

# NORDIC CAPITAL

To the Copenhagen Stock Exchange  
and the press

Copenhagen, 19 November 2004

## **Nordic Capital and ATP Private Equity Partners make recommended tender offer for Falck A/S**

**Summary: Nordic Capital and ATP Private Equity Partners are today making a recommended public tender offer for the shares in Falck A/S. Falck's board of directors unanimously recommends the tender offer, and the Company's largest shareholder, Skagen 2004 Trust, which holds 23.6% of the shares, has given an irrevocable undertaking to tender its shares at DKK 60 per share. Nordic Capital and ATP Private Equity Partners intend to delist Falck from the Copenhagen Stock Exchange and develop the Company. A teleconference will be held today at 10.30 a.m. (CET).**

Nordic Capital and ATP Private Equity Partners will today make a tender offer to the shareholders in Falck A/S (Falck). The tender offer, which is made through Cidron A/S, is for a cash consideration of DKK 60 per share of DKK 1, equal to a total acquisition price of approximately DKK 5.3 billion. Nordic Capital holds 88% of Cidron and ATP Private Equity Partners holds 12%.

The tender offer will expire four weeks from today on Friday, 17 December at 8.00 p.m. (CET).

The Tender Offer is being submitted after a thorough dialogue with Falck's management, and the board of directors of Falck unanimously recommends the tender offer. This was essential to Nordic Capital and ATP Private Equity Partners. Falck will today issue an announcement to the Copenhagen Stock Exchange and the press (announcement no. 10/04, 19 November 2004), including the following statement by the board of directors: "The board of directors of Falck considers the Tender Offer to be attractive to the Company and its shareholders in view of the expected long-term value creation relating to the continuing development of Falck as an independent listed company. The board of directors has therefore unanimously resolved to support the Tender Offer and recommends that the shareholders of the Company accept the Tender Offer."

Furthermore, Falck's largest shareholder, Skagen 2004 Trust, which holds 23.6% of the shares, has made an irrevocable commitment to accept the Tender Offer.

Nordic Capital and ATP Private Equity Partners consider the tender offer to Falck's shareholders to be attractive. The offer price represents a premium of 65.9% relative to the average share price in 2003\* and a premium of 45.0% relative to the average share price on 20 July 2004, which was the first day the shares were listed after the demerger of Group 4 Falck A/S into Falck A/S and Group 4 A/S. Since then the share price of Falck has risen due in part to market expectations of a sale of the Company, but even relative to yesterday's closing share price of DKK 51.25 (Thursday, 18 November), the tender offer represents a premium of 17.1%.

<sup>2)</sup> The pre-demerger prices are based on the merger ratio of 28.74% to Falck A/S approved by the Danish National Tax Assessment Board.

When adjusted for the expected cash distribution to Falck's shareholders following Falck's sale of GSL, the tender offer represents a premium of 139.9% relative to the average price in 2003\*, 83.8% relative to the average price on 20 July and 27.2% relative to the closing price yesterday.

### **Purpose of the tender offer**

Nordic Capital aims to acquire the entire share capital in Falck through Cidron A/S for the purpose of delisting the Company from the Copenhagen Stock Exchange and further developing Falck as one business in collaboration with the existing management and based on the Company's existing strategy.

“We believe we can accelerate Falck's growth and develop a range of the Company's activities by investing in organic growth and acquisitions. These efforts may impair Falck's earnings in the short term, but will enhance the Company's long-term value. Therefore, it is the right move to delist the Company and develop Falck under long-term ownership that has the financial strength to be patient and need not look at short-term earnings fluctuations,” says Christian Dyvig, partner in Nordic Capital.

Nordic Capital sees a range of development opportunities for Falck based on its existing strategy:

- The Danish activities within the Assistance business will be strengthened through product development, within health care in particular, more collaboration with partners and intensified marketing.
- The Assistance business concepts will be rolled out in Norway and Sweden, mainly by enhanced collaboration with insurance companies and other partners.
- The Emergency activities will be developed in the rest of the Nordic Region, Poland and other selected countries.
- The rescue and safety Training activities will be extended in the Nordic Region to cover activities outside the offshore sector. Internationally, the Training activities will be extended to the new offshore centres that are being developed.
- Partnerships with the public sector shall be developed with a fundamental respect for Falck's role as a provider of vital services to the public sector.

