

16 CPE HOURS

*Comprehensive, Practical Information You Need to
Model and Determine the Value of Any Business*

How to Value an Acquisition or Division **Business Valuation** And Modeling Using Excel™

**Valuation Techniques Explained
"Hands-On" Excel Training - Bring Your Laptop!**



*You Must Understand Business Valuation
to Follow FAS 157: Fair Value Accounting*

focusing on:

- Different Valuation Approaches: Income, Asset, Market, More!
- Business Valuation Mechanics, Techniques and Templates
- Valuation Models Incorporating the **Key Drivers of Value**
- Normalizing Income, Excess Earnings, and Free Cash Flow
- Justifying and Modeling Projected Income, Growth Rates, Discount, Capitalization Rates, and Terminal Value
- Modeling the Capital Asset Pricing Model and Beta
- Modeling Your Firm's Optimal Cost of Capital - Levered, Unlevered and Relevered Beta
- Dynamic Modeling Sensitivity Tools: Scenario Manager, Solver, Goal Seek, Sliders, More!
- Ten Most Common Errors Found in Valuation Reports
- "Synergy" - How to Quantify it and **Avoid Paying Too Much**

designed for:

- CFOs, CPAs, Controllers, Treasurers, Auditors and Staff Accountants
- Financial Directors, Managers, Analysts and their Staff
- The Entire M&A Team and the Strategic Planning Department
- Divisional Managers and Investment Bankers

Your Roadmap to Properly Value and Model the M&A Candidate

Seattle, WA

October 16-17, 2008

Denver, CO

November 6-7, 2008

San Francisco, CA

November 13-14, 2008

Houston, TX

November 20-21, 2008

Minneapolis, MN

December 4-5, 2008

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register online at **www.nccetraining.com** to reserve your place!

How to Value an Acquisition or Division Business Valuation And Modeling Using Excel™

Properly Value and Model the M&A Candidate

The financial professional whose skills are limited to reporting or analyzing historical data is a part of the past. Today's dynamic business environment demands financial professionals who understand **the basics of business valuation**, and can also **model different valuation scenarios**.

This practical, real-world workshop will give you the on-the-job tools you need to clearly understand business valuation mechanics, identify key value drivers, model an acquisition, negotiate effectively and avoid paying too much, especially if you're a member of the M&A team.

In today's fast-paced, rapidly changing financial environment, dynamic financial modeling plays a crucial role in achieving your firm's optimal financial performance and also advancing your career. Moving from historical "score-keeper" to top management's strategic partner requires the latest in financial modeling and data analysis when it comes to valuing a business.

This workshop is designed to teach financial professionals (1) how to value a business and (2) how to use Excel™ modeling tools and techniques to aid in the process and see instantly how different key drivers of value (such as sales, interest rates and risk) impact the value of the business.

The first day, and part of the second day, of this workshop focuses on valuation principles and methodologies. You will learn:

- Business Valuation Terminology and Methodology
- Preliminary Steps to Determine Value

- Four Valuation Approaches with Special Attention to Income (and DCF) Approach
- The Exact Mechanics of Business Valuation (Case Study) and Pitfalls to Avoid
- How to Value Intangibles
- How to Examine a Valuation Report

Bring your laptop to this work-shop for "hands-on" training. You will see how to best use Excel™ to model complex valuation scenarios. You will learn:

- Basic principles of Model Design and Built-in Excel™ Functions for Valuation Models
- Excel™ Tools for Modeling Including Goal Seek, Scenario Manager, Solver, Spinners, More!
- To Use Regression Analysis to Determine Key Drivers of Value
- To Model Integrated Financial Projections and Free Cash Flow for Valuation Scenarios
- To Model the Cost of Capital, CAPM, Unlevered and Levered Beta and Optimal Financing

No other workshop teaches you so quickly how to value a business and how to model the business acquisition simultaneously. In two fast-paced days you will learn business valuation terminology, procedures and mechanics, as well as examine the key aspects of financial modeling principles and techniques that will animate your valuation analysis.

This practical, nuts-n-bolts seminar is designed to give you essential on-the-job training. You will develop valuation analysis and modeling skills that can be applied to your company the same day!



Class sizes are limited! Telephone us today at **800-635-9615** or register online at **www.nccetraining.com** to reserve your place!

