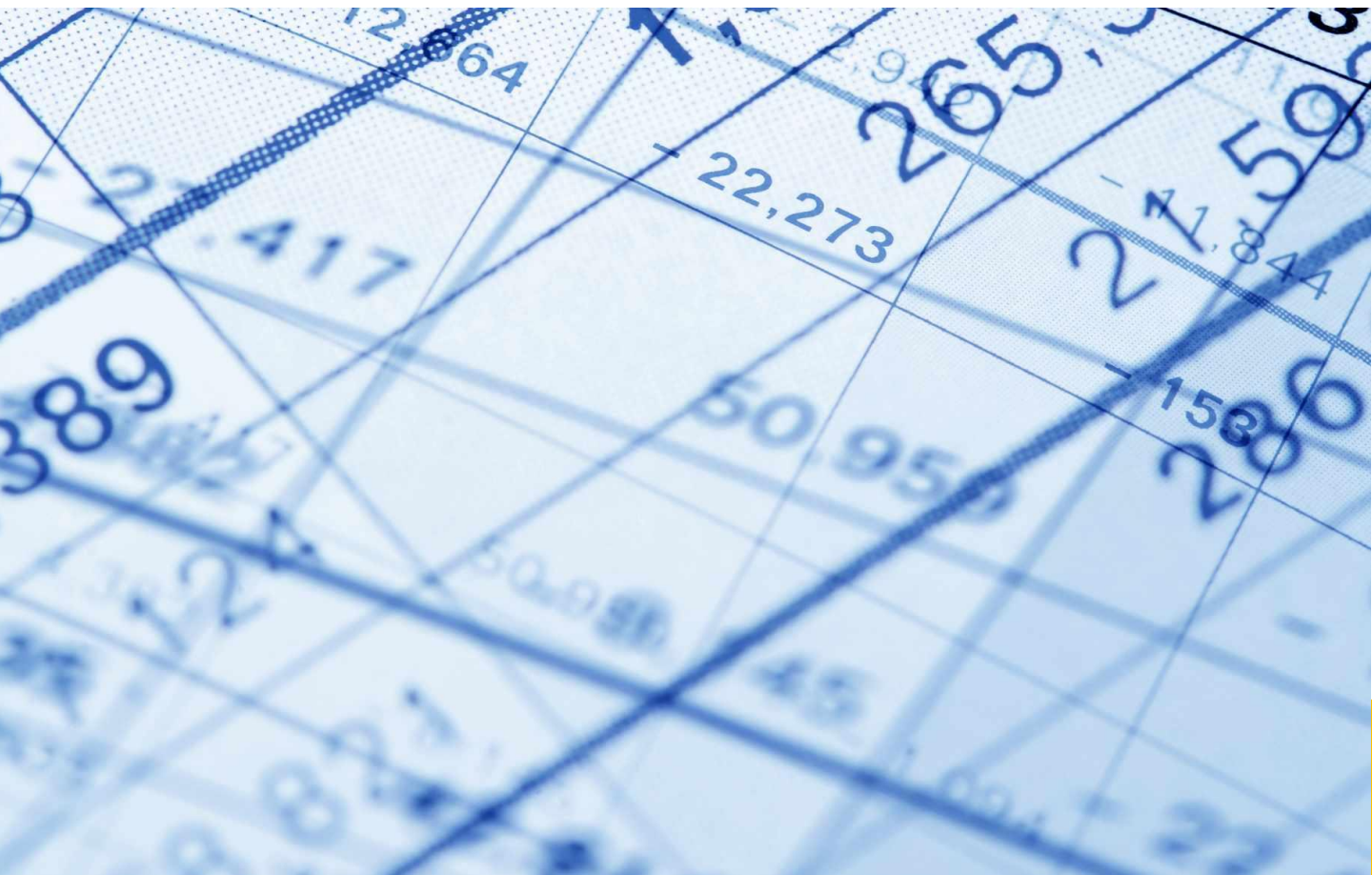


Private Equity Financial Controllers & CFOs Workshop

3-Day Executive Education Training Programme

With Optional Incremental 1-Day Modules

London: 29th November – 1st December 2016



Programme Background

A study by McKinsey & Company (Private equity: Changing perceptions and new realities, April 2014) has illustrated that private-equity performance has been misunderstood in some essential ways. It illustrated that the private equity industry decisively outperforms public equities with respect to risk-adjusted returns, but this good news comes with a caution: top private-equity firms now seem less able to produce consistently successful funds because success has become more democratic as the general level of investing skill has increased.