While developing Falck, Nordic Capital will leverage on its experience as owner of a number of Nordic health care and service businesses. Furthermore, Nordic Capital intends to capitalise on its strong international network to accelerate Falck's development outside Denmark.

### **Management and employees**

Nordic Capital intends to retain Falck's management, headed by Allan Sogaard Larsen, President & CEO, and Morten R. Pedersen, Group CFO. Nordic Capital intends to ask Falck's present Chairman, Lars Nørby Johansen, to continue together with other members of the Board of Directors. The Board will be supplemented by representatives of Nordic Capital and the international business community, who can help enhance Falck's growth outside Denmark. Nordic Capital will continue to offer the Association of County Councils in Denmark a seat as observer on the Board of Falck.

Nordic Capital believes Falck has an appropriate organisation and business structure, and accordingly does not expect its acquisition of Falck to result in changes in employment for the 11,000 employees.

“We have a lot of confidence in Falck's management and employees and in their ability to significantly develop the Company under dedicated, long-term ownership,” says Dyvig.

### **Future ownership**

Nordic Capital intends to offer Falck's employees an employee share scheme, totalling a couple of per cent of the share capital in Cidron A/S. In addition, in line with its ordinary business model, Nordic Capital intends to offer Falck's executive management, other executives and Board members to invest in Cidron A/S and thus in Falck. Finally, Nordic Capital intends to invite a few other investors into Cidron A/S, who can actively contribute to developing Falck's business in Denmark and internationally. However, Nordic Capital intends to remain the majority shareholder of Cidron A/S and thus of Falck.

### **The transaction**

The tender offer is made without reservations with respect to funding and due diligence. The transaction is subject to Nordic Capital receiving acceptances for more than 90% of the share capital in Falck and to the usual reservations in respect of regulatory approvals etc. Every effort will be made for such approvals to be available on expiry of the offer period.

Nordic Capital's offer document is available at [www.nordiccapital.com](http://www.nordiccapital.com), [www.handelsbanken.se/capitalmarkets](http://www.handelsbanken.se/capitalmarkets) and on the Copenhagen Stock Exchange website. The document including the acceptance form will be mailed to Falck's registered shareholders next week, except such jurisdictions in which the tender offer or the acceptance thereof would be contrary to the law, including the USA, Canada, Australia and Japan.

Handelsbanken Capital Markets and Gorrissen Federspiel Kierkegaard have advised Nordic Capital.

### **For further information, please contact:**

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### **Teleconference today:**

A teleconference will be held today at 10.30 a.m. Christian Dyvig, Partner in Nordic Capital, Lars Nørby Johansen, Chairman of Falck, and Allan Søgård Larsen, President & CEO of Falck will participate in the teleconference. Please see the practical details announced by Falck.

**Nordic Capital** is a leading private equity company in the Nordic region, investing in large and medium-sized companies in the Nordic region for the purpose of developing them. Nordic Capital owns 16 companies and is currently negotiating to acquire another five companies, including Falck. Since its formation in 1989, Nordic Capital has invested in more than 50 companies with aggregate sales of more than DKK 60 billion. Even before the acquisition of Falck, Nordic Capital is one of the largest private equity investors in Denmark, where it has invested in Unomedical, Sonion and Nycomed Pharma. Nordic Capital is now investing through its fifth fund, which has commitments totalling more than DKK 11 billion from Nordic, European and US investors. Further information is available at [www.nordiccapital.com](http://www.nordiccapital.com)

**ATP Private Equity Partners** handles private equity investments on behalf of ATP and SP, including through the ATP Private Equity Partners I K/S investment fund, a company in the ATP Group. ATP Private Equity Partners was formed in 2001, and has since then focused on investments in private equity funds as well as coinvestments with such funds in European companies. ATP Private Equity Partners is among the largest European investors in the global private equity market with an annual investment programme of DKK 3-4.5 billion. Investment commitments include commitments to the Nordic Capital IV and V funds. Further information is available at [www.atp-pep.com](http://www.atp-pep.com)