Key Benefits of Attending

Business Valuation

Understand Business Valuation Procedures

- Understand how to value a company of any size, public or private
- Understand the difference between public and private company valuations
- Differentiate between the income-, asset- and market-based approach to business valuation; learn when and how to use each
- Understand the art of normalizing income
- Project income; justify the capitalization rate, growth rate, discount rate and terminal value of the business
- Identify the ten most common errors found in valuation reports

Accurately Value a Business

- Identify the key drivers of value in any business and learn what enhances the value of a business
- Understand synergy and who should pay the synergy premium
- Use sanity checks to verify calculations
- Avoid rule-of-thumb pitfalls and common fallacies of business valuation
- Learn how to allocate the purchase price between assets and other items
- Understand FASB 141 and 142
- **Learn how to spot overpriced businesses; avoid overpaying for an M&A transaction**

Use Rate and Value Relationships

- Calculate the after-tax average cost of capital and use the capital asset pricing model (CAPM) as a basis of valuation
- Learn how to calculate levered, unlevered and relevered beta, why debt increases beta, and how to optimize the cost of capital
- Use *Value Line* reports to rapidly calculate Economic Value Added (EVA)
- Learn when to apply discount and capitalization rates to net income, NIBT, excess earnings and free cash flow
- Understand and quantify terminal value

Excel™ Valuation Modeling

Design and Construct Valuation Models Like a Pro

- Understand the keys to professional-level model design
- Use input cells and range names
- Link worksheets for interactive modeling

Use Excel™ Tools for Powerful Valuation Modeling

- Use *Goal Seek*, *Solver* and *Scenario Manager* for profit and valuation analysis and optimal debt/equity and cost of capital decisions
- Use *Data Tables* and *Sensitivity Analysis* tools for growth projections, rate analysis and M&A analysis
- Use Spinners, Scroll Bars and Option Buttons to quickly analyze changes in key model variables

Model your Firm's Optimal Weighted Average Cost of Capital

- Establish input cells for key assumptions — cost of debt, risk premiums, tax rate, beta coefficient and debt to equity
- Model the beta calculation, **including adjustments for leverage to calculate the re-levered beta**
- Calculate *EVA* and *WACC*

Determine any Firm's Value Based on Different Valuation Models

- Model firm value using a detailed discounted cash flow model, incorporating sensitivity analysis for growth rate, discount rate and terminal value - ideal for M&A transactions
- Learn when to capitalize earnings and cash flows instead of using DCF
- Use regression analysis to identify key value drivers to use as input cells
- Build interactive, pro forma financial statements and forecast free cash flow

Take Home an Integrated Excel™ Valuation Modeling Toolkit

- Project financial statements and free cash flow
- Cost of capital, EVA and valuation templates

Special Bonus!

Your fee includes a comprehensive workbook that will serve as a valuable reference tool long after you've completed the course. You'll get a wealth of easy-to-follow, point-by-point instructions, illustrations, hands-on examples, case studies and working tools for business valuation and modeling.

Free Templates

You'll also receive *FREE* templates with many of the techniques and models covered in class:

- ♦ Present and future-value templates
- ♦ Integrated financial statement projections and free cash flow templates
- ♦ Cost of capital and EVA templates
- ♦ Business valuation templates using DCF

Comprehensive Seminar Agenda

Business Valuation Situations

- Sale, M&A, Divestiture, Spin-Off, IPO
- Partnership Buy-Ins or Buy-Outs
- Economic Loss Analysis, Bankruptcy and Foreclosure
- Mediation, Arbitration and Negotiation
- Employee Stock Ownership Plans (ESOPs)

Business Valuation Terminology

- Valuation Approaches
 - ◆ Asset-Based Valuation, Adjusted Book Value and Tangible Net Worth
 - ◆ Income-Based Valuation
 - ◆ Market-Based Valuation
 - ◆ Going Concern and Goodwill
- Cash Flow and **Free Cash Flow**
- Capitalization Rate and the P/E Multiple
- Capital and Ownership
 - ◆ Capital Structure, Invested Capital and Return on Invested Capital (ROIC)
 - ◆ Control Premium and Discount for Lack of Control (DLOC)
 - ◆ Minority Interest and Minority Discount
- Key Valuation Ratios