The study argues that the new priority for success is differentiated capabilities. Limited partners expect funds that exploit a general partner's distinctive strengths will do well, while more generalist approaches may fall from favour. Institutional investors will need to get better at identifying and assessing these skills, and private-equity firms will need to look inward to understand better and capitalise on the factors that truly drive their performance.

Also, some LPs have begun to "insource," effectively doing private-equity investments on their own and recent academic research has found this approach preferable for institutional investors in certain circumstances; direct private investment saves fees and can generate better results than an external manager. However, this approach is clearly not for everyone, as it involves overcoming internal structural obstacles as well as building and maintaining investment teams with the right skills.

Whatever approach is adopted, the implications for the financial specialists in the private equity firm are clear – certain key elements in terms of making investments, such as good due diligence, particularly of the commercial issues involved, valuation related issues, managing investments to create value, and exiting investments, are critical.

The **Private Equity Financial Controllers & CFOs Workshop** will examine in detail these and other important aspects of the financial specialist's responsibilities. The objective is to show how the financial specialist can contribute fully to being a core advisor in key corporate strategies and decision-making

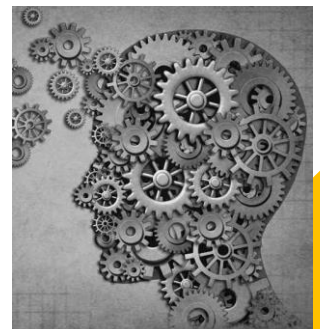
*Developed in a modular format, attendees have the option to attend:
Day 1 only, Days 1&2, or Days 1-3*

This course is aimed at:

- Financial Controllers
- Finance Directors/CFOs
- General Partners
- Limited Partners

Materials:

Participants will be provided with a package of materials, including articles and sample documentation. The course will include real case studies, hands-on exercises, and will give participants the opportunity to demonstrate their understanding through group work and plenary discussions.



Course Director – Professor Dr Roger W. Mills



Professor Dr Roger Mills PhD, MSc, BTech (Hons), Cert Ed, MColl, FCMA, FCIS, FCT. Roger Mills is Emeritus Professor of Finance and Accounting at Henley Business School, University of Reading and he has a unique blend of academic and business experience.

From his academic studies, all undertaken part-time whilst working, he has a PhD in Finance, a Masters in Management Studies (MBA) and a first degree in Psychology, Sociology and Economics.

During the professional part of his career he qualified as a Chartered Management Accountant, Company Secretary and Corporate Treasurer. He is a Fellow of the Chartered Institute of Management Accountants, the Institute of Chartered Secretaries and Administrators, and the Association of Corporate Treasurers.

Currently, he is the CEO of his own group of companies and an advisor to a number of organisations at board level, including one Middle East bank. He has consulted to numerous companies and organisations in many countries around the World. He has worked extensively with banks and financial institutions, primarily in France, UK and Scandinavia, in corporate and investment banking (including private equity).

As a private equity investor Roger was a founding member of a group that secured a successful AIM listing on the London Stock Exchange for a dotcom company in the late 1990's. This listed company went on to acquire a number of businesses to refocus its activities before being acquired by a private equity player.

Roger has written numerous articles and both authored and co-authored many books, the most recent co-written with Dr Peter Clark, *Masterminding the Deal* (August 2013).

In-House Training Solutions

Need a bespoke training solution for your team?

If you have a large team that needs training, an in-house training solution may be right for you. We can run this training programme or a more bespoke course designed especially for the needs for your team.

A programme can be run on **dates convenient to you**, at a venue of your choice, such as at **your offices** and could even prove to be more **cost-effective**.

Programmes can be delivered in a face-to-face classroom-based setting and can also be combined with live online follow-on sessions.

