

Advanced Methods in Valuation and Deal Structuring
Proven approaches to negotiating high value pharmaceutical deals

A PharmaVentures Workshop – led by experts in deals and alliances

Oxford University's Said Business School, Oxford, United Kingdom

13th -14th July 2009

Empower your deal negotiations with the right strategies of assessing and structuring value! Leverage appropriate methods to uncover risks, challenge assumptions and drive the deals to higher certainty of expected outcome! Learn from PharmaVentures' experts, experienced industry deal makers and interact with other companies!

Day One

9.00 – 9.15 Welcome and Introduction

The workshop leaders and delegates introduce themselves to the group and identify their objectives and expectations for the workshop.

9.15 – 10.30 Drivers of Deal Making

The PharmaVentures workshop director gives an essential insight into the latest industry trends (statistics and strategies) in life science deal making. The delegate group will discuss the strategic and value drivers of recent industry changes establishing an understanding of key components of deal values and structures. Experiences of successful and failed deals will be explored by the delegates guided by the workshop director.

10.30 – 10.45 Coffee Break

10.45 – 13.00 A Critical Evaluation of Valuation Methods – benchmarking, DCF/DTA/NPV, Scenario modelling, Monte-Carlo simulation

The analytical framework of different asset / company valuation approaches and their relative position in the tool set of successful deal making will be defined. Case studies will be used to illustrate the points. Interactive Q&A will help active learning and the recognition of different individual and company perspectives.

13.00 – 14.00 Lunch

14.00 – 16.00 Exploring the Use of Options in Valuation

Illustrated presentation:

- The concept of Options,
- Call and Put Options, binomial option pricing, the Black-Scholes model,
- 'Real Options',
- Options in contracts – the value of staged investments, co-development, risk sharing and uncertainty; use of royalty rates.

Guided group discussion:

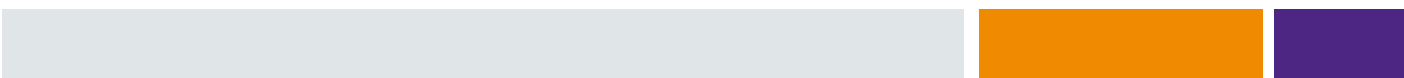
- Potential areas of application,
- Obtaining the input data needed,
- Pitfalls.

16.00 – 17.00 Valuing Technologies – choosing the appropriate methodology

Interactive presentation.

17.00 Briefing for the Role Play Exercise for the Role Play of Day Two

EVENING NETWORKING DINNER



Day Two

8.30 – 10.00 Expert Panel Discussion - what makes a deal successful

Executives from industry explore different views of success factors contributing to winning deals using personal experiences.

Interactive Q&A session giving the delegates the opportunity to learn from the panel and from their fellow delegates.

10.00 – 10.30 Planning for Negotiations

Delegates are distributed into teams representing Pharma and Biotech companies and briefs for deal scenarios are revealed. The teams undertake a planning exercise based on previously discussed / learned techniques in preparation for a negotiation and present their plans for analysis by the group. A valuation tool will be provided which delegates will use to design their preferred deal structure and analyse scenarios.

10.30 – 13.00 Role Play (Part 1)

Each team will work through their strategy for negotiation and prepare to meet their potential strategic partners. Delegates will now have the opportunity to put into practice the techniques and ideas previously discussed by participating in a live, face-to-face role-play negotiation between a hypothetical large pharmaceutical company and a small biotech company.

13.00 – 14.00 Lunch

14.00 – 16.00 Role Play (Part 2)

16.00 – 17.00 Post Negotiation Analysis and Closing

In-depth analysis of individual and team achievements. Teams will be asked to assess their own performance as well as their negotiating partners including:

- Planning / Strategy,
- Turning Points in Negotiations,
- Use and Impact of Financial Models,
- Personality Types,
- Conflicts,
- Continuation of Negotiation Role-Play.

17.00 CLOSE

PharmaVentures **Experts in Deals and Alliances**

With over 17 years of experience in over 500 consultancy assignments, a client base spread across a broad range of companies and most geographies PharmaVentures' experts are well positioned to lead an advanced valuation and negotiations workshop. PharmaVentures' business is the generation, valuation and negotiation of deals providing support for biotechnology and pharmaceutical companies in maximizing value of their strategies. The seasoned experts of PharmaVentures also have substantial experience in supporting arbitration and litigation cases where deals are in dispute giving it an insight into what makes a deal and alliance work. Furthermore, PharmaVentures analyses all deals on an ongoing basis and produces the industries most comprehensive strategic transaction database, PharmaDeals®. This unique blend of insight and experience places PharmaVentures into the special position that makes its workshops popular among industry executives.

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