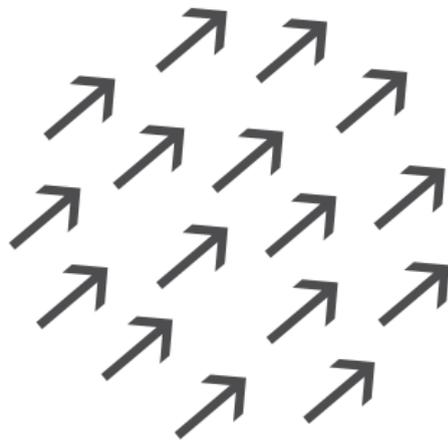


Invitation to an Executive Workshop



REAL OPTIONS FOR TOMORROW'S GROWTH
The practice of real options in investment decision making

Where firms apply real options

New power plants

Marketing trials

Strategic sourcing

R&D joint ventures

Technology platforms

Infrastructure investment

Mining and oil / gas leases

New product development

Climate change adaptation

Pollution reduction programs.

Why firms apply real options

How companies respond to the big uncertain issues of our time – global economic shifts, volatile energy and commodity prices, new technologies, climate change and emissions reduction – can benefit from real option thinking.

In this next era, investments will succeed or fail depending on how well they are designed to cope with uncertainty. Value will be driven by product / program innovation, and your firm’s ability to respond to shifting markets, new technologies, and new regulatory imperatives.

When markets, technologies and regulation are changing, real options are more valuable. Grounded in the basic intuition that decision makers seek to “keep options open” in uncertain situations, the real option framework explicitly recognises that decision makers always have the power to change direction in response to changing conditions. They use levers such as: accelerate or defer, “make or buy,” switch markets, expand or contract.

Valuation lies at the heart of investment decision making. “What is it worth?” “How can the full value potential be realised?” Real options are supported by solid corporate finance foundations. Real option analysis takes into account both flexibility and forward market prices when valuing assets. It also integrates the processes of formulating strategy and valuing assets.

How?

This Workshop explains the practice of real options as:

A different way of thinking: recognising that multiple scenarios and pathways to the future are a better way to manage risks and opportunities than a single view of the future;

New analytics for valuation: taking into account both flexibility and forward market prices – and integrates subjective judgment in project evaluation, not just hard data and the facts.;

A dynamic decision making process that involves a strategic dialogue between the decision makers, experts and financial analysts – and integrates the tasks of formulating strategy and implementing strategy.

What you will learn at this Workshop

Where companies use real options to make better investment decisions – decisions that end up creating more wealth for the company and its shareholders.

How to use the insights of real options – strategic experimentation, learning and adaptation – for steering big, complex, multi-stage assets in dynamic markets.

What are the key features of real options, and what is the implementation process.

How to build flexibility into projects using real option approaches.

How to analyse investment decisions using real option valuation techniques. **What are the key analysis tools:** Value Models, Decision Trees and Influence Diagrams.

Case studies in real options from a range of industries.

How to bridge the gap between investment strategy and implementation. How to design a more effective decision process, incorporating judgment to deal with uncertainty.

Why companies align their business model to take full advantage of the real option approach.

REAL OPTIONS FOR TOMORROW'S GROWTH

The practice of real options in investment decision making

Workshop Facilitator

Jay Horton

Managing Director of Strategis Partners

“Since the 1990s I have introduced the practice of real options to companies in Asia and Australia: airlines, beverage companies, energy producers and electricity generators, infrastructure operators, miners and telcos.

Projects realised a wide range of strategic benefits: better decisions on production capacity expansions, more accurate pricing of assets in competitive auctions, all-inclusive cost-benefit analysis of vertical integration, and full value recognition of market entry decisions.”



Strategis Partners Pty Limited is an independent, strategy consultancy and is recognized for its insight and focus on complex future-oriented initiatives. The Firm's skills and experience lie in the use of real options analysis and scenario planning for strategic decision making.

The Firm works with clients in energy, power and water utilities, financial services, government agencies, consumer products and retailing, manufacturing and agri-business, mining, transportation and technology industries.

Workshop Date: Thursday 27th November 2008.

**Workshop Venue: Intercontinental Hotel,
Corner of Bridge & Phillip Streets, Sydney.**

Workshop Fee: \$695 per delegate.

For more information on this event including enrollment details, please contact us:

Tel: +61 2 9238 6886

Fax: +61 2 9238 6887

seminars@strategispartners.com.au

Strategis Partners
Level 57, MLC Centre
19-29 Martin Place
Sydney, NSW 2000.

www.strategispartners.com.au