To find out if an in-house solution is right for you, please contact :

Kapriel Kasbarian
Director
+44 207 193 5423
kkasbarian@ascentium-associates.com
www.Ascentium-Associates.com/in-house

Course Outline

Day 1 Topics: Making the investment – how much is it worth? Valuation and how to finance it - capital structure and debt capacity

Valuation and what kind of value issues need to be considered

- Absolute value
 - What is the value of the business/opportunity
 - What is driving the value - can the value drivers be identified and quantified
 - The importance of understanding the underlying business and how to build this around fundamental analysis
- Relative value
 - What is the potential that can be extracted at exit
 - How does this value differ from absolute value
 - How can it be measured - learning from merger and acquisition best practice - analysing operational, financial and other (e.g. taxation) effects
 - Importance of understanding Incremental Value Effect (IVE)
- Valuation architecture - analysing the business/opportunity by building according to desires and needs rather than using the 'standard' model

Complete overview of valuation theory

- Discounted cash flow (DCF) valuation, including
 - Weighted average cost of capital
 - Risk premiums and Beta
 - Terminal value estimation
- Multiples based valuation
- Dividend discount and other models

The private equity approach to valuation

- Comparison of public equity and private equity valuation
- Importance of the exit driven perspective
- Relation between active private equity management and valuation
- Guidelines on private equity valuations - International Private Equity and Venture Capital Valuation (IPEV) Guidelines

Value creation in private equity and how do private equity firms create value?

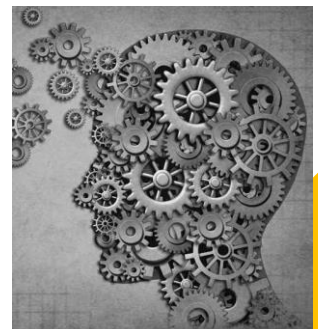
- Minimise purchase price
- Maximise leverage
- Minimise liabilities purchased
- Manage transaction costs
- Improve business operations
- Maximise tax efficiency
- Optimise exit

Case study: developing relative valuation models to assess IVE

Capital structure and debt capacity

- Traditional approaches
- Contemporary approaches
 - Link with cost of capital minimisation
 - Link with issues re DCF analysis – methodology
 - Free cash flow to enterprise versus equity and importance of understanding equity cash flows
 - Sensitivities and identification of key value drivers
 - Identifying the discount rate
 - Debt maturity and repayment issues
 - Terminal value challenges
 - Assessing and challenging growth assumptions
 - Triangulating value using alternative methodologies

Workshop: Calculating debt capacity



Course Outline

Day 2 Topics: Avoiding risk of failure - due diligence

Why conduct due diligence?

When to conduct due diligence?

An overview of the process

- Appointment of the team
- Confidentiality agreements
- Data room and access to the room
- Due diligence questionnaire and checklist
- One on one interviews with management from the target company
- The due diligence report

The Phases of Due Diligence

- Strategy
- Planning:
 - Where to focus the due diligence effort
 - Defining the scope of the due diligence
- Data
- Analysis
- Verification
- Negotiation
- Completion
- Post-transaction
- Comfort letters

Overview of the main types of due diligence

- Industry - strategic perspective, industry analysis and value chain
- Company
 - Accounting
 - Operational - manufacturing and production – supply chain
 - Commercial
- Environmental
- Human
- Legal/Regulatory/Intellectual Property

Due diligence and the business plan

- How due diligence is linked with the financial plan
- Identifying critical success factors and high impact risks
- How to interrogate the business plan using due diligence
- Preliminary valuation of the business plan
- Evaluating the high impact factors
- Prioritising high impact factors to structure the direction of the due diligence process -high impact high likelihood investigated first

Mini cases and practical sessions to reinforce the points covered during the session

Case study: How to interrogate the financial statements forming a business plan, and how to identify problem areas.



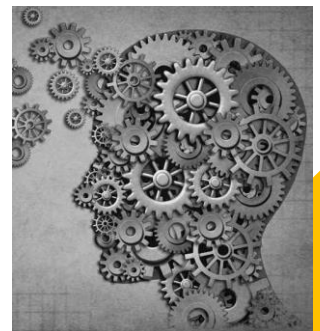
Course Outline

Day 2 Topics Continued: Creating value from ownership

Creating value and understanding the big picture in managing for value

- Link value drivers to key performance metrics
 - Understanding relative versus absolute value for synergy and improvements from restructuring
 - Incremental Value Effect (IVE) approach for valuing target investments and synergy/restructuring effects
 - Building a relative value framework to:
 - Visualise the impact of prospective ownership plans
 - Understand the sources of value and the relative importance of the 'value drivers' for the business
 - Value driver analysis and applying free cash flow and economic profit analysis
 - Developing a relative valuation dashboard and understanding value drivers
 - Estimating sources of value from value driver assessment
 - Developing and using a financial model to evaluate prospective targets
 - Link value drivers to key performance metrics
 - Evaluating synergies/benefits from restructuring using valuation analysis
 - What are synergies/benefits from restructuring, how are they measured and how can they be analysed within a transaction?
- Importance of understanding different perspectives
 - Control premium
 - Valuation of synergies/benefits from restructuring – the principles and the challenges
 - The synergies framework
 - Operating
 - Financing
 - Tax, including understanding important tax complications/considerations
 - Valuing the acquisition target with synergies

