



VALUATION

Tuesday 5th –Wednesday 6th June 2007

Objectives

1. The course covers the principles of valuation starting with financial instruments and then extending the ideas to apply to company valuation.
2. Participants will gain an understanding of key considerations in making an investment such as earnings, growth, risk, return.
3. They will learn specific methods used in valuation including discounted cash flow. These will incorporate yield curves and measures of risk.
4. Through case studies/ assignments, participants will learn the practical application of these methods in valuing various financial instruments as well as company valuation.

Method

The course will be run over 2 days. The time spent in straightforward lectures will be as short as possible, with delegates spending as much time as possible applying the ideas being taught to realistic exercises and mini-case studies.

Target

This seminar is designed for:

1. Equity Investors
2. Fund Managers involved in determining investment options
3. Treasury Managers
4. Financial Analysts
5. Managers involved in Mergers/ Acquisitions

COURSE CONTENT

Key issues in determining value

- What the asset can earn
- How much growth can be generated
- How risky is the forecast
- Key issues of growth and risk – in the future

Time value of money

- Compounding and discounting
- Annuities and perpetuities
- What to discount
- Matching the flows being discounted to the discount rate
- NPV and IRR

Yield curves

- The par, forward and zero coupon yield curves
- Disaggregating the yield curve
- Comparing different rate quotes and different compounding periods

Valuing instruments

- Short term instruments
- Bonds, annual and semi-annual
- Swaps

Risk measures for investment in instruments

- Duration, modified duration and PVBP
- Convexity and modified convexity

Risk and return, the cost of equity

- Risk in the finance context
- The link between risk and return
- The cost of equity - Capital Asset Pricing Model (CAPM)



Capital structure

- The concept of leverage
- Modigliani and Miller's hypothesis
- Leverage and value
- Weighted average cost of capital

Company valuation

- Traditional versus DCF methods
 - Which cash flows, which discount rate
 - Calculating terminal value
 - Entity value and equity value
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ABOUT THE FACILITATOR

IAN JAKEWAYS

Ian Jakeways has twenty years experience in designing and running training programmes for managers. In addition to the UK, his experience covers Western Europe, the United States, Asia, Africa, the Middle East and Central Europe. The institutions with whom he has worked, include major domestic and international commercial and investment banks and other financial institutions.

After a first degree in Physics and an initial period in production management, becoming Works Manager of a manufacturing company, he went to Manchester Business School to study for an MBA. On completion of his MBA, he remained within the School, joining the International Banking Centre which ran the School's programmes for banks. For a number of years he was Course Director.

Ian was a founder director of a commercial training consultancy specialising in education and training for the financial services business and has since established Ian Jakeways Associates. His teaching emphasizes rigour in understanding and practical application to cases which reflect the activities of course delegates.

His areas of special interest are

- Corporate finance
- Treasury management
- Investment banking
- Financial modelling

For many years, until end-2002, Ian was a Chief Examiner for the Association of Corporate Treasurers' Membership examinations (Advanced Funding and Risk Management). He is a Fellow of the Association.



REGISTRATION FORM

VALUATION

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NAME:

JOB TITLE:

COMPANY NAME:

COMPANY ADDRESS:

PHONE:

FAX NO:

E-MAIL ADDRESS:

SIGNATURE:

COURSE PRICE: US\$1360 + 15% VAT

This covers the cost of tuition, course materials, lunch and refreshments.

In order to ensure that you have a booked place, you must complete and sign the registration forms signifying your confirmed attendance at the above seminar and payment in full upon registration.

CANCELLATION POLICY

A cancellation fee of 50% of the total cost per registered participant will apply after **Tuesday 29th, May 2007..**

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