



IPEV Valuation Board News October 2006

The IPEV Valuation Board held its third meeting on 20 October 2006. Members of the Board in attendance were as follows:

Prof. Herman Daems, Chairman (GIMV)
Prof. Dr. Dr. Ann-Kristin Achleitner (CEFS)
Mr. Anthony Cecil (KPMG)
Mr. Hervé Claquin (ABN AMRO Capital)
Mr. Gilles Duruflé (CVCA)
Mr. Jonathan Lowe (Permira)
Mrs. Monique Saulnier (Sofinnova)

Excused:

Mr. Jens Bisgaard-Franzen (ATP Private Equity Partners)

1. Welcome to the new Board member

Mr. Gilles Duruflé, representative of the Canada's Venture Capital and Private Equity Association (CVCA), attended the meeting as new Board member. Established in 1974, the CVCA is dedicated to pursuing growth opportunities for the Canadian venture capital and private equity industry.

The CVCA endorsed the IPEV Guidelines in November 2005. The IPEV Valuation Board welcomes the nomination of Mr. Gilles Duruflé as new Board member.

2. FASB Fair Value Standard

Following the release of FASB Statement of Financial Accounting Standards n°157 in September 2006, the Board agreed to issue technical amendments on the edition June 2005 of the IPEV Guidelines. The new document was posted on the website on 23 October 2006.

Technical amendments made to the document are minor. It was decided to eliminate the option left to the discretion of the Valuer to apply or not a discount to the price of a quoted share in an active market for blockage reasons (i.e. low liquidity of the market). The edition October 2006 of the IPEV Guidelines, in full consistency with the FASB and IASB standards, forbid to apply a discount for blockage reasons.

3. Next meeting

The next meeting will be held on 9 March 2007.