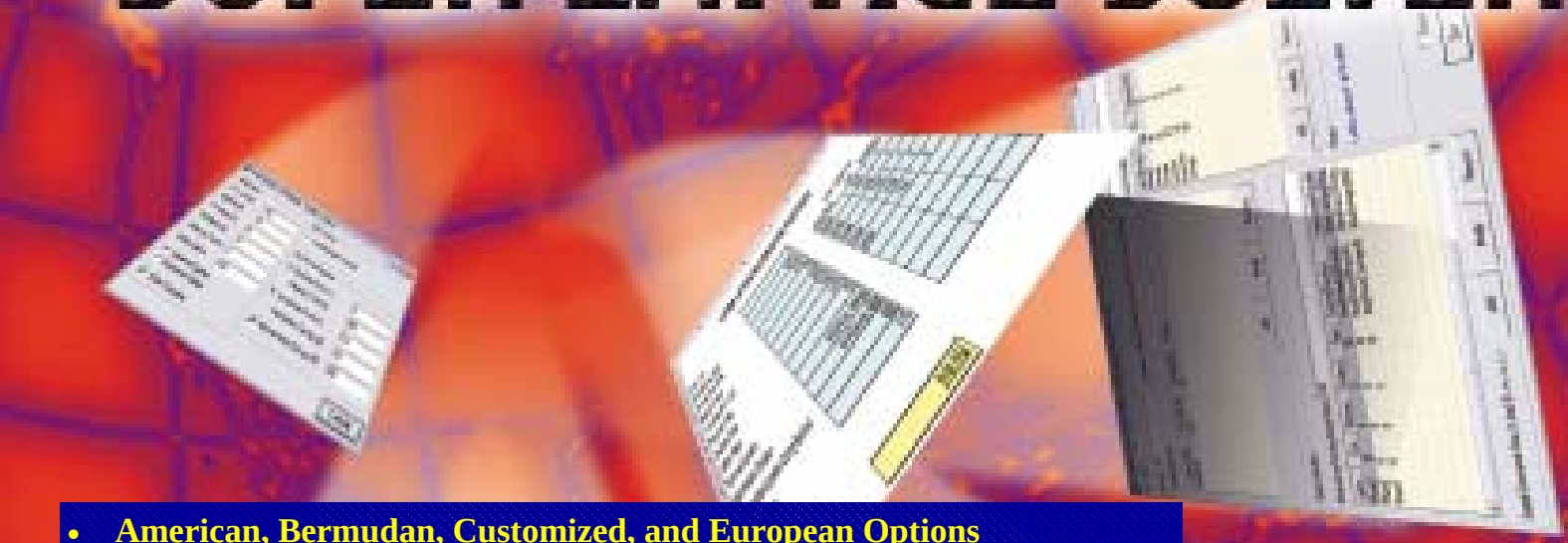
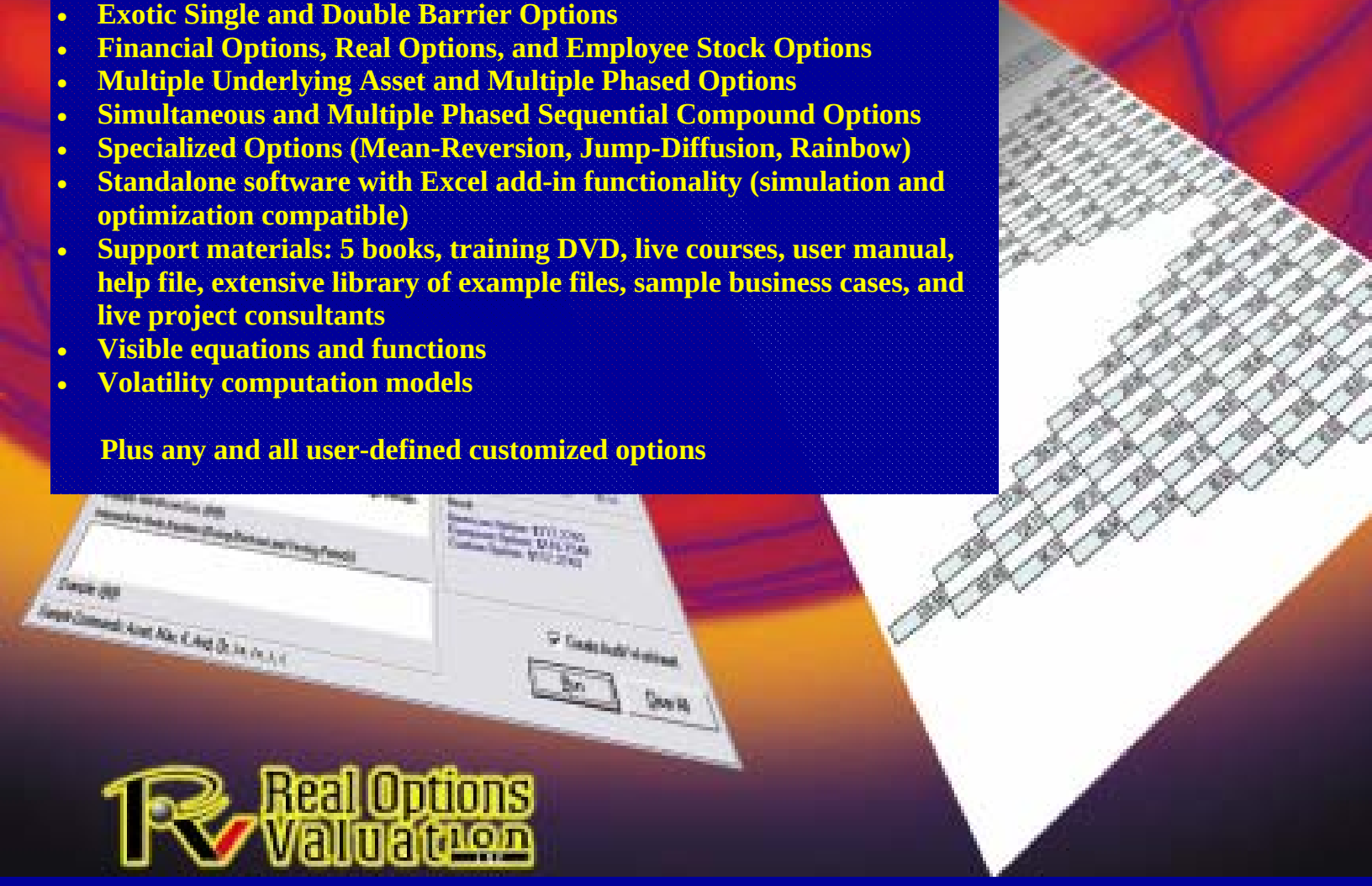
REAL OPTIONS SUPER LATTICE SOLVER



