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Nordic Capital Fund V in Private Equity Value Creation Hall of Fame

Nordic Capital's 2003 vintage fifth fund "Nordic Capital Fund V," has been awarded a place in the "Private Equity Value Creation Hall of Fame" which was compiled by HEC Paris and announced by Private Equity International magazine on December 18, 2017.

The Hall of Fame features private equity funds which have generated exceptional levels of value to their investors. The initiative of HEC Paris Professor Oliver Gottschalg, associate professor of strategy at HEC Paris and co-founder of its Private Equity Observatory research centre, was launched only last month and Nordic Capital is the second inductee.

Gottschalg and his team screened data on realised returns for 2,500 funds globally, reducing them to a handful of exceptional funds that came close to the qualifying criteria for the Hall of Fame. All funds from vintages since 2000 (included), classified as "Buyout" focused funds in the database maintained by industry-leading data provider Preqin can be considered possible members.

To qualify for the HEC Private Equity Value Creation Hall of Fame, a private equity fund must meet the following three criteria:

- at least \$2 billion in cash-on-cash alpha gain, i.e. overall returns in excess of the stock market;
- "PERACS Alpha", i.e. annualised returns in excess of the stock market, of at least 15 percent per annum; and
- at least 2x cash-on-cash multiple.

Through these criteria, heavy emphasis is placed on value creation in excess of public market equivalent returns. The assessment of value creation is based on cash-on-cash net value creation based on cash flows from and to the LPs after deduction of any deal and fund-level fees.

HEC Private Equity Value Creation Hall of Fame seeks funds which demonstrate substantial scale in value creation, so a requirement in terms of a total amount of "Alpha Dollars" of value generated was included. This helps eliminate cases in which performance may have been driven by one or a few individual highly successful deals.

In order to verify the data, thousands of private equity funds globally are screened annually based on available cash flow information, using the Preqin cash flow database as the primary source of data.

The article on Nordic Capital can be found at: <https://www.privateequityinternational.com/hall-of-fame-inductee-2/>

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About Nordic Capital

Nordic Capital is a leading private equity investor in the Nordic region with a resolute commitment to creating stronger, sustainable businesses through operational improvement and transformative growth. Nordic Capital focuses on selected regions and sectors where it has deep experience and a proven track record. Core sectors are Healthcare, Technology & Payments, Financial Services, Industrial Goods & Services and Consumer & Retail, and key regions are the Nordics, Northern Europe, and globally for Healthcare. Since inception in 1989, Nordic Capital has invested EUR 11 billion through eight funds. The Nordic Capital Funds are based in Jersey and are advised by advisory entities, which are based in Sweden, Denmark, Finland, Norway, Germany and the UK. For further information about Nordic Capital please see www.nordiccapital.com.