Preliminary Steps in the Valuation Calculation

- Defining the Valuation Assignment
 - ◆ Establishing the Standard of Value
 - ◆ Identifying the Business Interest to be Valued: Equity Only, Equity or Assets, Valuing Invested Capital
 - Gathering Data (Includes Bibliography of Sources and Websites)
 - ◆ The Industry, the Business, the Competition and the Economic Outlook
 - ◆ Company History: Financial and Operational
 - ◆ Goodwill and Other Intangible Value
 - ◆ Workforce in Place
 - ◆ Allocation of Purchase Price
 - ◆ Market Price of Similar Companies
 - Analyze Data
 - ◆ Financial Analysis, Ratio Analysis and Comparison to the Industry
 - ◆ Adjustments to the Financial Statements
 - GAAP vs. Business Valuation Analysis
 - Current Value of Tangible Assets
 - Unrecorded Liabilities
 - Excess Compensation and Other Related Party Transactions
 - Non-Operating Income and Expenses
 - ◆ Analytical Review and **Normalization**
 - ◆ The Income Statement (Case Study)
- ### Typical Normalization Adjustments

- Top-Line Analysis: Sales Trends and Market Share
- Bottom-Line Analysis: Profit Margins, Excess Expenses and Potential Synergies
- Business Segments and Product Lines
- Unusual and Extraordinary

The Mechanics of Business Valuation: Explanation and Case Study

- Establishing the Discount, Capitalization and Growth Rate
 - ◆ Calculating the Weighted After-Tax Cost of Capital (WACC)
 - Risk Free Returns, Market Risk Premiums and Beta
 - The Capital Asset Pricing Model (CAPM), the Cost of Debt and Equity
 - ◆ Mechanics for Levered, Unlevered and Relevered Beta
 - ◆ Why Debt Increases Beta: Levered Beta as a Function of Debt
 - ◆ Understanding the Optimal Debt to Equity Relationship
 - ◆ Build-Up Methodologies for Private Companies
 - Company Specific Risk Factors
 - Ibbotson Build-Up Method
- Establishing and Normalizing the Stream of Income to be Valued (Capitalized)
 - ◆ Income Concepts: NIBT, Operating Income, NOPAT, Excess Earnings
 - ◆ Cash Flow Concepts: Cash Flow from Operations, Free Cash Flow
- Projecting Income to be Valued and Supporting the Projected Growth Rate
- Establishing and Supporting a Terminal Value
- Comparison to Other Valuation Approaches
 - ◆ Asset-Based Approaches
 - ◆ Market-Based Approaches
 - Comparables, Market Data Analysis
 - Public Companies and P/E Multiples
- Reconciling Differences Between Methods and Selecting a Value
- Premiums and Discounts
 - ◆ Control Premium vs. Minority Discount
 - ◆ Marketability Discount
 - ◆ Other discounts: Key Person and Blockage
- Sanity Checks
 - ◆ Who Pays for Synergy?
 - ◆ Are You Adding Economic Value? (EVA)
 - ◆ Don't Be Dumb with Rules of Thumb

Seminar Agenda Continued

How to Value Intangible Assets (Overview)

- Intangible Asset Categories and Examples
 - ◆ Customer or Market-Based Assets (Branding)
 - ◆ Contract-Based Assets
 - ◆ Technology-Based Assets
 - ◆ Statutory-Based Assets
 - ◆ Workforce-Based Assets
 - ◆ Corporate, Organizational and Financial Assets
- Valuation Approaches
 - ◆ Market vs. Income Approach
 - ◆ Royalty Method
 - ◆ FASB 141 & 142, SSVS 1

Excel™ Case Study: Projecting Normalized Income and Free Cash Flow with Excel™

Basic Principles of Financial Model Construction

- Designing the Financial Model: Critical Considerations and Keys to Success
- Using Input Cells, Cell Names, Cell Worksheets and the Insert Function Command
- Excel™ Tools for Modeling
 - ◆ Data Tables and Sensitivity Analysis
 - ◆ Goal Seek, Scenario Manager and Solver
 - ◆ Regression Analysis and Financial Functions
 - ◆ Spinners and Sliders
- Communicating the Forecast with Graphics

Present and Future Value Models (Excel™ Template)

- Cash Flow and Adjusting for Inflation
- Timing and Compounding Frequency
- Critical Excel™ Financial Functions
 - ◆ PV, FV, PV and FV of Annuities, NPV, IRR
 - ◆ IPMT, PPMT, CUMIPMT, More!

