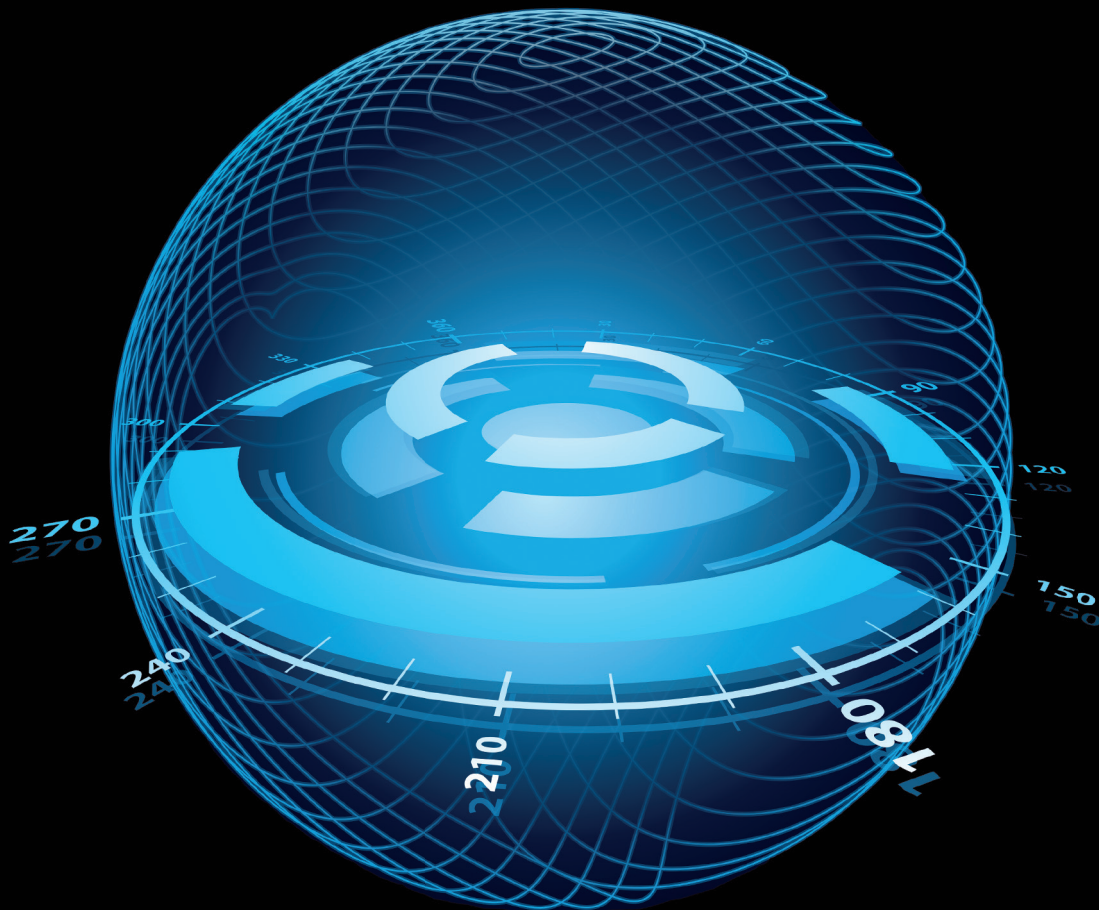


Deloitte.



