase & Co., the investment management team within BSAM Inc. that has managed the Company since its inception joined J.P. Morgan Asset Management. The Company has entered into a management agreement with the Managers to invest the assets of the Company on a discretionary basis, subject to the overall supervision of the Board of Directors (the "Directors"), a majority of whom are independent. The Directors have overall responsibility for the Company's investment policy and the Company's activities.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of $2.3 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.

The key measure of performance used by the Board and shareholders to assess the Company's performance is the NAV which is prepared on a monthly basis by Augentius (Guernsey) Limited (the "Administrator"). The Portfolio Review on pages 9 to 11 is accordingly prepared on the Company basis as this information is considered more relevant to the needs of shareholders for assessment of the Company's performance.

STRATEGY

The Company primarily pursues the following strategies to enhance shareholder value and to meet its investment objective:

- acquires secondary portfolios of direct investments and significantly invested partnership investments to accelerate NAV development;
- opportunistically invests in buyout, venture capital, and 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; and
- actively manages the portfolio by repositioning its investment composition from time to time in order to capitalise on changes in private equity market conditions.

In summary, the investment strategy of the Company is to achieve both short-term and long-term capital appreciation by investing in a well-diversified portfolio of private equity interests and by capitalising on the inefficiencies of the global secondary private equity market.

Chairman's Statement

During the six month period ending 31 December 2012, the Board has focused on a plan of action to optimize the Company's capital structure, lower the cost of capital and provide additional liquidity for shareholders. During this period, JPEL shareholders voted in the affirmative for a special resolution and the Board announced several strategic initiatives that it believes will allow the Company to meet these objectives while maintaining strong cover for its ZDP Shareholders.

In furtherance of this plan, JPEL announced a series of special resolutions that were duly passed at the Company's AGM, which was held on 5 September 2012. Shareholders voted in the affirmative for a special resolution to do the following:

- Amend the limits on borrowing to 30 per. cent of the Total Assets of the Company.
- Amend the final capital entitlement ("FCE") dates of each of the Company's three classes of ZDP Shares.
    - The FCE date for JPEL's 2013 ZDP Shares is now 28 April 2013.
    - The FCE date for JPEL's 2015 ZDP Shares is now 31 October 2015.
    - The FCE date for JPEL's 2017 ZDP Shares is now 31 October 2017.
- Increase the minimum cover under the ZDP Test from 1.3 times to 2.0 times, as defined in the Company's Articles.
- 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 Board believes that the affirmative vote provides an important step in improving the structure of JPEL and increasing its operational efficiency on a going forward basis. The Company has determined to repay the 2013 ZDP Shares at maturity rather than pursuing roll-over options. The Board and the Managers believe that while it is the intent to repay the 2013 ZDPs using cash on hand, proceeds from distributions and selective asset sales, the increased borrowing capacity may provide additional flexibility in enabling the Company to replace existing higher cost ZDP financing.

During this period, JPEL also completed a $20 million share repurchase to provide liquidity to US$ Equity Shareholders in a manner that maximized value to existing shareholders. On 14 November 2012, JPEL purchased into treasury 31,372,548 US$ Equity Shares at a price of $0.6375 per share. Through this transaction, JPEL purchased approximately 9% of US$ Equity Shares outstanding at a substantial discount to the prevailing NAV.

In addition, the Company is currently engaged in discussions to sell several non-core, pre-credit crisis assets in the secondary market. JPEL anticipates making an announcement regarding any potential sales in due course. Subsequent to 31 December 2012, JPEL announced that it had entered in to a binding agreement to sell interests in four US and European based buyout funds with vintages predominantly in the 2005-2006 range. The secondary sale was completed with three third-party buyers at an aggregate discount of 15% to prevailing NAV. The transaction will generate cash proceeds of approximately $27.8 million and will also release JPEL of $2.4 million in unfunded commitments.

Positive distribution activity continued in the six months ending 31 December 2012.

JPEL's portfolio continued to produce positive net distributions in the second half of 2012 due in part to the seasoned nature of the portfolio and an improved exit environment in North America. Exclusive of new investment purchases, JPEL received approximately $39.3 million of gross distributions and funded $21.6 million of capital calls. Please see page 12 in this report for more details on distribution and capital call activity.

JPEL's net distribution activity has led to a return of capital to shareholders. It is JPEL's policy to return 50% of portfolio distributions, net of capital calls, operating expenses and any near term payment obligations, to shareholders.[1] In the six months ending 31 December 2012, JPEL has returned approximately $21.7 million to shareholders through various buyback activities. All shares returned are held in treasury.

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1 Subject to applicable legal, corporate and regulatory restrictions. Shareholders should not expect that they will necessarily be able to realise, within a period which they would otherwise regard as reasonable, their investment in the Company, nor can they be certain that they will be able to realise their investment on a basis that necessarily reflects the value of the underlying investments held by the Company.

Chairman's Statement (continued)

INVESTMENT ACTIVITY

JPEL's investment pace, specifically in terms of deploying cash to new investments, was measured during the last six months of the 2012 calendar year. As discussed in the Company's 2012 Annual Report dated 30 June 2012, through various open market purchases, JPEL, together with another fund managed by the Managers, acquired approximately 26.3% of a listed private equity fund with exposure to five water related assets at a significant discount to prevailing net asset value. The listed private equity fund has significant exposure to Asia. As designed by the Managers, the company was delisted on 12 November 2012 following an EGM whereby shareholders approved the company's intent to go private and cancel its shares on the London Stock Exchange.

In addition, JPEL completed a follow on investment in a European industrial flooring company. Since JPEL's initial investment in January 2011, the company has performed in line with management's expectations. This additional growth capital will be used to facilitate the purchase of minority positions in certain subsidiaries at a substantial discount to market value. During the month of December, JPEL also funded a capital call of approximately $6.5 million in connection to the refinancing of Deutsche Annington Immobilien Group.

NAV AND SHARE PRICE PERFORMANCE

The majority of reports from JPEL's underlying private equity sponsors used in deriving the Company's 31 December 2012 financial statements were dated 30 September 2012 as private equity valuations typically lag the public markets by three to six months. As a result, the performance of JPEL's private equity portfolio during the period reflects the global markets at that time. JPEL reports a 0.9% decline in net asset value per US$ Equity Share for the period.

In the six months ending 31 December 2012, JPEL's NAV per US$ Equity Share decreased from an audited NAV per US$ Equity Share of $1.13 at 30 June 2012 to $1.12 at 31 December 2012. Overall, JPEL's NAV development has been negatively affected due to a combination of factors, including the following:

- ***Lower Comparables in Europe:*** JPEL's underlying private equity NAV has been impacted by EBITDA multiple contraction due to public market comparables within its European portfolio.

- ***Structural Gearing and Ongoing Financing Costs:*** Ongoing expenses, including JPEL's credit facility and Zero Dividend Preference Shares, offset a portion of net asset value development. Through the Lloyds Facility which was extended through January 2017 and the recently amended limits on borrowing, the Company will have the ability to replace its higher yielding ZDPs with more efficient financing.

The public market value of the Company's US$ Equity Shares decreased by 6.7% during the six month period ending 31 December 2012. As at 15 February 2013, the Company's US$ Equity Shares traded up 7.3% from year-end to $0.63 which represents a 39.6% discount to net asset value, versus the average discount of the selected peer group of 22.8%.[1]

The Company is monitoring the recent increase in its US$ Equity Share price and believes that repaying the 2013 ZDPs and reducing the overall cost of capital will benefit the US$ Equity Share price. However, the Managers and Board believe that the current market price does not reflect the underlying value of the Company's portfolio, and as such, may continue to buyback shares when opportunities arise.

All of JPEL's ZDP Shares have performed well. The NAV of 2013 ZDP Shares rose 4.8% in the six months ending 31 December 2012, from 68.05p to 71.32p per share. At 31 December 2012, JPEL's 2013 ZDP Shares traded at a 1.0% premium to NAV.

The NAV of JPEL's 2015 ZDP Shares rose 5.1% during this period, from 65.31p to 68.65p per share. At 31 December 2012, JPEL's 2015 ZDP Shares traded at an 11.1% premium to NAV.

The NAV of 2017 ZDP Shares rose 4.8% during this period, from 69.25p to 72.28p per share. At 31 December 2012, JPEL's 2017 ZDP Shares traded at a 17.3% premium to NAV.

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1 Source: J.P. Morgan Cazenove Alternative Statistics, Bloomberg as at [XX February 2013]. Peer Group members based on multi-manager listed private equity funds included in the research publication "LPE Focus" by RBS and includes: HVPE, GPE, PIN, PEHN, NBPE, SEP, APEF, FPEO, PEY and CPEN.