Financial Statement Projections and Excel™ Template

- Forecast vs. Projection, AICPA/SAARS Definitions and Requirements
- Identifying Key Business Drivers, Assumptions and Uncertainties
- Income Statement Projections
 - ◆ Projecting Revenues Based on Key Drivers
 - ◆ Projecting Expenses and Expense Drivers
 - ◆ Regression Analysis for Fixed and Variable Cost Projections
 - ◆ Normalizing Adjustments

- ◆ Flexible Budgeting with Data Tables and Goal Seek
- ◆ Projecting Normalized Profits with Simulation Tools
- Modeling the Balance Sheet
- Statement of Cash Flows
 - ◆ Operating Cash Flow and Free Cash Flow
 - ◆ Cash From/For Investments and Financing
- Financial Ratios: Modeling to Meet Objectives with Solver and Scenario Manager
 - ◆ Liquidity and Leverage Ratios
 - ◆ Activity Ratios and Profitability Ratios (ROE, ROIC, Margins)
- Projecting Monthly Cash Flows and Borrowing Requirements

Excel™ Case Study: Modeling Cost of Capital, EVA and Valuation with Excel™

Modeling Cost of Capital and Excel™ Template

- Weighted Average After-Tax Cost of Capital Overview (Cost of Debt, Equity)
- Modeling the Weighted Average After-Tax Cost of Capital
- Capital Asset Pricing Model and the Estimated Beta Coefficient
- Modeling Levered and Unlevered Beta for Optimal Debt
- Basic and Expanded CAPM
- Build-Up Model
- Evaluating Performance: Modeling Your Firm's EVA Calculation

Valuation Model and Template for M&A Analysis

- Designing Valuation Models: Key Considerations
- The Income Approach
 - ◆ Discounting vs. Capitalizing
 - ◆ Sensitivity Analysis
- Discounting Cash Flow and Market Approach Models
- **CASE STUDY:** Acquisition Candidate Valuation

How to Critically Review a Business Valuation Report

- Cover Letter, Assumptions and Limitations
- Professional Qualifications of Valuator
- Definition of Valuation Assignment
- Sources of Information
- Analysis of Adjustments to Subject Company Financials
- Critical Review for Comprehensiveness, Accuracy and Coherence

Ten Most Common Errors Found in Valuation Reports

Your Expert Seminar Leader

Peter Woodlock, CPA, PhD

Pete received his PhD from Ohio State University, is a practicing CPA and often works as a business consultant primarily in the area of business valuation. Pete is past Chair of the Department of Accounting and Finance at a mid-western university and is a candidate for certification as a Certified Valuation Advisor. He is also a member of the AICPA Council, the governing body of the AICPA. Pete has published over 40 articles in various accounting, finance and economic journals.

Who Should Attend?

This seminar is ideal for accounting, business and financial professionals who want to clearly understand valuation procedures and mechanics and model valuation scenarios with state-of-the-art computer tools specifically designed to make valuation modeling quick and easy, including:

- CFOs, controllers and accounting staff
- Financial directors, managers, analysts and their staff
- Valuation professionals, mergers and acquisitions specialists
- CPAs in public practice and auditors

Course Level: Basic

Prerequisites: Basic knowledge of finance and Excel™

No Advanced Preparation Required

Alumni Program

After you attend one NCCE course, you are automatically upgraded to Alumni status. All Alumni receive a \$100 discount off the full price of any NCCE seminar. Simply let us know while registering that you are an NCCE Alumnus! *The Alumni discount cannot be used in conjunction with any other discount.*

Transfers and Cancellations

If you are unable to attend your session you may send a substitute or transfer to another NCCE seminar. Transfers are valid for one year. Written notice of any registration change must be received at least one business day before the seminar begins.

A full refund will be given if the registration is cancelled in writing at least 14 days prior to the seminar date. Registrations cancelled less than 14 days before the seminar are subject to a \$300 cancellation fee. In fairness to all attendees, registrants who do not cancel in advance and do not attend are liable for the entire fee.

