



Press release

IVSC and IPEV to co-operate on valuation standard-setting

London, Friday 7th October, 2011

The International Valuations Standards Council (IVSC), the international standard-setter for valuations across a wide range of assets, today signed a memorandum of understanding (MoU) with the International Private Equity Valuations (IPEV) board.

The parties have agreed to co-operate with a view to ensuring that the IPEV Valuation Guidelines are consistent with the International Valuation Standards and that the IVSC considers the needs of private equity and venture capital investors in its future work plan.

From now, the two bodies will collaborate in the preparation and publication of technical guidance and methodology for valuations of private equity and venture capital investments.

The agreement is a further landmark in the global acceptance of IPEV's valuation best-practice for companies backed by private equity and venture capital funds.

The IVSC produced its first standards in the 1980s and today has a set of comprehensive standards covering a wide range of assets, especially those that will be relied upon by investors and other third party stakeholders. The financial crisis brought renewed focus on valuation issues and has led to a significant expansion in the organisation's work plan.

Herman Daems, chairman of the IPEV board, said:



“This agreement is further testament to the robust and relevant nature of the IPEV guidelines and their acceptance among institutions globally. On behalf of IPEV, I am delighted to enter this agreement with IVSC, the recognised standard-setter for valuations.

“The positive impact of the IPEV Valuation Guidelines has been clearly seen over the last crisis. Consistent valuation processes - during good times and bad times - have delivered stakeholders of our industry with the required level of transparency regarding the value of their investments.”

Michel Prada, Chairman of IVSC said: “Establishing a set of comprehensive valuation standards that are accepted and followed globally is an essential contribution towards better financial governance and very much in the public interest. International standards are only built through consensus and collaboration between all those with a stake in the process, and therefore we are delighted to have formalised this agreement with the IPEV Board as it represents an important part of the global investment community.”

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Notes to Editors:

About the IVSC

The International Valuation Standards Council (IVSC) is an independent body that sets global standards for valuation, especially those that will be relied upon by investors and other third party stakeholders. It also promotes the development of the valuation profession around the world and collaborates and cooperates with other organisations concerned with standards and regulation in the financial markets.



About IPEV

The International Private Equity and Venture Capital Valuation (IPEV) Guidelines are designed to meet the need for transparency and comparability across the global private equity and venture capital industry for both general partners and their investors.

The IPEV Board monitors market practices in the use of the Valuation Guidelines and gives guidance on the application of the Guidelines to all stakeholders in the private equity and venture capital industry including practitioners, investors, regulators and auditors. IPEV Board's Private Equity and Venture Capital Valuation Guidelines were last updated in 2009.

The IPEV Guidelines have become the worldwide standard for use by buy-out and venture capital managers around the globe. Investors in Private Equity increasingly require fund managers to comply with the IPEV Valuation Guidelines when estimating the fair value of investments for their financial statements and for reports to investors.

More information can be found on the IPEV website at www.privateequityvaluation.com.