Chairman's Statement (continued)

REVIEW OF CURRENT GOALS

At JPEL's fiscal year ending 30 June 2012, I set out the Company's "Action Plan" to shareholders. I would like to take the opportunity to update shareholders on JPEL's progress in achieving some of these goals.

Item	Progress Update
Strengthen Balance Sheet and Reduce Carrying Costs	– Extended existing debt facility with Lloyds Bank through January 2017. Key terms of the Lloyds Facility include: LIBOR +285bps for a loan to value ratio (LTV) of less than or equal to 10%, with no LIBOR floor and LIBOR +330bps for a LTV ratio of greater than 10%, with no LIBOR floor. – Subsequent to 31 December 2012, JPEL paid down approximately 38% of its revolving loan facility at the BoS Mezzanine Partners Fund LP subsidiary level.
Plan for Repayment of 2013 ZDPs and Reduction of Overall JPEL Leverage	– The Company has decided not to pursue roll-over options for the 2013 ZDPs and plans to repay the 2013 ZDPs in April 2013 through a combination of cash on hand, distribution proceeds, asset sales and use of the Company's credit facility at approximately half the cost of the 2013 ZDP shares. – Secured $27.8 million of proceeds from asset sales and received $17.7 million of net distributions.
Liquidity	– In the six months ending 31 December 2012, JPEL has repurchased over 33 million US$ Equity Shares, or approximately 8.8% of the weighted average number of US$ Equity Shares outstanding at 30 June 2012. • On 14 November, JPEL repurchased $20 million US$ Equity Shares at $0.6375 per US$ Equity Share – Clarification of JPEL's distribution policy: It is JPEL's policy to return 50% of portfolio distributions, net of capital calls, operating expenses and any near term payment obligations, to shareholders.[1]

JPEL's Board and Managers remain committed to increasing shareholder value through this challenging period for the Company. In return, I would like to thank shareholders for the support that they have placed in the Company.

Trevor Ash
Chairman
28 February 2013

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Corporate Actions

- On 23 July 2012, JPEL published a Circular to Shareholders. The circular contained notices in respect of the 2012 AGM of the Company and class meetings of holders of US$ Equity Shares and each class of ZDP Shares as detailed below:

Special Resolutions

1. To renew the Company's authority to make purchases of up to 15 per cent. of its own issued shares pursuant to any proposed Tender Offer.
2. To renew the Company's general authority to make market purchases of up to 14.99 per cent. of its own issued Shares.
3. To renew the disapplication of the pre-emption rights for up to 10 per cent. of its own issued Shares as set out in the Articles of Incorporation.
4. To: (i) amend the Company's borrowing powers to 30 per cent. of Total Assets from 20 per cent. of Adjusted Total of Capital and Reserves as set out in the Articles of Incorporation and to further amend the Articles of Incorporation to incorporate the rights of the 2017 ZDP Shares, (ii) amend the final capital entitlement date of each class of Issued ZDP Shares, (iii) amend the ZDP Test, and (iv) make a corresponding change to the borrowing restriction contained in the investment policy.

Ordinary Resolutions

5. To approve and adopt the Annual Report and Financial Statements of the Company for the year ended 30 June 2011.
6. To re-elect Gregory S. Getschow as a non-executive Director of the Company, who retires by rotation.
7. To re-elect John Loudon as a non-executive, independent Director of the Company, who retires by rotation.
8. To elect PricewaterhouseCoopers CI LLC as Auditors to the Company.
9. To authorise the Directors to determine the Auditors' remuneration.
10. To authorise and agree the remuneration of the Directors in accordance with the Articles of Incorporation.

<u>Resolutions proposed separately at the US$ Equity Class Meeting.</u>

Extraordinary Resolution

1. To: (i) amend the Company's borrowing powers to 30 per cent. of Total Assets from 20 per cent. of Adjusted Total of Capital and Reserves as set out in the Articles of Incorporation and to further amend the Articles of Incorporation to incorporate the rights of the 2017 ZDP Shares, (ii) amend the final capital entitlement date of each class of Issued ZDP Shares, (iii) amend the ZDP Test, and (iv) make a corresponding change to the borrowing restriction contained in the investment policy.

Ordinary Resolution

1. To approve the Refinancing Proposal formulated by the Board.

<u>Resolutions proposed separately at each Class Meeting of the Issued ZDP Shares.</u>

Extraordinary Resolution

1. To: (i) amend the Company's borrowing powers to 30 per cent. of Total Assets from 20 per cent. of Adjusted Total of Capital and Reserves as set out in the Articles of Incorporation and to further amend the Articles of Incorporation to incorporate the rights of the 2017 ZDP Shares, (ii) amend the final capital entitlement date of each class of Issued ZDP Shares, (iii) amend the ZDP Test, and (iv) make a corresponding change to the borrowing restriction contained in the investment policy.

   Defined terms of the Circular as noted above can be found in the Circular posted to the Company's website.

Corporate Actions (continued)

- On 8 August 2012, the Company received approval from the GFSC to appoint Augentius (Guernsey) Limited as administrator and secretary to the Company, replacing HSBC Management (Guernsey) Limited. The Company's registered office has changed to Carinthia House, 9-12 The Grange, St Peter Port, Guernsey, GY1 4BF.
- On 8 August 2012, the Company entered into an amended and restated management agreement. JPEL announced that JF International Management Inc. ("JFIMI"), in addition to Bear Stearns Asset Management Inc. and JPMorgan Asset Management (UK) Limited, will act as an investment manager to the Company.
- On 5 September 2012, the Company announced that all resolutions put forth to shareholders at the Company's AGM were duly passed. The meetings were held from 3:30 p.m. (London time) on 5 September 2012 at Carinthia House, 9 -12 The Grange, St Peter Port, Guernsey GY1 4BF.
- In the period 23 August 2011 through 13 September 2012, the Company purchased 13.15 million US$ Equity Shares at an average price of $0.823 per share.
- On 7 November 2012, the Company announced several strategic initiatives that the Board believes demonstrates its continued commitment to shareholders, including:
    - Reposition JPEL portfolio
        - Coupled with available capital from net distributions from JPEL's existing portfolio, explore sale of pre-credit crisis assets in secondary market to invest in growth opportunities
        - Create a more transparent and concentrated portfolio
        - Existing deal flow and return expectations are very attractive
    - Continue to improve capital structure
        - Retire 2013 Zero Dividend Preference Shares in April 2013
        - Aim to reduce JPEL debt by 2015 while improving interest costs
    - Provide liquidity for holders of US$ Equity Shares
        - It is JPEL's current policy to return 50% of portfolio distributions, net of capital calls, operating expenses and any near term payment obligations, to shareholders[1]
        - To that end, JPEL will seek to purchase up to $20 million of US$ Equity Shares, or approximately 9% of shares outstanding through a coordinated share repurchase programme on 14 November 2012 at up to a 35% discount to prevailing NAV dated 30 September 2012. Any such purchases will be accretive to the NAV of the remaining US$ Equity Shares
        - Continue to look to purchase US$ Equity Shares through a variety of programmes
- On 14 November 2012, as a follow up to the Company's 7 November announcement, JPEL completed a $20 million coordinated share repurchase programme. Through the buy back on 14 November 2012, the Company purchased into treasury 31,372,548 US$ Equity Shares at a price of $0.6375 per Share.
- On 27 February 2013, as a follow up to the Company's 7 November announcement, JPEL announced that it had entered in to a binding agreement to sell interests in four US and European based buyout funds with vintages predominantly in the 2005-2006 range. The secondary sale was completed with three third-party buyers at an aggregate discount of 15% to prevailing NAV. The transaction will generate cash proceeds of approximately $27.8 million and will also release JPEL of $2.4 million in unfunded commitments.

1 Subject to applicable legal, corporate and regulatory restrictions. Shareholders should not expect that they will necessarily be able to realise, within a period which they would otherwise regard as reasonable, their investment in the Company, nor can they be certain that they will be able to realise their investment on a basis that necessarily reflects the value of the underlying investments held by the Company.

Responsibility Statement

The Directors confirm to the best of their knowledge:

a. The condensed consolidated half year financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting; and

b. The Interim Report includes a fair review of the information required by the FSA's Disclosure and Transparency Rules 4.2.7R; and

c. The Interim Report includes a fair review of the information required by the FSA's Disclosure and Transparency Rules 4.2.8R (disclosure of related party transactions and changes therein).

