

REAL ESTATE MODELING STRUCTURES & VALUATION – SUPPLEMENTAL DAY 4:

APPLIED CORPORATE FINANCE

In depth presentation
manual provided!

June 14, Hong Kong

Real World Asia
Case Studies!

PRESENTED BY:

Roy Chung Yee Ling: Roy is currently the Head of Asia Investment Banking and Managing Director at RL Capital Management. He is also a Non-Executive Independent Director at Vingroup JSC, Vietnam's largest integrated real estate developer with US\$4 billion market capitalization and also a Non-Executive Independent Director and Chairman of the Nominating Committee at HG Metals Manufacturing Ltd, one of South East Asia's largest steel distributor with US\$200 million market capitalization. He was also an Independent Director in Asia Water Technology, one of China's largest wastewater treatment providers listed in SGX with US\$100 million market capitalization. Prior to working for RL Capital, Roy was a senior investment banker with JPMorgan's Asia real estate investment banking team. JPMorgan was honored by FinanceAsia as the Best Real Estate Investment Bank in Asia for 2008-2010 and Roy is responsible for the origination and execution of investment banking mandates for regional clients. Prior to working for JPMorgan, Roy held senior banking positions for Lehman Brothers, Goldman Sachs and Salomon Smith Barney, performing a broad range of corporate finance, equity research and real estate financings.

Roy is a Chartered Financial Analyst and was formerly on the Board of Directors of the CFA Society of Japan. He currently also serves on the Academic Committee of the Asian Public Real Estate Association. Roy was honored as one of 20 Rising Stars in Real Estate by Institutional Investor in March 2008, and is also on the judging panels of the International Property Awards, Cityscape Asia Awards and the South East Asia Property Awards.

Roy graduated from INSEAD with a Global Executive MBA and from the National University of Singapore with a Bachelors degree in Business Administration (2nd Upper Honors).

AGENDA:

STRUCTURING TOPICS

1. Cross Border Real Estate Investments
 - A. International Investing
 - 1) Why Do it?
 - 2) What are the forms?
 - B. Potential Differences

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STRUCTURING TOPICS

1. Cross Border Real Estate Investments
 - A. International Investing
 - 1) Why Do it?
 - 2) What are the forms?
 - B. Potential Differences
 - 1) Fundamentals
 - a) Accepted lease terms
 - b) Bank attitude / rules
 - c) Land title differences
 - d) Tax concerns
 - 2) IFRS versus GAAP
 - a) AFFO calculations
 - b) Consolidation of subsidiaries
 - c) Japanese GAAP
 - C. Risk management
 - 1) Currency
 - 2) Debt
 - 3) Hedged Income
 2. Structuring of real estate investment and Finance
 - A. Describe the characteristics of private and public markets
 - 1) Differentiate between different classifications of debt
 - 2) Distinguish between various forms of debt and equity within a capital structure
 - B. Cross Border Due Diligence
 - 1) How to conduct due diligence
 - 2) Success factors for due diligence
 - 3) What due diligence doesn't tell us
 - C. Risk Management in real estate
 - 1) List and evaluate the risks associated with investment in real estate
 - a) Risks of investing in real estate
 - b) Understand risks of investment risk
 - REITS
 - Listed property companies
 - Unlisted funds
 - Direct real estate
 - Operational risk
 - c) Operational Risk
 - d) Systematic and unsystematic risk

CAPITAL MARKET TOPICS

1. Basic Methodology of Discounted Cash flows
 - A. Net Present Value (NPV)
 - B. Internal Rate of Return (IRR)
 - C. Payback Period
 - D. Other Investment Decision Criteria

CONTINUE (NEXT PAGE)

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AGENDA (continued):

CAPITAL MARKET TOPICS (continued)

1. Applied Capital Market Valuations
 - A. Calculating the cost of equity, cost of debt and WACC (Weighted average cost of capital)
 - 1) What is cost of capital?
 - 2) Cost of equity, cost of debt & WACC when to use which one
 - 3) Computing the beta for a stock
 - 4) Estimating the risk free rate
 - 5) Estimating the equity market risk premium
 - 6) The concept of a tax shield
 - 7) Why Capital structure is important
 - 8) Computing WACC
 - B. Comparable methods
 - 1) Price to earnings – Not all P/Es are created equal
 - 2) Price to book
 - 3) Price to sale
 - 4) Price to cash flow
 - 5) EV/EBITDA ratio
 - C. Sum of Parts Valuation
 - 1) How to value the different parts of the business
 - 2) Case study based on CapitaLand SOTP valuation
 - D. Real estate investment strategies
 - 1) Explain the concepts behind the pricing of listed real estate
 - 2) Explain the concepts behind distribution models of income
 - 3) Explain the concepts behind dividend policy
 - 4) Explain the concepts relating to financial leverage
 - 5) Explain the concept of “Optimal Capital Structure”
 - 6) Explain the issues and concepts surrounding trading strategies
 - 7) Demonstrate how performance evaluation and benchmarking is undertaken
 - 8) Using examples explain the role of indices
 - E. Accounting and Finance
 - 1) Potential red flag
 - 2) Difference between IFRS and GAAP
 - 3) Financial ratio analysis
 - 4) Why accounting rules shouldn't drive strategy
 - 5) Case study on how to link executive compensation to performance to increase shareholder value

M&A TOPICS

1. M&A
 - A. Methods of gaining control
 - B. Exploring Leveraged Buy-Outs (LBO) and Management Buy-Outs (MBO)
 - C. Rationale for M&A
 - D. Singapore takeover process
2. SGX delisting
 - A. Voluntary vs involuntary delisting
 - B. Different ways to delist from the SGX
 - C. SGX Watch list
 - D. Screening for potential candidates for delisting
 - E. Case study: Allgreen voluntary delisting from SGX

Case
Study!

REGISTRATION FEE

	in USD
Early Bird (before May 10):	\$850
Regular Fee:	\$1,000
Group Booking (4 or more):	\$750

REGISTRATION INSTRUCTIONS

On Line Registration

Go to www.drg2012.eventbrite.com

Email/Wire Registration - Complete and email to ryan@dividendrealtygroup.com

Delegate 1 Name: _____

Company: _____

Position: _____

Email Address: _____

Delegate 2 Name: _____

Company: _____

Position: _____

Email Address: _____

Delegate 3 Name: _____

Company: _____

Position: _____

Email Address: _____

WIRE PAYMENT TO:

Account Name:	Dividend Realty Group Limited
Name of Branch:	HSBC - Tin On Building
Address:	Flat F, 32/F, Tower 6, Central Park Towers, 2 Tin Yan Road, Tin Shui Wai, NT
Account #:	HSBC 004-112-294889-838

Phone Registration

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