Case study review



Course Outline

Day 3 Topics: Managing for value post investment, and exit planning, strategies and implementation

Creating value post investment involvement

- Managing to create value, including
 - Principles of value based management
 - Techniques of value based management
 - Performance measurement and economic profit
 - Monitoring and internal reporting design
 - Investment performance reporting design and review
 - Selection, implementation and testing of PE administration systems
 - Dealing with the human factor challenges in implementing the plan
 - Management incentives
 - Succession planning and key man risk
 - Use of external consultants

Exit planning

- Identifying potential buyers and understanding reasons for their interest
- Making the investment attractive to buyers
- Generating competing buyers

Review of Issues and Methods

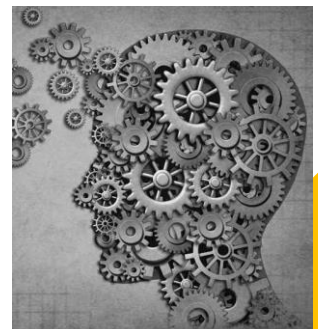
- Sale
 - Advantages and disadvantages
 - The process
 - Key success factors
 - Estimating synergies - valuing existing businesses on a stand-alone basis and comparing them with the value of the combined businesses
 - Importance of understanding different perspectives – control premium, valuation of synergies and perspective
 - Valuing the acquisition target with synergies
- IPO
 - Advantages and disadvantages
 - Process
 - Valuation challenges
 - Pricing and allocation
 - Aftermarket

- Secondary buyout
 - Advantages and disadvantages
 - The process
- Leveraged recapitalisation
 - Advantages and disadvantages
 - The process

Strategies to protect minority interests, especially when investing alongside a majority owner

- Ensuring that minority protections are incorporated into legal agreements
 - Negative covenants – restrictions upon e.g.
 - Entry into material/onerous contracts
 - Sale or lease of any assets
 - Any acquisition of shares
 - Creating, issuing or allotting any new shares
 - Reduction in capital/redemption of own shares
 - Merger/consolidation/amalgamation
 - Change in Directors and/or their powers
 - Positive covenants , e.g. Board meetings are held regularly (e.g. once a month)
- Board Representation
- Control triggers when the business is not performing well
- Tag along rights
- Share transfer restrictions and permitted versus non permitted transfers
- Drag along/come along clause

Review



Registration Form

Private Equity Financial Controllers & CFOs Workshop:

London – 29th November – 1st December 2016

Delegate Details

Delegate 1: Mr/Ms/Mrs/Dr..... First name..... Last Name.....
Job title..... Email address.....

Delegate 2: Mr/Ms/Mrs/Dr..... First name..... Last Name.....
Job title..... Email address.....

To register more delegates, please call us on +44 207 193 5423

Organisation Name: Membership No. (if applicable).....
Address..... City.....
Post/Zip Code..... Country..... Tel.....

Pricing Choices

Book by Friday 16th September to receive the Super Earlybird prices.
Book by Friday 28th October to receive the Earlybird prices.

Please tick the appropriate box:

	Super Earlybird Rate	Day 1 Only Earlybird Rate	Normal Rate		Super Earlybird Rate	Days 1&2 Earlybird Rate	Normal Rate
1 Delegate	<input type="checkbox"/> £597	<input type="checkbox"/> £796	<input type="checkbox"/> £995	1 Delegate	<input type="checkbox"/> £1,195	<input type="checkbox"/> £1,526	<input type="checkbox"/> £1,795
2 Delegates	<input type="checkbox"/> £1,075	<input type="checkbox"/> £1,433	<input type="checkbox"/> £1,791	2 Delegates	<input type="checkbox"/> £2,095	<input type="checkbox"/> £2,846	<input type="checkbox"/> £3,550