The Interim Report was approved by the Board on 28 February 2013 and the above Responsibility Statement was signed on its behalf by

Trevor Ash

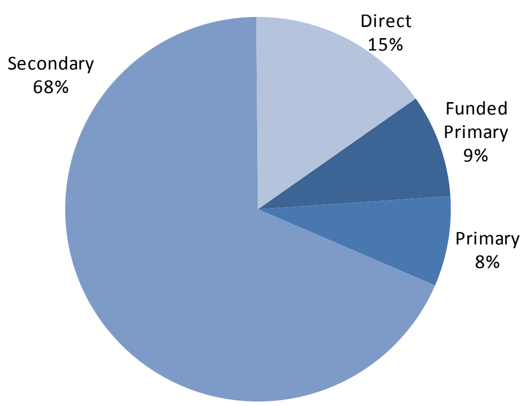
Chairman

Managers' Report

PORTFOLIO REVIEW

Since the Company's inception on 30 June 2005, JPEL's portfolio has grown to include 110 separate fund interests, 11 co-investments and five funds of funds. With a private equity value of $616.2 million, JPEL's portfolio is diversified globally across multiple investment strategies and industries as at 31 December 2012.

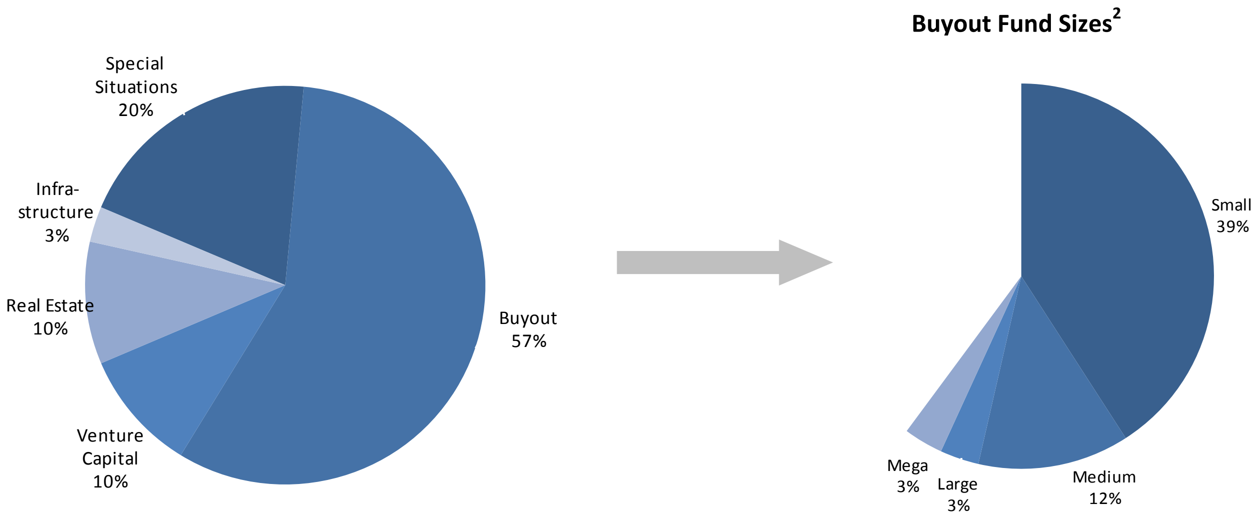
Investment Type[1]



JPEL's portfolio is primarily composed of "highly funded assets" which include assets acquired in the secondary market and funded primary investments. In total these assets represent 77% of the portfolio. Funded primary investments are portfolios that are partially invested at the time of investment and tend to produce distributions and NAV growth more quickly since they are further along the private equity "J-Curve". JPEL will also make direct investments in private equity companies, which represent approximately 15% of the portfolio.

From time to time, JPEL may make a primary commitment to a fund, typically as part of a secondary transaction. As at 31 December 2012, primary investments made up 8% of JPEL's portfolio.

Investment Strategy[1]



Currently, buyout funds constitute approximately 57% of JPEL's portfolio. Within this strategy, the majority of the Company's investments are with fund managers that focus on small to medium sized buyouts, which generally utilize less leverage.

JPEL maintains a 20% allocation to special situation funds which includes mezzanine, debt, turnaround and distressed funds. Infrastructure, real estate and venture capital funds represent 3%, 10% and 10% of private equity net asset value, respectively.

1 Based on 31 December 2012 market value of investments, percentages based on underlying fund-level values.
2 Fund classifications for buyout strategy are 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.

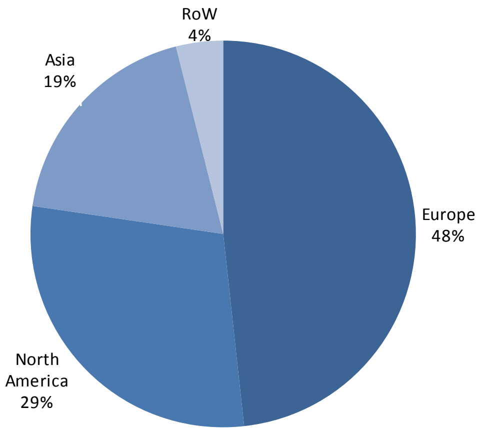
Managers' Report (continued)

Portfolio Age[1]

Average Age of Portfolio by Investment Strategy	
Average age of investments:	6.2 years
▪ Buyout investments:	4.5 years
▪ Small buyout:	4.1 years
▪ Medium buyout:	5.2 years
▪ Large buyout:	3.9 years
▪ Mega buyouts:	6.5 years
▪ Venture Capital investments:	6.8 years
▪ Real Estate investments:	6.3 years
▪ Special Situations:	6.1 years
▪ Infrastructure investments:	6.6 years

When making investment decisions, JPEL seeks more mature assets that have good potential for near-term exits. With an average age of 6.2 years, JPEL's portfolio is well positioned on the private equity "J-Curve" to receive distributions once M&A and IPO markets normalize. As venture assets often take longer to develop, JPEL's venture capital investments have a more mature weighted average life of 6.8 years.

Geographic Footprint[2]



European Exposure

Country	% of NAV
United Kingdom	14.8%
Germany	12.3%
Spain	5.5%
France	3.6%
Sweden	2.8%
Italy	2.5%
Finland	1.3%
Denmark	1.1%
Switzerland	1.1%
Ireland	0.9%
Belgium	0.9%
Luxembourg	0.5%
Netherlands	0.5%
Poland	0.4%
Norway	0.2%
Total	**48.2%**

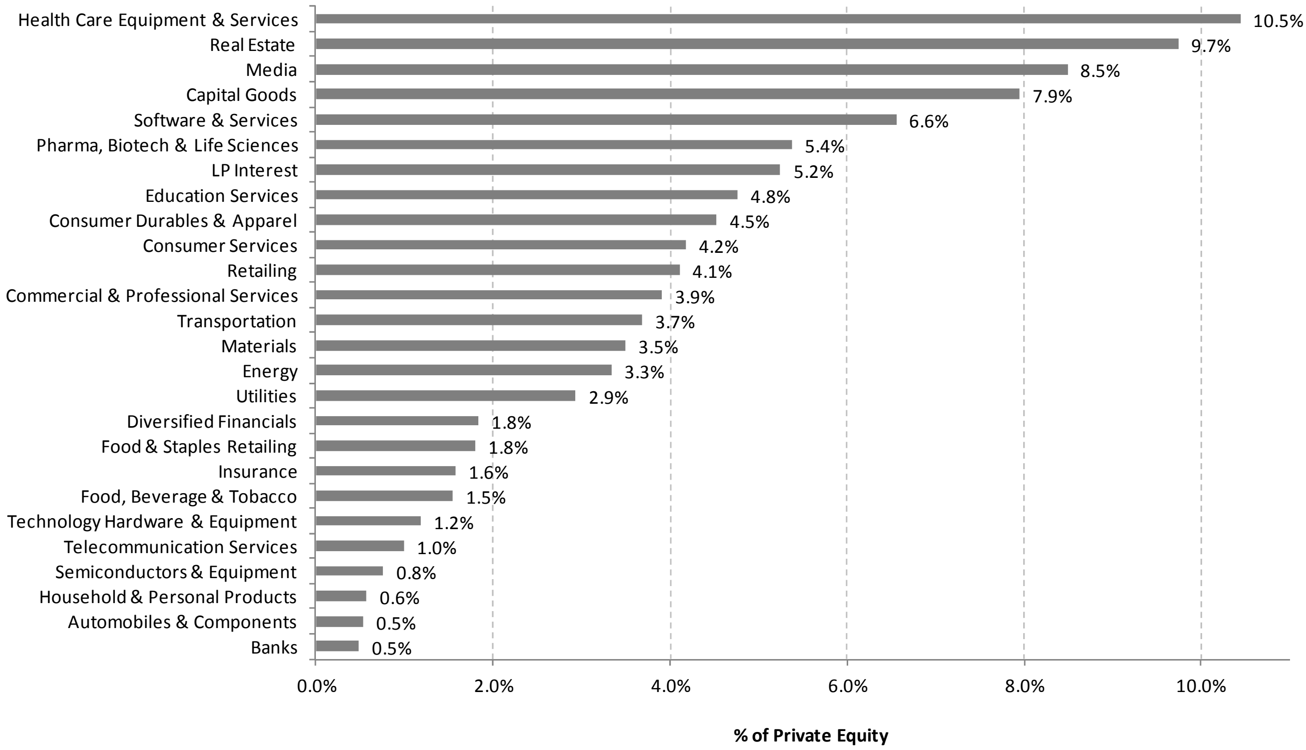
JPEL's private equity portfolio is diversified with investments in over 35 countries, helping to mitigate country and regional risk as well as to capitalise on the growth of expanding economies. Europe and North America represent the majority of the Company's portfolio at 48% and 29% respectively. JPEL's allocation to Asia stands at 19% while investments in the rest of the world represent 4% of the portfolio.