- American, Bermudan, Customized, and European Options
- Abandonment, Contraction, Expansion, and Chooser Options
- Changing Volatility Options
- Exotic Single and Double Barrier Options
- Financial Options, Real Options, and Employee Stock Options
- Multiple Underlying Asset and Multiple Phased Options
- Simultaneous and Multiple Phased Sequential Compound Options
- Specialized Options (Mean-Reversion, Jump-Diffusion, Rainbow)
- Standalone software with Excel add-in functionality (simulation and optimization compatible)
- Support materials: 5 books, training DVD, live courses, user manual, help file, extensive library of example files, sample business cases, and live project consultants
- Visible equations and functions
- Volatility computation models

Plus any and all user-defined customized options



Real Options Valuation

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REAL OPTIONS SUPER LATTICE SOFTWARE (SLS) is finally here! Move beyond the academic papers and theoretical realm, and start applying real options with this new software. Although written in programming code, SLS is a both a stand-alone software and spreadsheet accessible for analyzing and calculating real options and incorporating them into custom spreadsheet models. The newly designed customized option modules allow you to create your own à la carte models, where all the mathematical equations and functions are visible, thus demystifying the approach and results, making them easier to understand and explain.

BENEFITS

Applying real options using SLS provides you with multiple advantages, including the ability to:

- Leverage existing static NPV analysis and add layers of sophistication including dynamic simulation, real options analysis, and optimization
- Use a framework for identifying, valuing, selecting, and prioritizing the right projects
- Gain additional insights into strategic value and management flexibility in decision making
- Correctly evaluate a project's strategic intrinsic value and eliminate the possibility of undervaluing the strategic value of certain projects
- Identify, frame, and value future strategic opportunities
- Incorporate new decisions over time, as opposed to NPV's requirement that all decisions be defined at the outset
- Analyze multiple strategic decision pathways, as opposed to NPV's single decision pathway
- Use a reliable, repeatable, and consistent process for decision making
- Receive a significant savings over hiring expensive third-party consultants to perform real options analysis
- Use Monte Carlo simulation of risk variables
- Work in a user-friendly software with powerful analysis tools
- Solve problems that cannot be otherwise solved

