



CENTER FOR
FINANCIAL EXCELLENCE

Center for Financial Excellence Presents

Financial Due Diligence: Analyses and Best Practices

The Fuqua School of Business
Duke University

Wednesday, October 12, 2011
8 AM—3 PM

Sponsored and Administered by:



Transaction Services Advisory Group
PricewaterhouseCoopers LLP



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Statement of Educational Purpose

Thorough financial due diligence, which includes quality of earnings (QofE), debt and debt-like items and working capital analyses, is critical to proper business evaluation. Financial due diligence establishes the business's baseline historical financial performance and serves as the foundation for projecting future performance and determining the business's value. The educational objective of this boot camp is to enhance the students' comprehension of the skills, knowledge and best practices required to conduct and prepare best in class financial due diligence.

Leading practitioners from PricewaterhouseCooper's Transaction Services group will describe financial due diligence methodologies and best practices and explain how financial due diligence analyses are used in industry practice. Students will be divided up into teams of 4-5 to work on assignments requiring quality of earnings (EBITDA) analysis, identification of debt and debt-like items, and assessment of working capital. PwC will also engage the students in a detailed walkthrough of an actual financial due diligence report.

Center for Financial Excellence

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About the Center

The Center for Financial Excellence advances MBA finance education by bridging foundational academic concepts and theories with essential applied skills and best practices utilized by finance practitioners. The Center also enhances students' understanding of the roles and responsibilities associated with financial industry career paths. Further, the Center elevates students' awareness of the profound public policy considerations and important regulations that govern the financial industry. Additionally, the Center promotes and supports Fuqua's world-class faculty in its leading research and curricular initiatives.

The Center for Financial Excellence was founded in 2009 in the aftermath of the global financial crisis. Pre-crisis, mastery of textbook financial concepts was widely accepted as a measure of educational success for MBA finance graduates. The financial industry's near-death experience revealed critical shortcomings in this standard. While MBA students must develop a mastery of core financial theories, Fuqua recognizes that far more is expected of finance professionals in today's global, hyper-competitive, fast-changing, and ultra-demanding environment. The Center for Financial Excellence, through its practitioner administered boot camps, financial industry focused programs, workshops and other innovative educational and career development initiatives, works diligently to help prepare Fuqua's MBA students to meet the financial industry's rapidly evolving needs and challenges and to become finance practitioners and leaders of consequence and excellence.

Session Topic	Time
Boot Camp Introduction & Agenda	8:00 – 8:15 AM
PwC Transaction Services Overview	8:15 – 8:30 AM
Financial Diligence Presentation	8:30 – 9:45 AM
Break	9:45 – 10:00 AM
Financial Diligence Presentation (continued)	10:00 – 11:00 AM
Case Study — Exercise #1	11:00 AM – 12:00 PM
Lunch and Review of Case Study	12:00 – 1:00 PM
Case Study — Exercise #2	1:00 – 2:00 PM
Break	2:00 – 2:15 PM
Case Study “Deep Dive”	2:15 – 3:00 PM

Biographies

Matt McClish, Partner, PwC Transaction Services



Matt McClish is a transaction services partner in our Atlanta office with a focus on due diligence and distressed situations.

Matt provides assistance to clients in the areas of due diligence, investing in distressed businesses, assessing sensitivities and vulnerabilities to business plans, cash flow analyses and forecasting, working capital improvement, sustainable cost reduction and preparing assets for divestiture. Other specializations include financial modeling, transaction structuring, contract negotiation, debt covenant headroom analysis and contingency planning.

Matt has been fully dedicated to transaction work for over 11 years. He has spent those years working in the Southeast and New York markets serving both corporate and private equity clients with their buy-side, divestiture and restructuring/recovery transactions.

From an industry perspective, Matt has expertise in business services, technology, chemicals, infrastructure, consumer goods and manufacturing.

Matt earned an MBA from Duke University in 1999 and a Bachelor of Science in Accounting from Bob Jones University in 1991. Matt is a Certified Public Accountant in Georgia and Ohio.

Tully Brown, Senior Associate, PwC Transaction Services



Within the Transaction Services group, Tully has focused on buy-side due diligence for strategic and private equity clients on transactions ranging from \$20 million to \$7 billion. His experience has included target companies specializing in industrial services, consumer manufacturing, medical instruments, managed care, and energy services. In addition to due diligence projects, Tully supported a post-merger accounting advisory project for a \$500 million acquisition by a major public company that involved on-site visits in India and China.

Tully joined the Transaction Services group at PwC in 2010 after working in the Firm's audit practice since 2007, where he specialized in real estate and financial services.

Tully completed a Masters of Accountancy at Auburn University in 2007 and a Bachelor of Arts in political science at University of Richmond in 2005. Tully is a Certified Public Accountant in the states of Georgia and Alabama, a member of the AICPA, and a 2012 Level III CFA Candidate.

Biographies

Nick Donkar, Director, PwC Transaction Services

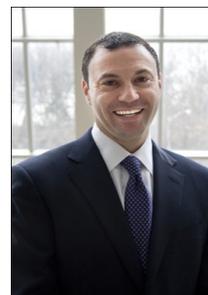


As a Director in the PricewaterhouseCoopers Transaction Services Group, Nick has been involved in more than 150 merger, acquisition, spin-off, divestiture, carve-out and corporate finance transactions, working for both strategic and private equity clients. This includes transaction sizes ranging from \$25 million to multiple billion in revenue and purchase price.

Nick has assisted on the buy-side and sell-side for domestic and international companies, and is experienced in healthcare (all provider based specialties), textiles, consumer products, retail, packaging, restaurants and other manufacturing industries. Additionally, Nick served as the lead Director of new hire orientation (one week training program) for North America for the Transaction Services Groups for a two year period. Nick joined the Transactions Services Group of the Firm in 2002 in Atlanta after spending two years in a similar group within another Big Four accounting firm also located in Atlanta.

Nick graduated from the Goizueta Business School of Emory University in 1996 with a BBA in Finance and received a Masters of Business Administration from the Terry College of Business at the University of Georgia in 2005, with honors. Nick is a CPA in the State of Georgia and a member of the AICPA.

Seth Gardner, Executive Director, Center for Financial Excellence



Seth Gardner is the Executive Director of the Center for Financial Excellence at The Fuqua School of Business at Duke University. Seth joined Fuqua in November 2009. From 2003 to 2009, Seth worked at Cerberus Capital Management, L.P. in New York City, where he was a Managing Director in the private equity group and responsible for sourcing, evaluating, structuring and negotiating private equity transactions. During 2008 and 2009, Seth played a lead role in managing the restructurings of the firm's investments in GMAC, Chrysler, and Chrysler Financial. While at Cerberus, Seth served on the boards of directors of several portfolio companies, including Chrysler Financial, Tower Automotive and Scottish Re.

From 1995 to 2003, Seth was an associate at Wachtell, Lipton, Rosen & Katz, a New York City law firm, where his practice specialized in large corporate restructurings, reorganizations and workouts. Seth graduated from Duke University in 1989 with an A.B. degree. He also received an M.B.A. from The Fuqua School of Business at Duke University and a J.D. from Duke Law School in 1994.