With the current uncertainty surrounding Europe, the Managers would like to provide greater visibility into the Company's European assets. Approximately 63% of the Company's exposure to Germany is a result of JPEL's investment in a highly diversified real estate portfolio of lower income housing. Spain comprises 5.5% of JPEL's private equity investments, of which nearly 60% is invested in a leading industrial flooring company. In 2012, the Spanish flooring company generated more than 75% of revenue outside of Spain.

1 Based on 31 December 2012 market value of investments, percentages based on underlying company-level values. Average age of investments is based on the date in which each individual portfolio company investment was made, subject to availability. Weighting is based on underlying portfolio company level values. Age calculated at 31 December 2012. Average is weighted based on investments at market value as at 31 December 2012 percentages based on underlying company-level values.
2 Based on 31 December 2012 market value of investments, percentages based on underlying company-level values.

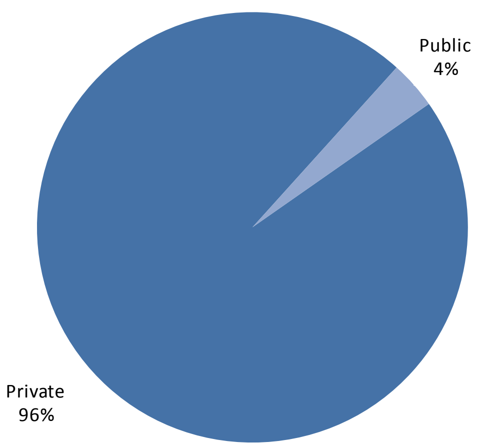
Managers' Report (continued)

Industry Composition[1]



In addition to geographic diversification, the Managers diversify JPEL's portfolio by industry composition. The portfolio is weighted towards healthcare-oriented companies with approximately 16% of investment value in this sector.

Public Market Exposure[2]



JPEL's exposure to the public markets is primarily derived from investments in private companies that are subsequently taken public.

As at 31 December 2012, 4% of JPEL's private equity portfolio was held in publicly listed companies.

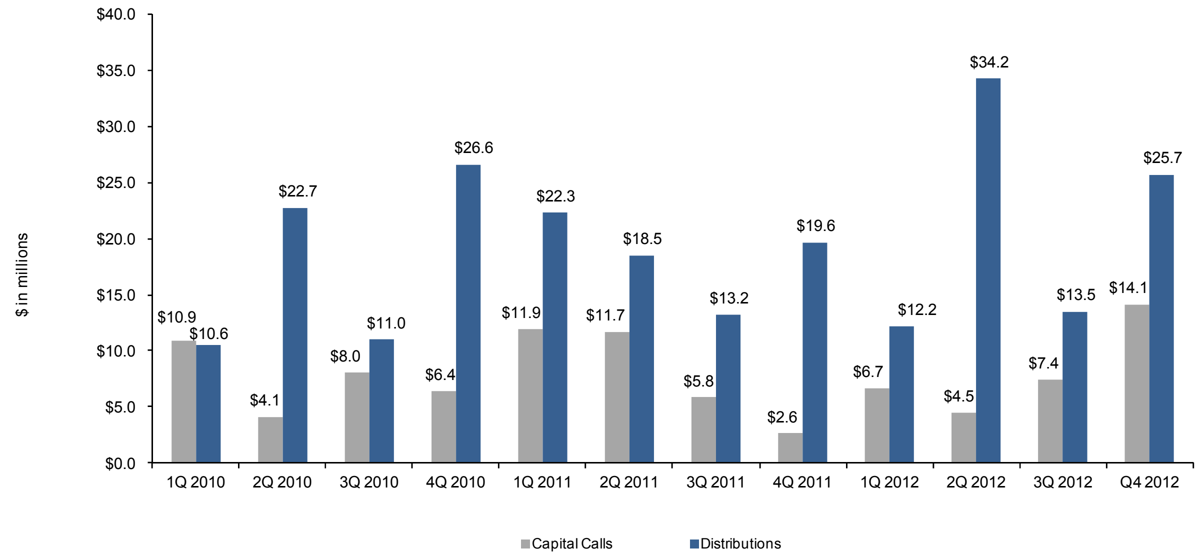
1 Based on 31 December 2012 market value of investments, percentages based on underlying company-level values.
2 Based on 31 December 2012 market value of investments, percentages based on underlying company-level values.

Managers' Report (continued)

CAPITAL CALLS AND DISTRIBUTIONS

JPEL invests with a goal of delivering consistent NAV growth and generating a high level of distributions.

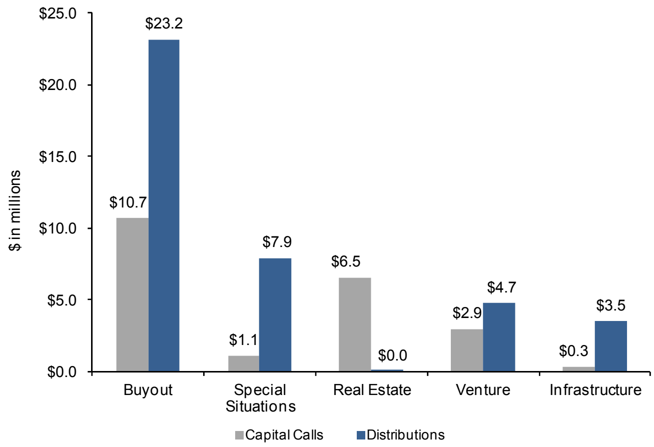
Capital Call and Distribution Summary[1]
(1 Jan 2010 – 31 Dec 2012)



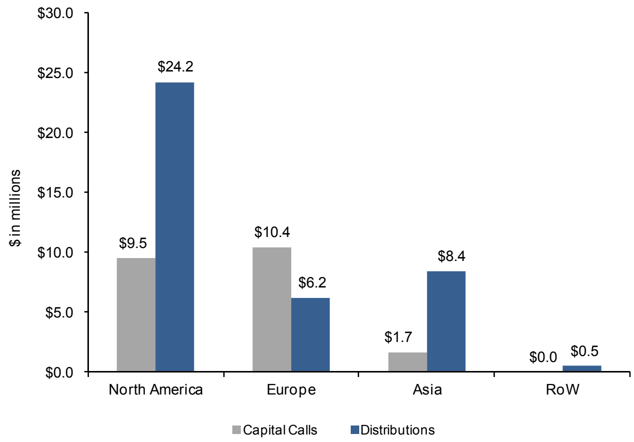
Distribution activity has increased substantially in recent quarters. In the six months ending 31 December 2012, the Company's portfolio produced net distributions of $17.7 million. In Q4 2012, JPEL received capital calls of $14.1 million of which approximately $6.5 million was called in connection to the refinancing of Deutsche Annington Immobilien Group (one of JPEL's largest assets) which was completed in late December.

Cash Flow Breakout[1]

Cash Flows by Investment Strategy
(6 months ending 31 Dec 2012)



Cash Flows by Geographic Region
(6 months ending 31 Dec 2012)



In the past six months the majority of JPEL's capital calls and distributions have been from the North America and Buyout sections of the portfolio.