**Valuation, Economics
& Modeling**

Financial Advisory ●

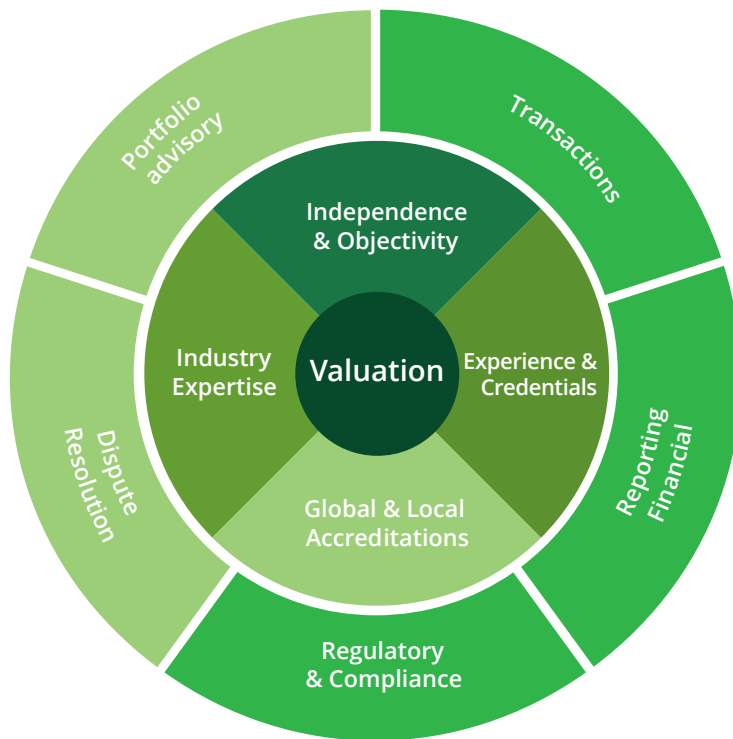
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Understand your
company's worth. Value
your business, and take
new opportunities

Valuation

Excellence never rests



Today's leading organizations are seeking to unlock greater value from existing assets and ongoing capital expenditures as well as new acquisitions, investments and complex corporate arrangements. At the same time, regulators and tax authorities are demanding greater transparency of fair/market value measurements. The support of arm's length's transactions by consistent valuation analysis for transfer pricing and financial reporting purposes is an undisputable requirement. Deloitte professionals help clients to solve complex business and transaction issues, offering an integrated approach to measure, analyse and report on a broad range of valuation aspects.

Transaction valuations

Understand deal drivers and value creation



Your issue

You plan to buy or dispose of an existing business or asset and you require a maximum comfort regarding to an appropriate transaction price or valuable advice to enhance your bargaining power within negotiations.

Your will require us to advise on the value of:

- Businesses and separate operations;
- Land and buildings;
- Machinery and equipment;
- Intellectual property and other intangible assets;
- Loan portfolios and other complex financial assets.



Our solution

We provide you with first class valuation advice enabling you to take informed investment decisions. Our valuations comply with all relevant international as well as local valuation standards and are in line with latest best practice within the valuation community.

Financial reporting valuations

Enable a true and fair view on your business



Your issue

Full compliance with complex accounting standards under IFRS, US GAAP and Romanian GAAP. Providing transparent, relevant and reliable information to investors and stakeholders.

Your will require our advice related to:

- Purchase price allocations;
- Identification and valuation of (intangible) assets acquired and (contingent) liabilities assumed;
- Calculation of purchase price, including contingent consideration;
- Derivation of remaining goodwill;
- Impairment tests of goodwill, tangible, intangible and financial assets;
- Regular (re)valuations of tangible and intangible assets;
- Periodic fair value measurements of financial holdings, investment properties and financial assets.



Our solution

Our professionals provide for both indepth valuation and accounting expertise and interpret valuation results related to future earnings and balance sheet impacts in the light of our clients' accounting strategy.

We are familiar with your auditor's expectations facilitating a smooth and efficient communication and review process.

Regulatory and compliance valuations

Build resilience towards authorities and regulators



Your issue

Compliance with commercial and tax law or other regulatory provisions requiring independent expert opinions on fair market value of businesses and separate assets.

Optimizing deal structures in the light of asset or business value.

Documentation of appropriate transfer prices.

You may require us to assist you in the scope of:

- Mergers, spin-offs, squeeze outs;
- Public offering and de-listing;
- Contribution in kind;
- Capital transactions;
- Transfer pricing-related party transactions;
- Insolvency (liquidation and reorganization).



Our solution

Our valuation and modeling experts, together with our tax, legal and accounting advisors, provide valuable insights related to the analysis of financial, accounting and tax implications of corporate transactions.

Our valuation reports enable you to understand and document transactions meeting highest professional standards and expectations of regulatory authorities.

Dispute advisory

Rely on quantitative excellence and expertise in legal proceedings



Your issue

Objective opinion and evidence provided by an independent quantum expert supporting the settlement or determination of a commercial dispute.