OPTIONS SOLVED

- American, Bermudan, Customized, and European Options
- Abandonment, Contraction, Expansion, and Chooser Options
- Changing volatility and changing term structures
- Complex and Customized Simultaneous and Multiple Phased Sequential Compound Options
- Exotic Single and Double Barrier Options
- Financial Options, Real Options, and Employee Stock Options
- Multiple Underlying Asset and Multiple Phased Options
- Specialized Options (Mean-Reversion, Jump-Diffusion, Rainbow)
- Any and all user-defined customized option models

ALGORITHMS

- Closed-form American and European option models
- Binomial lattices, trinomial lattices, quadranomial lattices, and pentanomial lattices
- Path-dependent simulations with the Risk Simulator software

SUPPORT MATERIALS

- 5 books on risk analysis, real options, and options valuation written by the software's creator
- Training DVD on real options and risk analysis (simulation, forecasting, optimization, real options, and applied business statistics)
- Live training courses on real options and risk management
- Detailed user manual, help file, and an extensive library of example files
- Live project consultants

FEATURES

- A user-friendly interface
- A comprehensive User Manual, illustrating each module's functionality with case examples and applications
- Short Strategic Business Cases illustrating real-life applications of real options, starting with the framing of the problem through to its software solution
- Multiple new approaches to calculating Volatility
- Ability to create Customized Options
- Visible Equations and Calculations in the customized options modules, allowing for Monte Carlo simulation, forecasting, and optimization, as well as linking and embedding formulas from other spreadsheets
- Compatible with Risk Simulator to run Monte Carlo simulation, forecasting, and optimization

TRAINING AND CONSULTING

Advanced analytical tools such as the SLS and Risk Simulator might be easy to use but may get the analyst in trouble if used inappropriately. Sufficient theoretical understanding coupled with pragmatic application experience is vital; therefore, training is critical. The ***Real Options for Executives*** training is a one-day course focused on high-level real options topics. Topics covered include what real options are, how to identify them, why the analysis is important, actual business cases (who have used them and how they are used), and modeling examples. ***Real Options for Analysts*** training is for the analysts who want to begin applying real options in their work, but lack the hands-on experience with real options analytics and modeling. This two-day course covers how to set up real options models, apply real options, and solve real options problems using simulation, closed-form mathematics, and binomial lattices. It focuses on detailed case studies and practice valuation models using the SLS software. Also available are ***Risk Analysis*** courses on using Monte Carlo simulation, time-series forecasting, stochastic optimization, and risk analysis using the Risk Simulator software, as well as real options courses with an emphasis on customized onsite trainings (real options trainings customized to your firm's exact needs based on your business cases). Consulting services are also available, including the framing of real options, risk analytics, model building, decision analysis, and software customization.

EXPERTISE

Dr. Johnathan Mun is the software's creator and he teaches the **Real Options for Analysts,** the **Real Options for Managers,** and other **Risk Analysis courses**. He has consulted for multiple Fortune 500 firms on risk analysis, valuation, and real options, and has written many books on the topic, including *Real Options Analysis: Tools and Techniques, 2nd Edition* (Wiley Finance, 2005), *Real Options Analysis Course: Business Cases* (Wiley Finance, 2003), *Applied Risk Analysis: Moving Beyond Uncertainty in Business* (Wiley, 2003), *Valuing Employee Stock Options Under 2004 FAS 123* (Wiley, 2004), *Modeling Risk: Applying Monte Carlo Simulation, Real Options Analysis, Forecasting and Optimization* (Wiley, 2006), and others. He is the founder and CEO of Real Options Valuation, Inc., and is responsible for the development of analytical software products, consulting, and training services. He was formerly the Vice President of Analytics at Decisioneering, Inc., and was a Consulting Manager in KPMG's Global Financial Strategies practice. Before KPMG, he was the head of financial forecasting for Viking, Inc. (an FDX/FedEx Company). Dr. Mun is also a full professor at the U.S. Naval Postgraduate School and a professor at the University of Applied Sciences and Swiss School of Management (Zurich and Frankfurt), and he has held other adjunct professorships at various universities. He has a Ph.D. in finance and economics, an MBA in business administration, an MS in management science, and a BS in applied sciences. He is certified in Financial Risk Management (FRM), Certified in Financial Consulting (CFC), and Certified in Risk Analysis (CRA). He currently resides in California.

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