1 Source: Managers as at 31 December 2012

Managers' Report (continued)

TOP 20 FUNDS & COMPANIES INFORMATION

Top 20 Funds[1,2]

	Fund	Region	Fund Strategy	% of Private Equity Investments
1	Duke Street (Parallel Private Equity)	Europe	Buyout	3.6%
2	Alcentra Euro Mezzanine No1 Fund	Europe	Special Situations	3.5%
3	Liberty Partners II	North America	Buyout	3.1%
4	Life Sciences Holdings SPV I Fund	Europe	Venture Capital	2.9%
5	Avista Capital Partners	North America	Buyout	2.9%
6	Barclays Private Equity PVLP	Europe	Buyout	2.7%
7	Almack Mezzanine I Fund.	Europe	Special Situations	2.3%
8	Guggenheim Aviation Offshore Investment Fund II	North America	Special Situations	2.1%
9	Hutton Collins Capital Partners II	Europe	Special Situations	1.9%
10	Milestone Link Fund	Europe	Buyout	1.8%
11	Catalyst Buyout Fund 1	Asia	Buyout	1.7%
12	Argan Capital Fund	Europe	Buyout	1.7%
13	Aqua Resources Fund Limited	Europe	Buyout	1.6%
14	3i (Parallel Private Equity)	Europe	Buyout	1.5%
15	Macquarie Wholesale Co-investment Fund	Asia	Buyout	1.5%
16	GSC European Mezzanine Fund II	Europe	Special Situations	1.5%
17	Leeds Equity Partners V	North America	Buyout	1.4%
18	AIG MezzVest II	Europe	Special Situations	1.3%
19	Blue River Capital I	Asia	Buyout	1.3%
20	Beacon India Private Equity Fund	Asia	Buyout	1.3%

Top 20 Companies[1,2]

	Company	Country	Industry Group	% of Private Equity Investments
1	Deutsche Annington Immobilien Group	Germany	Real Estate	8.4%
2	China Media Enterprises Limited	China	Media	6.5%
3	RCR Industrial S.a.r.l	Spain	Capital Goods	3.3%
4	Concorde Career Colleges, Inc.	USA	Consumer Services	1.9%
5	FibroGen Europe	Finland	Pharmaceuticals, Biotechnology	1.8%
6	WinnCare	France	Health Care Equipment &	1.7%
7	Gulf Healthcare International LLC	United Arab Emirates	Health Care Equipment Services	1.5%
8	Oasis	United Kingdom	Health Care Equipment &	1.4%
9	Zena	Spain	Food & Staples Retailing	1.1%
10	Original Factory Shop	United Kingdom	Retailing	1.1%
11	Compre Group	United Kingdom	Insurance	1.0%
12	Back Bay (Guernsey) Limited	USA	Real Estate	1.0%
13	Civica	United Kingdom	Software & Services	0.9%
14	InterFloor	United Kingdom	Consumer Durables & Apparel	0.9%
15	Paratek	USA	Pharmaceuticals, Biotechnology	0.8%
16	LifeLock, Inc.	USA	Software & Services	0.8%
17	KMC Constructions Limited	India	Capital Goods	0.8%
18	Global TV	Australia	Software & Services	0.8%
19	Gambro Healthcare	Sweden	Health Care Equipment &	0.8%
20	Everis Spain	Spain	Software & Services	0.8%

1 Top 20 Funds and Top 20 Companies include underlying funds and companies indirectly owned through the purchase of secondary interest in Private Equity Access Fund II Ltd, Bear Stearns Global Turnaround Fund, L.P., BoS Mezzanine Partners Fund, L.P. (BoS company-level exposure includes estimated pro rated fund-level leverage), Macquarie Private Capital Trust and the Parallel Co-Investment Portfolio.
2 Percentages are calculated based on 31 December 2012.

Condensed Interim Consolidated Statement of Comprehensive Income - Unaudited

for the period ended 31 December 2012

	Notes	01/07/2012 to 31/12/2012 $'000	01/07/2011 to 31/12/2011 $'000
Income			
Interest and distribution income	3	5,046	1,729
Net losses on investments	5	(208)	(19,536)
Realised foreign currency (loss)/gain on forward contracts		(2,444)	3,003
Total net income/(loss)		**2,394**	**(14,804)**
Expenses			
Investment management fee		(3,597)	(3,604)
Administrative fee		(132)	(237)
Audit fee		(170)	(52)
Directors' fees		(80)	(65)
Performance fee	6	1,196	-
Other expenses		(2,378)	(3,797)
Total Expenses		**(5,161)**	**(7,755)**
Net loss before finance costs		**(2,767)**	**(22,559)**
Finance costs			
Loan interest payable	4	(1,442)	(2,612)
ZDP interest payable		(8,380)	(5,733)
Unrealised foreign currency (loss)/gain		(7,723)	9,877
Loss before tax		**(20,312)**	**(21,027)**
Tax expense		-	-
Loss for the period		**(20,312)**	**(21,027)**
Other comprehensive income			
Movement in currency translation reserve		1,028	(15,201)
Total comprehensive loss for the period:		**(19,284)**	**(36,228)**
Loss attributable to:			
Owners of the Company		(20,890)	(20,569)
Non-controlling interests		578	(458)
		(20,312)	**(21,027)**
Total comprehensive loss attributable to:			
Owners of the Company		398	(12,979)
Non-controlling interests		630	(2,222)
		(19,284)	**(15,201)**
Earnings per share			
Basic and diluted losses per share		$(0.06)	$(0.05)

All items in the above statement are derived from continuing operations.

The notes on pages 19 to 28 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Financial Position - Unaudited

as at 31 December 2012

	Notes	31 December 2012 $'000	30 June 2012 $'000
Non-current assets			
Financial assets at fair value through profit or loss	7	657,745	670,841
Current assets			
Cash and cash equivalents		20,319	35,247
Receivables		1,459	1,723
		21,778	36,970
Current liabilities			
Payables and accruals		(7,001)	(8,410)
Derivative financial liabilities		(397)	(998)
Zero dividend preference shares	9	(72,727)	(67,503)
Net current liabilities		(58,347)	(39,941)
Non-current liabilities			
Payables and accruals		(200)	(400)
Loan balances	8	(83,234)	(82,165)
Zero dividend preference shares	9	(110,555)	(101,878)
		(193,989)	(184,444)
Net Assets		405,409	446,457
Represented by:			
Share capital	10	467,108	488,872
Reserves		(73,270)	(52,778)
Total equity attributable to equity holders of the Company		393,838	436,094
Non-controlling interests		11,571	10,363
Total equity		405,409	446,457
NAV per Equity share		$1.12	$1.13

The condensed interim consolidated financial statements on pages 14 to 18 are approved by the Board of Directors on 28 February 2013 and were signed on its behalf by:

Trevor Ash
Director

Chris Spencer
Director

The notes on pages 19 to 28 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Changes in Equity - Unaudited

for the period ended 31 December 2012

	Share Capital $'000	Other Reserves $'000	Currency Translation Reserve $'000	Total $'000	Non-controlling interests $'000	Total $'000
At 1 July 2012	488,872	(101,778)	49,000	436,094	10,363	446,457
Loss for the period	-	(20,890)	-	(20,890)	578	(20,312)
Other comprehensive income for the period	-	-	398	398	630	1,028
Total comprehensive loss for the period	**-**	**(20,890)**	**398**	**(20,492)**	**1,208**	**(19,284)**
Share buy backs (Note 10)	(21,764)	-	-	(21,764)	-	(21,764)
Share issue	-	-	-	-	-	-
Tender offer	-	-	-	-	-	-
Shares issued on warrant conversion	-	-	-	-	-	-
Non-controlling interest redemption	-	-	-	-	-	-
Total transactions with owners of the Company for the period ended 31 December 2012	**(21,764)**	**-**	**-**	**(21,764)**	**-**	**(21,764)**
At 31 December 2012	**467,108**	**(122,668)**	**49,398**	**393,838**	**11,571**	**405,409**

The notes on pages 19 to 28 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Changes in Equity - Unaudited

for the period ended 31 December 2011

	Share Capital $'000	Other Reserves $'000	Currency Translation Reserve $'000	Total $'000	Non-controlling interests $'000	Total $'000
At 1 July 2011	451,594	(16,580)	45,637	480,651	20,373	501,024
Loss for the period	-	(20,569)	-	(20,569)	(458)	(21,027)
Other comprehensive loss for the period	-	-	(12,979)	(12,979)	(2,222)	(15,201)
Total comprehensive loss for the period	-	**(20,569)**	**(12,979)**	**(33,548)**	**(2,680)**	**(36,228)**
Share buy backs	(2,847)	-	-	(2,847)	-	(2,847)
Shares issue	59,934	-	-	59,934		59,934
Shares issued on warrant conversion	2	-	-	2	-	2
Non-controlling interest redemption	-	-	-	-	(942)	(942)
Total transactions with owners of the Company for the period ended 31 December 2011	**57,089**	**-**	**-**	**57,089**	**(942)**	**56,147**
At 31 December 2011	**508,683**	**(37,149)**	**32,658**	**504,192**	**16,751**	**520,943**