You may require us to assist you in the scope of:

- Fairness opinions;
- Lost profit and damage calculations;
- Mergers & acquisitions (earn-out agreements, material adverse changes, purchase price adjustments, warranties and representations);
- Intellectual property infringement;
- Bankruptcy (preferences and fraudulent transfers);
- Real estate litigation and construction claims;
- Insurance and business interruption claims;
- Regulatory litigation.



Our solution

We provide dispute resolution services as financial consultants, as well as testifying expert in litigation and in alternative dispute resolutions - such as international arbitration and mediation.

Our team supports clients from initial case assessment and strategy development over expert report preparation and settlement negotiations, to expert testimony at trial.

Deloitte experts possess unique skills in gathering and preparing economic evidence and to communicate convincingly to a trier of fact.

Portfolio valuation advisory

Control complexities of financial services



Your issue

As alternative investment company (private equity, hedge fund, investment fund, fund of funds, investment manager and financial institution) you are facing intense scrutiny and attention from stakeholders due to increasing complexity of your investments.

In response you intend to adopt well-defined, consistently applied valuation policies and procedures to comply with relevant reporting standards and industry best practice.

You may require us to provide valuation advice for complex assets, particularly when there are liquidity or marketability concerns:

- Performing and non-performing loan portfolios;
- Residential and commercial mortgages;
- Common and preferred equity;
- Debt instruments;
- Derivatives.

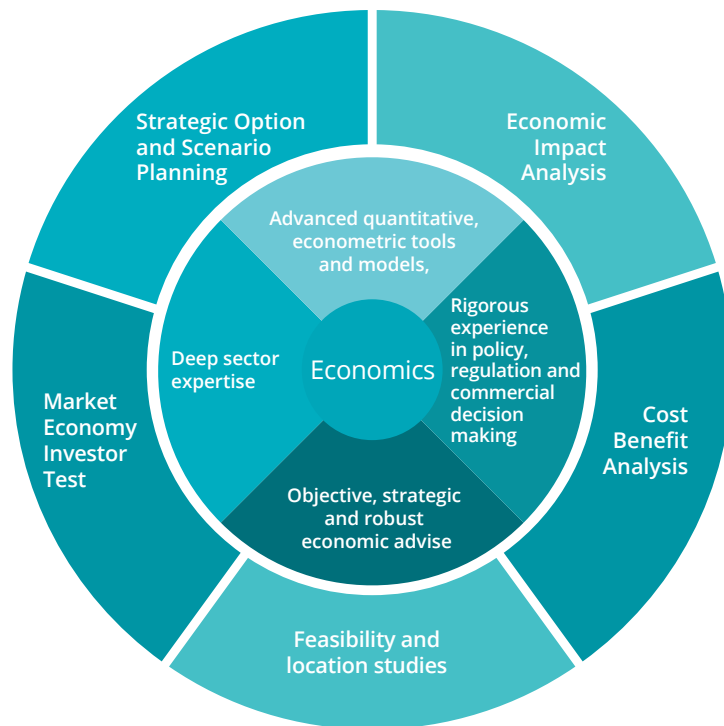


Our solution

Our professionals bring a deep understanding of the complexities associated with private equity, venture capital and hedge funds, and can help when estimating the value of fractional equity interests or financial instruments, or analyzing a portfolio manager's valuation estimates for reporting purposes.

When you need valuations with deep insights into the constituent assets of fund portfolios, tailored to regulatory requirements or specific client circumstances, Deloitte can help.

Economics



Our economics team uses the fundamental principles of economics to address our clients' needs in the areas of policy, regulation and commercial decision-making. We assess the implications of economic change, helping businesses to capitalize on the opportunities it affords.

Applying a pragmatic approach, we offer customized, empirically sound expert opinions, analyses and studies on the basis of recognized scientific methods using statistical and econometric procedures. We provide effective and methodologically well-founded support on a variety of topics, ranging from forecast models, socio-economic cost-benefit analyses, sectoral and international feasibility analyses through to economic impact assessments, the analysis of macroeconomic interrelations or economic studies of the (inter-) national, political and regulatory environment.

