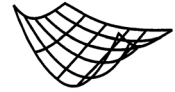


QFRC Practitioner Workshops

08 and 09 November 2007 – Cliftons, Sydney



Quantitative Finance
Research Centre



Private Equity

Private equity is a long-term equity investment in an unlisted company. It comes in two variants: venture capital and leveraged buyouts. While venture capital invests in companies in the early stages of their lives, the focus of buyouts is on mature companies.

The workshop will first look at private equity from the perspective of an investor in private equity funds; it will then look separately into the characteristics of the investments that venture capital funds and leveraged buyout funds make.

Taking the investor's point of view, we will discuss: private equity forms; private equity nomenclature; the partnership agreement, including the compensation/incentive scheme; and the risk/return profile. Then we will look at the investments made by venture capital funds and discuss the venture capital method for valuation, information problems, value adding activities and the contractual provisions that venture capital funds put in place. On the topic of leverage buyout funds, we will discuss value adding activities over the last 20 years and financing forms currently in use.



Dietmar Leisen is Professor of Banking at the University of Mainz, Germany. Prior to this he was an Assistant Professor of Finance in the Faculty of Management at McGill University in Montreal, Canada during 2000-2004 and a Postdoctoral Fellow at Stanford University's Hoover Institution during 1998-2000. He received a PhD in economics from the University of Bonn, Germany in 1998.

Dietmar has been teaching "Private Equity" courses since 2002, and he is currently supervising three doctoral theses in the area. Beyond "Private Equity" his research interests are in pricing and using derivatives, and portfolio approaches beyond normal distribution assumptions. His publications have appeared in the Journal of Economic Dynamics and Control, Applied Mathematical Finance and the European Finance Review. He served as a consultant at Societe Generale on derivatives pricing and gave presentations at numerous academic and practitioner conferences, including RISK and Goldman Sachs.

Information

Each workshop day:

\$1,150 (payment on/before 12 Oct 07)

\$1,300 (payment after 12 Oct 07)

The registration fee also includes GST, morning and afternoon teas, and lunch.

Date, Time & Venue

08 and 09 Nov 2007 / 9.00 am - 5.00 pm
Cliftons, Lvl 8, 190 George St, Sydney

The number of participants is limited. Please register as soon as possible.

Registration

Contact the Workshop Coordinator to receive a registration form, or visit the QFRC website.

Contact Details

Quantitative Finance Research Centre
School of Finance and Economics
University of Technology, Sydney
PO Box 123
Broadway NSW 2007, Australia

Tel: +612 9514 7735 Fx: +612 9514 7722

Email: qfrc@uts.edu.au

www.qfrc.uts.edu.au

Private Equity Workshop Breakdown

The workshop will consist of three modules. The first is about issues faced by investors interested in Private Equity (PE) as an asset class. The second and third module will look separately at the challenges and opportunities of Venture Capital (VC) and Leveraged Buyouts (LBO).

Outline

Day One

Module One: Investing in PE funds

- Forms, fund structures (including the PE agreement), nomenclature, fees and compensation structure
- Risk and return of PE funds
- Incentive arrangements in PE
- PE funds raising money from investors

Day Two

Module Two: PE funds financing new ventures

- Characteristics of VC companies, terminology, stages, value-adding activities
- VC contracting provisions, hurdle rates

Module Three: PE funds financing (leveraged) buyouts

- Value-adding activities
- Financing forms, capital structure