	Super Earlybird Rate	Days 1-3 Earlybird Rate	Normal Rate
1 Delegate	<input type="checkbox"/> £1,795	<input type="checkbox"/> £2,195	<input type="checkbox"/> £2,695
2 Delegates	<input type="checkbox"/> £3,550	<input type="checkbox"/> £4,195	<input type="checkbox"/> £5,095

Note: All prices exclude 20% VAT which will be added to your invoice or credit card transaction

Payment Details

We accept payment with American Express, Mastercard, Visa or by invoice/direct wire transfer. Payment in full must be received in advance of the programme. Registrations received fifteen (15) days or less before a course commences, then the payment must be via credit card.

Please tick method of payment:

Please email to me an invoice Credit Card Payment - American Express/Mastercard/Visa

Full Name as it appears on Credit Card.....

Credit Card Number..... Expiry Date..... Security Code.....

I have read and agree with the Terms & Conditions* - Signed.....

*For Terms & Conditions, please visit www.Ascentium-Associates.com/terms-conditions

Please scan and email your completed registration form to info@ascentium-associates.com
Alternatively register online at www.Ascentium-Associates.com or call +44 207 193 5423

About Us

Ascentium Associates - We are a specialist training provider, focused on the private equity, real estate and infrastructure/project finance sectors. Our industry course programmes are delivered by highly experienced practitioners enabling you to learn from seasoned veterans.

We are passionate and focussed on your training and development needs and offer many strong reasons as to why you should consider training with us:

•**Faculty Expertise** – Our faculty of experienced practitioner trainers, makes us different from other providers. We have a dedicated section on our website so that you explore the expertise that we can offer.

•**Small Class Sizes** – Our courses are small groups (usually between 8-15 people) and are highly interactive. This allows for a lot of scope to ask questions and join in discussions. Attendees are encouraged to actively join in, contributing with their own experiences and also challenge and learn from each other. Individual and group exercises are designed to get people thinking about, reinforcing and applying their learnings.

•**Learning with your peers** – Our programmes are primarily aimed for industry participants, so you can expect to be training alongside an engaging peer group.

•**Alumni group** – In addition to the peers you will meet, we also have an alumni group for you to network with.

•**Quality Programme Materials and Certificate of Completion** – All programme attendees will receive the programme content and a certificate of completion.

•**Quality venues** – We always use easy to get to venues that are centrally located and which provide the right balance of comfort and technology to facilitate your learning experience.

•**Post course discussion forums** – The forums on our website provide a platform to continue discussions and conversations with fellow attendees.

•**Feedback** – Programme feedback is very important to us, both during and after a programme and forms a basis for ongoing continuous improvement.

•**In-house training** – In addition to our scheduled programmes we also offer bespoke programmes offering expertise, convenience and cost effectiveness.

•**Track record** – Our team of professionals have many years experience of planning, designing and delivering training programmes.



We look forward to working with you.

Best Regards,

Kapriel Kasbarian
Director
Ascentium Associates
Tel: +44 207 193 5423
kkasbarian@ascentium-associates.com

FAQ

Frequently Asked Questions:

For a full FAQ please visit www.Ascentium-Associates.com/faq

Venue - I know the city in which the course will take place, but where exactly is the training venue located?
The venue will be located in a central part of the city. As we use several different venues (depending on availability and the number of registered delegates) in each city, we will finalise the venue once we have a good idea of how many attendees we are expecting and will inform you accordingly. We usually finalise the venue about 2-3 weeks before the course.

Laptops – Do I need to bring a laptop to the course?
Unless it is specified, bringing a laptop is optional

Travel & Accommodation – I do not live local to the course, do the course fees include my travel & accommodation expenses?

No – Each attendee is responsible for their own travel & accommodation costs and arrangements.

Timing – What time does a training day start and end?

Unless specified otherwise, training will start by 9:15am and finish by 5:00pm. On the first day of a course, attendees are required to register their presence and collect their course materials and are therefore requested to arrive by 9:00am.

Food & Beverages – Are there any food or drinks served during a training programme?

There will be 2 to 3 short tea/coffee breaks and a lunch available daily and are included in the programme fee.

Cancellation Policy – What is your cancellation policy?

For our full policy of cancellations please visit www.Ascentium-Associates.com/terms-conditions





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