



Press Release

CUSTOM-BUILT PERACS CALCULATOR NOW IN USE BY MORE THAN 100 ILPA MEMBERS

Exclusive Agreement to Create Risk and Return Calculation Engine for LPs Yields Benefits

December 5th, 2017 – (Washington, DC and Frankfurt, Germany) – The “PERACS Calculator”, a custom-built, advanced risk and return calculation engine made available to ILPA members on an exclusive basis, is now in use by more than 100 such members. Designed and implemented at ILPA’s request, the Calculator is based on insights from research performed by Professor Oliver Gottschalg of HEC Paris and from six pilot projects with ILPA members conducted during 2016. The platform responded to an LP need to perform methodically robust risk and return calculations that are less subject to possible biases than traditional IRR calculations.

“We have been extremely encouraged by the high acceptance of the platform as it demonstrates the value to ILPA members that are seeking advanced risk and performance measurement tools,” said Professor Gottschalg, Founder and Head of Research of PERACS. “The rapid adoption suggests that the Calculator solves a real pain point for limited partners on a global basis and we look forward to continuing to work with ILPA members to meet their needs.”

With the PERACS Calculator, ILPA members are able to measure and benchmark the component of private equity fund returns that is most stable over time (the “PERACS Alpha”), which increases their ability to identify likely future outperformers. The PERACS calculator also includes a ground breaking methodology that makes it possible for LPs to quantify and benchmark a fundamental component of investment risk for a given fund manager and across their own portfolio.

“ILPA is committed to supporting limited partners in their efforts to better benchmark their portfolios and optimize their investment decisions,” said Mike Mazzola, Interim CEO of ILPA. “We are pleased that our membership has found the PERACS Calculator to be an important tool in their process – and that we were able to bring them an exclusive opportunity to leverage the work of the PERACS team.”

ILPA members interested in learning more about the PERACS Calculator and related PERACS services can visit the ILPA members-only website.

About PERACS

PERACS is a leading provider of quantitative analytics for the private equity industry. PERACS helps investors achieve a better understanding of the value drivers behind private equity investments and, subsequently, to make better investment decisions. PERACS offers specialized consulting services to institutional and other sophisticated investors by providing detailed insights into the key aspects of private equity investment risk and performance. PERACS' mission is to enhance the efficiency of fundraising and fund due diligence processes and to help free up precious time for investor relations and due diligence teams. With the help of PERACS, investors can focus on value-adding activities, such as:

- Interpreting quantitative performance analysis for value drivers
- Performing qualitative due diligence
- Assessing investment needs.

In order to allow investors maximum flexibility, PERACS has created a comprehensive set of five quantitative metrics which cover key aspects of performance, strategy and risk of private equity investments. The underlying proprietary technology builds on multiple-year research projects on risk and return measurement and benchmarking of private equity investments. Our know-how is related to research performed at the Private Equity Observatory at the HEC School of Management in Paris, combined with substantial expertise in private equity fund investing. For more information, please visit PERACS.com.

About ILPA

The Institutional Limited Partners Association (ILPA) engages, empowers and connects limited partners to maximize their performance on an individual, institutional and collective basis. With more than 450 member institutions representing over US\$1 trillion of assets under management, ILPA is the only global organization dedicated exclusively to advancing the interests of LPs and their beneficiaries through best-in-class education, research, advocacy and events. For more information, please visit ILPA.org.

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