The notes on pages 19 to 28 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Cashflows - Unaudited

for the period ended 31 December 2012

	Notes	01/07/2012 to 31/12/2012 $'000	01/07/2011 to 31/12/2011 $'000
Operating activities			
Loss for the period		(20,312)	(21,026)
Adjustments for:			
Interest and dividend income	3	(5,046)	(1,729)
Interest expense	4,9	9,822	8,345
Net derivative gains		(871)	(3,458)
Net losses on investments	5	1,079	22,995
Unrealised foreign currency loss/(gain)		7,723	(9,045)
Operating cash flows before changes in working capital		(7,605)	(3,918)
Decrease/(increase) in receivables		235	(1,131)
Decrease in payables		(876)	(907)
Net cash movement in derivative contracts		-	2,756
Cash used in operations		(8,246)	(3,200)
Investing activities			
Purchase of investments		(36,042)	(126,931)
Net proceeds from sale of non-current financials assets		49,237	76,134
Interest and other distributions from investments received	3	5,046	977
Cash from/(used in) investing activities		18,241	(49,820)
Financing activities			
Proceeds on issue of equity shares	10	-	59,936
Equity shares buy back	10	(21,764)	(2,848)
Loans received		12,828	-
Loans paid		(14,911)	(43,636)
Interest paid		(1,472)	(1,737)
Proceeds of issue of Zero Dividend Preference Shares		-	32,272
Buyback of Zero Dividend Preference shares		(470)	-
Cash (used in)/from financing activities		(25,789)	43,987
Net decrease in cash and cash equivalents		(15,794)	(9,033)
Cash and cash equivalents at beginning of period		35,247	38,843
Effects of exchange difference arising from cash and cash equivalents		866	(970)
Cash and cash equivalents at end of the period		20,319	28,840

The notes on pages 19 to 28 form an integral part of these condensed interim consolidated financial statements.

Notes to the Condensed Interim Consolidated Financial Statements

for the period ended 31 December 2012

1. SIGNIFICANT ACCOUNTING POLICIES

J.P. Morgan Private Equity Limited (the "Company") is a closed ended investment fund incorporated as a limited liability company in Guernsey under The Companies (Guernsey) Law, 2008. As at 31 December 2012, the Company's capital structure consisted of four classes of shares, US$ Equity Shares and three series of Zero Dividend Preference shares, all of which are listed on the London Stock Exchange.

The primary objective of the Company and its subsidiaries (together the "Group") is to achieve capital growth, with income as secondary objective, from a diversified portfolio consisting predominantly of private equity limited partnership interests. The Group may also invest directly in private equity investments.

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 30 June 2012.

STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting (IFRS) and in accordance with the requirement of IAS 34 *Interim Financial Reporting.*

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2012.

These condensed consolidated interim financial statements were approved by the Board of Directors on 28 February 2013.

SEGMENTAL INFORMATION

The Board has considered the requirements of IFRS 8 – "Operating Segments". The Board is of the view that the Group is engaged in a single segment of business, being Private Equity. The Board, as a whole, has been determined as constituting the chief operating decision maker of the Group.

Only one shareholder holds greater than 10% of the total number of US$ Equity Shares in issue with a holding of approximately 12.5%.

The Board is charged with setting the Group's investment strategy in accordance with the Group's prospectus, dated 16 August 2011. They have delegated the day-to-day implementation of this strategy to the Managers but retain responsibility to ensure that adequate resources of the Group are directed in accordance with their decisions. The Managers have been given full authority to act on behalf of the Group in the management of the Group's assets in accordance with the Amended and Restated Investment Management Agreement on behalf of the Group and to carry out other actions as appropriate to give effect thereto.

Whilst the Managers may take investment decisions on a day-to-day basis regarding the allocation of funds to different investments, any changes to the investment strategy or major allocation decisions have to be approved by the Board, even though they may be proposed by the Managers. The Board therefore retains full responsibility as to the major allocation decisions made on an ongoing basis. The Managers will act under the terms of the Amended and Restated Investment Management Agreement which cannot be changed without the approval of the parties to the agreement.

The key measure of performance used by the Board to assess the Group's performance and to allocate resources is the NAV which is prepared on a monthly basis by Augentius (Guernsey) Limited (the "Administrator"). The NAV reported by the Administrator is prepared on a basis consistent with International Financial Reporting Standards.

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

1. SIGNIFICANT ACCOUNTING POLICIES continued

The Company's financial assets held as of the period end and the geographical area the Company is invested into are presented in the table below. The Company does not hold any non-current assets other than financial instruments.

	31 December 2012		30 June 2012	
Region	**$ '000**	**% of NAV**	**$ '000**	**% of NAV**
Europe	330,264	50%	315,032	47%
North America	188,251	29%	206,604	31%
Asia	118,508	18%	128,155	19%
RoW	20,722	3%	21,050	3%
TOTAL	657,745	100%	670,841	100%

2. FINANCIAL RISK

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at 30 June 2012. There have been no changes in the risk management department since year end or in any risk management policies.

3. INTEREST AND DISTRIBUTION INCOME

The following table details the interest and other distribution income earned during the period:

	01/07/2012 to 31/12/2012 $'000	01/07/2011 to 31/12/2011 $'000
Interest income on financial assets that are not at fair value through profit or loss:		
Cash and cash equivalents	22	149
Distributions from financial assets at fair value through profit or loss:		
Private equity investments	5,024	1,580
	5,046	**1,729**

4. LOAN INTEREST PAYABLE

The following table details the interest expense incurred during the period:

	01/07/2012 to 31/12/2012 $'000	01/07/2011 to 31/12/2011 $'000
Interest expense on financial instruments that are not at fair value through profit or loss:		
Financial liabilities at amortised cost	1,442	2,612

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

5. NET GAINS/(LOSSES) ON INVESTMENTS

The following table details the gains and losses from financial assets and liabilities at fair value through profit or loss for the period:

	01/07/2012 to 31/12/2012 $'000	01/07/2011 to 31/12/2011 $'000
Designated at fair value through profit or loss		
Investment portfolio	(1,079)	(22,994)
Held for trading		
Derivative financial instruments	871	3,458
Net loss from financial assets and liabilities at fair value through profit or loss	**(208)**	**(19,536)**

6. PERFORMANCE FEE

Following the acquisition of an interest in China Media Enterprises Limited, the Group has entered into a performance agreement with Whale Capital Inc. Whale Capital Inc. is the sponsor of the Company's investment in China Media Enterprise Limited and is not an affiliate of the Group. Pursuant to the performance agreement, in the event that the internal rate of return of the Group's investment in China Media Enterprises Limited equals or exceeds 30% per annum, Whale Capital Inc. shall be entitled to a performance fee if the total capital gains exceeds two times of the investment amount. The performance fee shall be an amount equal to 20% of the total capital gain that is in excess of two times of the investment amount.

The amount of the total capital gain has decreased during the period and therefore the accrued performance fee as at 31 December 2012 has been reduced by $1,196,198. The reduction in performance fee expense has been reflected in the Consolidated Statement of Comprehensive Income.

7. SCHEDULE OF INVESTMENTS

	31 December 2012 $'000	30 June 2012 $'000
10th Lane Finance Co., LLC	6,752	7,399
ABN Amro Capital Australia Fund II	522	529
Aisling Capital Partners II, LP	1,431	1,575
Aksia Capital III	4,016	3,923
Alia Capital Fund I C.V.	1,950	2,170
Alto Capital II	4,896	5,434
Apollo International Real Estate Fund	659	670
Apollo Investment Fund V, L.P.	1,380	2,065
Apollo Real Estate Investment Fund IV, L.P.	1,050	1,044
Aqua Resources Fund Limited	10,096	1,769
Argan Capital Fund	10,544	10,380
Arlington Capital Partners II, L.P.	1,404	2,178
Arrow Path Fund II, L.P.	1,324	1,324
Australasian Media and Communications Fund 2 C	1,343	1,134
Avista Capital Partners (Offshore), L.P.	12,911	12,964
Bain Capital Fund VI, L.P.	8	8
Beacon India Private Equity Fund	7,998	8,751
Bear Stearns Global Turnaround Fund LP	24,760	28,395