More Dynamic NCCE Seminars

This workshop focuses extensively on valuation methodology and techniques with an overview only of the M&A transaction. For a complete two-day seminar on the Merger & Acquisition process, attend NCCE's two-day seminar:

- Mergers, Acquisitions & Business Valuation

Please visit our website at www.nccetraining.com to see our many other dynamic financial seminars.

To Register

In order to maintain the quality of your learning experience, class size is strictly limited. Contact us today to ensure your place.

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By Fax: 850-222-4862
Online: www.nccetraining.com
By Email: registration@nccetraining.com
By Mail: NCCE, 967 Briarcliff Drive
Tallahassee, FL 32308

Confirmations with hotel location and additional information will be sent within three days of receipt of payment to each registrant.

Tuition:

Base Fee: \$1,395 per attendee, payable in advance to NCCE. We accept checks, MasterCard, Visa, Discover and American Express.

Discounts:

Early-bird: \$150 discount if payment is made by the date specified on the registration form.

Multiple Registrations: \$100 discount for two or three people from the same organization.

Group Discount: Contact NCCE to learn about group discounts for 4 or more registrants.

Discounts may not be combined.

Course Schedule:

	<u>Day 1</u>	<u>Day 2</u>
Registration	8:30 a.m.	N/A
Morning Session Begins	9:00 a.m.	8:30 a.m.
Lunch (On Your Own)	12:00 p.m.	12:00 p.m.
Afternoon Session Begins	1:00 p.m.	1:00 p.m.
Session Concludes	5:00 p.m.	4:30 p.m.

Custom Training Programs

If you have a group of 12 or more employees who need to learn **Business Valuation and Modeling Using Excel™**, then NCCE's customized training may be the cost-effective solution for your organization. Bring this seminar in-house so your entire team can learn how to value and acquisition or division. *For more information, please call NCCE at 800-635-9615.*

Continuing Education Credits

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How to Value an Acquisition or Division Business Valuation And Modeling Using Excel™

"Hands-On" Training — Bring Your Laptop

SEMINAR INFORMATION

<input type="checkbox"/> Bellevue, WA October 16-17, 2008 Course Number 08904SE	Embassy Suites Hotel Bellevue 3225 158th Avenue S.E. 425-644-2500	Early-bird Deadline September 2, 2008
<input type="checkbox"/> Greenwood Village, CO November 6-7, 2008 Course Number 08904DE	Doubletree Hotel Denver Tech 7801 East Orchard Road 303-779-6161	Early-bird Deadline September 22, 2008
<input type="checkbox"/> Burlingame, CA November 13-14, 2008 Course Number 08904SF	Doubletree Hotel San Fran Airport 835 Airport Blvd. 650-344-5500	Early-bird Deadline September 29, 2008
<input type="checkbox"/> Houston, TX November 20-21, 2008 Course Number 08904HN	Sheraton North Houston 15700 John F. Kennedy Blvd. 281-442-5100	Early-bird Deadline October 6, 2008
<input type="checkbox"/> Minneapolis, MN December 4-5, 2008 Course Number 08904MN	The Marquette Hotel 710 Marquette Avenue 612-333-4545	Early-bird Deadline October 20, 2008

REGISTRATION INFORMATION

This form may be duplicated for additional registrations.

Registrant(s):

SAL	NAME	TITLE	COURSE NUMBER
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Company/Firm:

COMPANY/FIRM NAME _____ TELEPHONE NUMBER _____

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CITY _____ STATE _____ ZIP _____ EMAIL ADDRESS _____

VIP Information:

To ensure prompt and accurate registration, please enter the VIP# found to the left of your mailing label:

Your VIP Code

Registration Fees:

Early-bird (\$150 discount*)	\$1,245
NCCE Alumnus (\$100 discount*)	\$1,295
Multiple - 2 to 3 (\$100 discount*)	\$1,295
Single after early-bird deadline	\$1,395

*Discounts may not be combined.

*Contact NCCE for special pricing for 4 or more.

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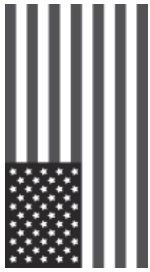
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