Economic Impact Analysis

Reveal the economic value added of your operations



Your issue

You need to demonstrate the economic contribution of your organization, industry, or of a specific investment to a geographic region or country



Our solution

Our economic impact analyses are an effective way of demonstrating the economic contribution your organization, industry, or investment makes to a region or a country. Our impact studies typically measure three major channels through which organizations add value: direct, indirect and induced contributions to GDP, employment and fiscal budgets. Our economic impact capabilities can be combined with forecasting methods to assess how the economic impact of a company or industry will evolve in the coming years.

Cost Benefit Analysis

Your public/private investment tool



Your issue

As governmental or corporate decision-makers you are facing critical decisions affecting both the public and the private sector. As policy-maker you need to decide whether important initiatives—such as infrastructure projects—are worth undertaking from the point of view of the entire society.



Our solution

Deploying Cost Benefit Analysis we analyze what society has to give up in order for the benefits of a given project to be realized. Moreover, Cost Benefit Analysis can seek to quantify the costs and benefits for which there is no tangible market value, such as environmental implications or broader social values associated with a given project. Our economists are uniquely qualified to present our findings in clear, concrete economic terms that will resonate with policymakers and executives around the world.

Feasibility and location studies

Location matters wherever you go



Your issue

You are considering the opening of new branches, or to relocate, restructure or modernize existing operations. Thereby you are facing numerous factors determining where to locate a new branch or operation and you need to balance them carefully to take an informed decision.



Our solution

We assist you in making location decisions by analyzing the supply of qualified workers, competitive wages, and other geographically variable operating costs, such as energy, taxes and real estate. In addition, we provide rigorous demographic, segmentation and market size analysis for assessing new market opportunities. Our experience of traditional location consulting and economic forecasting allows us to support besides corporate decision makers, also economic development officials seeking new business opportunities for their regions, and private investors considering the feasibility of real estate investments.

Market Economy Investor Test (MEIT)



Your issue

As a public authority you envisage to inject capital in one of your enterprises. As cornerstone of state aid control within the EU, your investment needs to comply with the Market Economy Investor Principle (MEIP). In essence, the MEIP requires that when a public authority invests in an enterprise on terms and conditions which would be acceptable to a private investor operating under normal market economy conditions, the investment is not a state aid. In other words you need to prove that the enterprise could have obtained the same financing in the market.



Our solution

Our experienced consultants can assist you in performing the MEIT to strengthen your case that the investment does not represent an advantage for the enterprise from both quantitative and qualitative perspectives. We are familiar with the applicable regulatory frameworks and work closely with you and legal counsel applying generally accepted economic models and financial analyses resulting in reliable and defensible outcomes.

Strategic options and scenario planning

Consider your alternatives



Your issue

You need to evaluate different strategic initiatives and corporate transactions, as well as their impact on company performance and shareholder value.