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

7. SCHEDULE OF INVESTMENTS continued

	31 December 2012 $'000	30 June 2012 $'000
Bear Stearns Private Opportunity Ventures, L.P.	2,732	2,963
Black Diamond Capital Management	5,967	5,009
Blackstone Capital Partners IV, L.P.	3,203	3,411
Blackstone Capital Partners V, L.P.	6,327	6,180
Blackstone Real Estate Partners IV, L.P.	1,563	1,499
Blue River Capital I, LLC	8,195	9,277
BoS Mezzanine Partners, LP	93,102	90,928
Britania Investments S.a.r.l	3,158	3,029
Candover 2001 Fund	338	329
Candover 2005 Fund	2,331	2,163
Carlyle Asia Partners II, L.P.	3,008	4,060
Carlyle/Riverstone Global Energy and Power Fund III	4,069	5,309
Carlyle/Riverstone Renewable Energy Infrastructure Fund I	1,163	1,487
Catalyst Buyout Fund 1A	5,093	5,137
Catalyst Buyout Fund 1B	5,093	5,137
Ceram Polymerick CN	-	7
Charterhouse Captital Partners VIII	4,448	4,968
China Media Enterprises Limited	48,653	54,635
Clearwater Capital Partners Fund I, L.P.	2,768	2,904
Clearwater Capital Partners Opportunities Fund (Cayman) Ltd.	253	266
Colony Investors VI, L.P.	164	166
CPC RD Investment LLC	1,749	2,805
Dolphin Communications Fund II, L.P.	-	69
Doughty Hanson & Co. Technology Fund	286	282
Esprit Capital I Fund	5,438	5,596
Esprit Capital III L.P.	1,847	1,303
Freescale Semiconductor, Inc.	623	623
GBS3 Bio Ventures	2,598	2,691
Gemini Israel III, L.P.	24	164
Global Buyout Fund, L.P.	5,317	5,293
Global Opportunistic Fund	4,535	4,403
Green Investors III, L.P.	169	169
Gridiron Capital Fund, L.P.	4,379	4,597
Guggenheim Aviation Offshore Investment Fund II, L.P.	12,893	11,618
Gulf Healthcare International LLC	8,060	8,059
HG Capital V, L.P.	1,837	2,145
Highstar Capital III Prism Fund, L.P.	5,037	4,881
Hupomone Capital Fund, L.P.	2,252	2,610
Hutton Collins Capital Partners II LP	2,958	2,920
Industry Ventures Acquisition Fund, L.P.	3	3
Industry Ventures Acquisition Fund, L.P. (MPCT)	8	7
Industry Ventures Fund IV, L.P	2,273	2,971
Industry Ventures Fund IV, L.P. (MPCT)	2,527	3,296
Industry Ventures Fund V, L.P	4,157	4,367
Industry Ventures Fund V-A, L.P.	4,427	5,445

7. SCHEDULE OF INVESTMENTS continued

	31 December 2012 $'000	30 June 2012 $'000
Industry Ventures Fund VI, L.P.	1,788	1,599
Leeds Equity Partners IV Co-Investment Fund A, L.P.	2,546	4,060
Leeds Equity Partners IV, L.P.	5,005	8,113
Leeds Equity Partners V, L.P.	8,629	7,624
Liberty Partners II, L.P.	19,239	18,004
Life Sciences Holdings SPV I Fund, L.P.	18,141	18,768
Luxury Optical Holdings Co.	2,223	1,926
Macquarie Alternative Investment Trust I	-	2,156
Macquarie Alternative Investment Trust II	6,502	6,460
Macquarie Alternative Investment Trust III	7,097	7,189
Macquarie European Infrastructure Fund	6,947	5,228
Macquarie True Index Cash Fund	3,394	3,992
Macquarie Wholesale Co-investment Fund	8,778	7,905
Main Street Resources I, L.P.	640	1,080
Main Street Resources II, L.P.	3,463	3,743
Markstone Capital Partners, L.P.	2,343	2,564
Milestone 2010, L.P	5,711	5,604
Milestone Link Fund, L.P.	11,372	9,804
Montagu III L.P.	2,458	3,546
Morning Street Partners, L.P.	807	818
Olympus Capital Asia III (Offshore), L.P.	3,727	2,330
Omega Fund III, L.P.	4,925	5,836
Omega Fund IV, L.P.	736	293
Oxford Bioscience Partners IV, L.P.	329	487
Parallel Ventures Limited Partnership and Parallel Private Equity Limited Partnership	55,321	63,154
PCG Special Situations Partnership	3,441	4,416
Primopiso Acquisition S.a.r.l	20,551	17,552
Private Equity Access Fund II Ltd	3,835	4,608
Providence Equity Partners IV, L.P.	510	519
Quadrangle Capital Partners, L.P.	829	888
Quadrant Private Equity No 1 LP	9	18
Quadrant Private Equity No 1A	462	333
Quadrant Private Equity No 1B	463	333
Realza Capital Fondo, FCR	1,925	1,131
Starfish Ventures Pre-Seed	300	301
Stoneleigh Back Bay Associates LLC	7,567	7,506
Strategic Value Global Opportunities Feeder Fund I-A, LP	2,006	3,025
Strategic Value Global Opportunities Master Fund, LP	2,520	3,617
SVE Star Ventures	443	567
Targa Resources Corp.	108	32
Terra Firma Deutsche Annington L.P.	2,266	1,905
Terra Firma Deutsche Annington L.P. (JPEL TF Limited)	49,579	41,674
Thomas H. Lee Equity Fund V, L.P.	735	1,569
Trumpet Feeder Ltd	2,649	4,639
Warburg Pincus Private Equity VIII, L.P.	4,193	4,211

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

7. SCHEDULE OF INVESTMENTS continued

	31 December 2012 $'000	30 June 2012 $'000
Wellington Partners Ventures II GMBH & CO.KG (B)	1,040	1,032
Wellington Partners Ventures III Life Science Fund L.P.	2,124	1,789
Total market value of Investments held by the Group	**657,745**	**670,841**

All investments are designated by management at fair value through profit or loss at inception.

The group has committed to invest in certain private equity funds and investments. Such commitments are payable upon demand at the request of the underlying general partners. As at 31 December 2012, the group had outstanding commitments of US$84m which may be called by the underlying limited partnerships.

8. LOAN BALANCES

	31 December 2012 $'000	30 June 2012 $'000
Lloyds TSB Bank plc (formerly Bank of Scotland) / Bos Mezzanine Partners Fund, LP	19,791	33,797
Lloyds TSB Bank plc / The Company	59,443	44,368
Media Champion Investments Limited	4,000	4,000
	83,234	**82,165**
Maturity profile		
Due within one year	-	-
Due after more than one year	83,234	82,165

The Group entered into a Revolving Loan Facility with Lloyds TSB Bank plc (formerly Bank of Scotland) for its investment in BoS Mezzanine Partners Fund, LP. The facility was previously for €35,000,000. The Group entered into an amended facility agreement on 9 July 2012 and the facility is now for €25,000,000. This may be drawn down in Euros, Sterling or US Dollars bearing interest at a rate of LIBOR, or if the loan is in Euro, EURIBOR, plus 4.5%. The maturity date of the facility was 12 December 2012, extended to 14 January 2013 on 11 December 2012 with a term-out maturity date of 2 July 2015. The loan is secured over the Group's interest in the BoS Mezzanine Partners Fund, LP and its rights under the related limited partnership agreement. The fair value of the Group's share of net asset values in BoS Mezzanine Partners Fund, LP at the period end was EUR 70,561,189 (2011: EUR 79,603,347).

The Company has entered into a multi-currency loan facility agreement with Lloyds TSB Bank plc. The facility is for US$150,000,000 and bears interest of US$ LIBOR/EURIBOR + 330 bps on drawn amounts with a leverage of greater that 10% loan to value. At leverage rates of below 10% the loan bears interest of US$ LIBOR/EURIBOR +285 bps. A flat 0.9% rate is paid on undrawn amounts.

The facility is due to expire on 31 January 2017. The facility also contains a number of covenants that restrict total leverage and promote asset diversification. Specifically, the Company is limited to a leverage ratio of 30 per cent of total assets. Furthermore, the asset base off of which the Company may borrow funds may be reduced if certain diversity criteria are breached; including geography, investment strategy, investment type, and company and manager concentration limitations. As at 31 December 2012, the Company's leverage ratio was 9.8 per cent per the credit agreement and the Company was in compliance with all of the diversification restrictions. The facility was drawn down to €45,000,000 at 31 December 2012.

8. LOAN BALANCES continued

The loan with Lloyds TSB Bank plc is secured over the JPEL-held share capital of the following subsidiaries:

	Net asset of subsidiary $'000
JPEL Convey Limited	40,042
BSPEL Australia Limited	77,316
BSPEL/Migdal Mezzanine Limited	77,969
Bear Stearns Global Turnaround Fund, LP	24,760
JPEL TF Limited	49,579
JPEL Holdings Limited	69,063
Back Bay (Guernsey) Limited	7,567
	346,295

The Group's subsidiary, JPEL Convey Limited, has written a promissory note to Media Champion Investments Limited in the amount of $4,000,000 in lieu of cash payment for the acquisition of an interest in China Media Enterprises Limited. The promissory note bears an interest of 6% p.a. on the principal outstanding and the interest is repayable on a semi-annual basis. Under the terms of the agreement, the promissory note is unsecured, has no fixed repayment period and does not become payable until a triggering event occurs. This triggering event is defined, under the terms of the agreement, as the sale of the interest in China Media Enterprises Limited via an IPO or the sale of shares. The Group does not expect a sale within the next 12 months.

9. ZERO DIVIDEND PREFERENCE SHARES

The Company has issued three classes of Zero Dividend Preference shares ("ZDP shares") as at the period end; 2013 ZDP shares, 2015 ZDP shares and 2017 ZDP shares. The final entitlement dates of the 2013 ZDP shares, 2015 ZDP shares and 2017 ZDP shares were amended following the Annual General Meeting on 5 September 2012 to 28 April 2013, 31 October 2015 and 31 October 2017 respectively. The holders of the 2013 ZDP shares are entitled to a redemption amount of 41.5 pence per ZDP share as increased daily at such a daily compound rate as would give a final entitlement of 73.0 pence on 28 April 2013. The effective interest rate is 7.15% p.a. based on the placing price of 42.5 pence per ZDP share. ZDP shares rank prior to the US$ Equity Shares in respect of the repayment of their entitlement of up to 73.0 pence per ZDP share. However, they rank behind any borrowings made by the Company that remain outstanding. They carry no entitlement to income and the whole of their return takes the form of capital.

The holders of the 2015 ZDP shares are entitled to a redemption amount of 48.75 pence per ZDP share as increased daily at such a daily compound rate as would give a final entitlement of 87.30 pence on 31 October 2015. The effective interest rate is 8.46% p.a. based on the placing price of 50 pence per ZDP share. ZDP shares rank prior to the US$ Equity Shares in respect of the repayment of their entitlement of up to 87.3 pence per ZDP share and pari passu to the 2013 ZDP shares. However, they rank behind any borrowings made by the Company that remain outstanding. They carry no entitlement to income and the whole of their return takes the form of capital.

The holders of the 2017 ZDP shares are entitled to a redemption amount of 65 pence per ZDP share as increased daily at such a daily compound rate as would give a final entitlement of 107.10 pence on 31 October 2017. The effective interest rate is 8.48% p.a. based on the placing price of 65 pence per ZDP share. ZDP shares rank prior to the US$ Equity Shares in respect of the repayment of their entitlement of up to 107.10 pence per ZDP share and pari passu to the 2013 ZDP shares and 2015 ZDP shares. However, they rank behind any borrowings made by the Company that remain outstanding. They carry no entitlement to income and the whole of their return takes the form of capital.

ZDP shareholders will not be entitled to receive any part of the revenue profits, including any accumulated revenue reserves of the Company on a winding-up.

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

9. ZERO DIVIDEND PREFERENCE SHARES continued

The movement of ZDP shares in the period was as follows:

	Number of shares	2012 $'000
Balance at start of period	160,647,145	169,381
Share buybacks	(410,000)	(470)
Interest accretion	-	8,380
Unrealised FX movement	-	5,991
Balance as at 31 December 2012	160,237,145	183,282

	Number of shares	2011 $'000
Balance at start of period	131,904,611	130,627
Initial offer of ZDP 2017 Shares	30,410,753	31,354
Interest accretion	-	5,733
Unrealised FX movement	-	(4,781)
Balance as at 31 December 2011	162,315,364	162,934

ZDP 2013 Shares	Date	Number of shares
Balance at start of period		63,159,021
Share Buyback	28/08/2012	(10,000)
Share Buyback	29/08/2012	(100,000)
Share Buyback	30/08/2012	(100,000)
Share Buyback	17/09/2012	(200,000)
Balance as at 31 December 2012		62,749,021
Issue date	28 June 2005	
Valuation date	31 December 2012	
Days from issue	2,743	
Daily compound rate	0.0197421%	
Initial price	41.5 pence	
Price at valuation	71.32 pence	

ZDP 2015 Shares	Date	Number of shares
Balance at start and end of period		67,077,371
Issue date	19 December 2008	
Valuation date	31 December 2012	
Days from issue	1,473	
Daily compound rate	0.0232434%	
Initial price	48.75 pence	
Price at valuation	68.65 pence	

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

9. ZERO DIVIDEND PREFERENCE SHARES continued

ZDP 2017 Shares	Date	Number of shares
Balance at start and end of period		30,410,753
Issue date	12 September 2011	
Valuation date	31 December 2012	
Days from issue	476	
Daily compound rate	0.0222971%	
Initial price	65 pence	
Price at valuation	72.28 pence	

The interest charge accrued for the period on the ZDP shares was $8,379,685 (2011: $5,733,124).

At 31 December 2012 the fair value of the 2013 ZDP shares was $72,726,672, the fair value of the 2015 ZDP shares was $74,835,110 and the fair value of the 2017 ZDP shares was $35,719,793.

10. ISSUED SHARE CAPITAL AND RESERVES

Authorised share capital

The authorised share capital of the Company is £100 divided into 100 founder shares of £1 each, and an unlimited number of redeemable participating preference shares of no par value each, which may be issued and designated as US$ Equity Shares, Sterling Equity Shares, Euro Equity Shares, ZDP shares or any other shares (denominated in any currency) as may be determined by the Board from time to time in accordance with Article 3(4)(d) of the Company's Articles of Association.

Issued share capital

The movement of the US$ Equity Shares in the period was as follows:

	Date	Number of shares	Price
Balance as at 01 July 2012		380,348,706	
Share buyback	12 July 2012	(250,000)	$0.68
Share buyback	27 July 2012	(400,000)	$0.68
Share buyback	13 August 2012	(250,000)	$0.68
Share buyback	28 August 2012	(250,000)	$0.68
Share buyback	29 August 2012	(250,000)	$0.68
Share buyback	30 August 2012	(1,000,000)	$0.68
Share buyback	17 September 2012	(200,000)	$0.65
Share buyback	16 November 2012	(31,372,548)	$0.64
Balance as at 31 December 2012		**346,376,158**	

The US$ Equity Shares carry the right to receive all revenue profits of the Company (including accumulated revenue reserves) which are available for distribution and from time to time determined to be distributed by way of interim and/or final dividends and at such times as the directors may determine. On winding-up, Equity shareholders will be entitled to the net assets of the Company after any payables have been paid and the accrued entitlement of the ZDP shares has been met.

Notes to the Condensed Interim Consolidated Financial Statements (continued)

for the period ended 31 December 2012

11. RELATED PARTY TRANSACTIONS

JPMorgan Asset Management (UK) Limited, Bear Stearns Asset Management Inc. and JF International Management Inc. (the "Managers") are all related parties of the Group.

Mr. Getschow is a senior executive of Bear Stearns Asset Management Inc, one of the Managers to the Group and a subsidiary of JPMorgan Chase & Co., which owns through a subsidiary 12,571,429 US$ Equity Shares and 2,095,238 warrants.

Other than Mr. Spencer who owns 30,067 US$ Equity Shares, no other Director holds directly or indirectly shares in the Group.

Mr. Ash is entitled to receive Directors fees of £40,000 per annum, Mr. Loudon and Mr. Spencer are each entitled to receive Directors fees of £30,000 per annum. Mr Getschow has waived his right to Directors Fees.

12. THIRD PARTY FEES

In the six month period ended 31 December 2012, the Company paid no fees to third parties in connection with investments in assets within the private equity portfolio.

13. POST BALANCE SHEET EVENTS

Subsequent to 31 December 2012, JPEL announced that it had entered in to a binding agreement to sell interests in four US and European based buyout funds with vintages predominantly in the 2005-2006 range. The secondary sale was completed with three third-party buyers at an aggregate discount of 15% to prevailing NAV. The transaction will generate cash proceeds of approximately $27.8 million and will also release JPEL of $2.4 million in unfunded commitments.

Information about the Company

DIRECTORS:	Trevor Charles Ash (Chairman) Gregory Getschow John Loudon Christopher Paul Spencer
MANAGERS (as to the Private Equity Portfolio):	BEAR STEARNS ASSET MANAGEMENT INC. c/o J.P. Morgan Asset Management 270 Park Avenue New York 10017 United States of America
	JPMORGAN ASSET MANAGEMENT (UK) LIMITED 125 London Wall London EC2Y 5AJ
	JF INTERNATIONAL MANAGEMENT INC Chater House 8 Connaught Road Hong Kong
ADMINISTRATOR AND COMPANY SECRETARY:	AUGENTIUS (GUERNSEY) LIMITED Carinthia House 9-12 The Grange St Peter Port Guernsey GY1 4BF
INDEPENDENT AUDITOR:	PricewaterhouseCoopers CI LLP Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4ND
SOLICITORS TO THE GROUP (as to English and US law):	HERBERT SMITH FREEHILLS LLP Exchange House Primrose Street London EC2A 2HS United Kingdom
LEGAL ADVISERS TO THE GROUP (as to Guernsey Law):	CAREY OLSEN 7 New Street St Peter Port Guernsey GY1 4BZ
REGISTRAR:	CAPITA IRG (CI) LIMITED 2nd Floor 1 Le Truchot St Peter Port Guernsey GY1 4AE
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