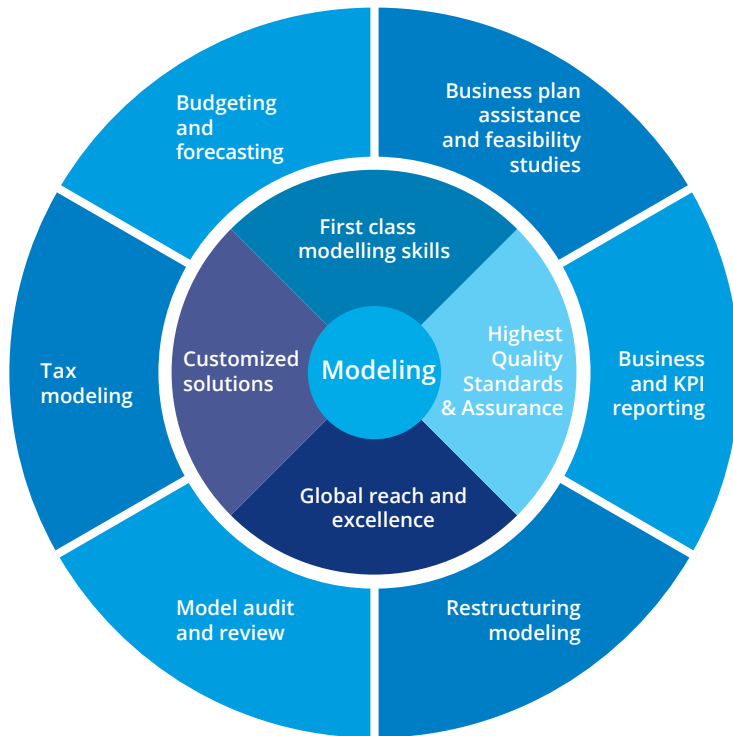
Our solution

We build economic models that help you to accurately assess the financial implications of existing and potential drivers and to formulate tailored optimization strategies. Our economic experts conduct comprehensive modeling, scenario-based analysis and simulation exercises. We help you to understand the implications of industry trends for your business, assess potential risks as well as develop possible options to mitigate and eliminate those risks. Our professionals help you to deal with the full range of uncertainties in financial investments, resource allocations and planning decisions.

A strategic goal without
having a business plan,
is just a wish

Modeling

Numbers you can trust



Whether evaluating strategic options, new ventures, proposed transactions or existing operations, financial models are fundamental to any decision making process. We provide solutions, adopting best practice techniques, quantitative analysis and logic. We draw on the wider capabilities of our firm to provide you with insightful and meaningful analysis. If you are undertaking or considering any of the following activities, you will benefit from our services.

Business plan assistance

Put it right by numbers



Your issue

You plan to set-up a new business or you are a mature company looking for financing to invest in new projects or existing businesses.



Our solution

We assist you in preparing a business plan or feasibility study for your venture to determine its financial viability, investment value and profitability. We will work in close cooperation with your technical consultants to ensure the bankability or eligibility of the case from the initial stage of your project, to its presentation to potential investors and lenders.

Business and KPI reporting

Monitor your success



Your issue

You seek to improve the quality and transparency of internal and external reporting to provide stakeholders and investors with more relevant and reliable information to take informed decisions.



Our solution

We provide models that incorporate actual financial and non-financial performance measures with qualitative information for a broader view of current performance and greater understanding of your company's envisaged future development.

Restructuring modeling

Control your turnaround



Your issue

You expect to breach bank covenants or face looming liquidity issues and your stakeholders solicit a sound business project on which to negotiate and to move forward.

You seek independent, trusted professionals who are both knowledgeable and unbiased to provide company business reviews (CBR) or independent business reviews (IBR) supporting you in your refinancing process.



Our solution

We provide you with an informed, objective assessment of existing commercial and financial positions. Our models stress test management's business plans against real commercial, operational and financial challenges, and evaluate the risk of meeting forecasts and potential upsides. Our professionals help to establish a realistic set of "post-vulnerability" numbers that stakeholders use to assess future profits and cash flows, from which to develop strategic and financing options with confidence.

Model review and audit

Add assurance to your numbers



Your issue

You require an independent review of financial models to increase the credibility in model outputs to avoid the costs and consequences of inappropriate decisions undertaken on the basis of faulty models.



Our solution

We provide full scope reviews covering model logic and integrity for both the base case and designated sensitivities, leading to the provision of a formal opinion.

In case of a model audit, a formal opinion letter provides you with Deloitte assurance with respect to the accuracy of the subject model.

Tax modeling

Optimize your tax cash flow



Your issue

You consider a direct and indirect tax structuring as an indispensable aspect of financial management. However, tax structuring decisions are taken on the basis of very broad assumptions not taking into account the variety of factors impacting your direct and indirect tax position.



Our solution

We assist you in achieving optimal tax benefits through the development of customized modeling tools that can analyze and quantify various tax positions in a cost effective manner by optimizing the existing leverage, improving cash flow and reducing compliance cost.

Budgeting and forecasting

Drive your investments



Your issue

In today's dynamic environment, budgeting and forecasting are important financial disciplines for your business success.

Whether you are planning capital investments for new or replacement machinery and equipment, or new plants, you aim to maximize return on invested capital (ROIC).



Our solution

We provide models that incorporate financial and non-financial assumptions required in the process of budgeting and forecasting financial statements. Our models represent the real economics of capital investments across a broad range of what-if scenarios in a comprehensive investment analysis.

Contacts



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