July 9-10, 2008 – Rio de Janeiro, Brazil
A revolutionary new paradigm for capitalizing on uncertainty in the new millennium...

REAL OPTIONS VALUATION
IN THE GLOBAL ECONOMY

Energy & Natural Resources, Real Estate & Infrastructure, Portfolio Applications, Manufacturing/Contract Design and Strategy

Features
- **Practical presentations and case applications** by experts from leading corporations and universities
- **Roundtable (break-out) discussions by industry** where participants choose their area of interest and interact to address key issues & challenges (Natural Resources/Energy/Real Estate; Innovation/Manufacturing/Technology; Corporate Strategy & Portfolio Mgt)
- **Panel discussions by leading experts** in various hot areas
- **Tutorials/keynote presentations** from thought leaders
- **Networking reception** to interact with your peers in a relaxing atmosphere

Benefits of Attending
- Learn how to make flexible step-by-step decisions and adapt to change to gain competitive advantage
- Take advantage of uncertainty to capitalize on upside while limiting downside risk
- Translate your corporate strategic plans into forward-looking real option value that enhances shareholder wealth and market price
- Understand (and communicate) the advantages of options analysis and dynamic thinking compared to discounted cash flow analysis
- Learn how to structure your decisions & agreements to maintain valuable flexibility
- Quantify the value of strategic investment opportunities and operating options
- Value innovation/technology investments and growth companies
- Learn about successful applications in Energy, R&D, Corporate Strategy and Portfolio Mgt
- Benefit from experiences of leading corporations that are currently using real options
- Consider the benefits and challenges of adapting real options into your organization
- Meet and interact with international thought leaders and peers from leading corporations

Organized by

The leader in real options-based research and consulting services
Providing comprehensive total enterprise package solutions, extending real options analysis into strategy, corporate valuation/M&As, risk management, compensation, training/change management

Main Sponsor
DAY 1
Wednesday July 9, 2008
ENERGY/NATURAL RESOURCES, REAL ESTATE & INFRASTRUCTURE

8:00  Registration

8:20 Welcome/Orientation

ENERGY & NATURAL RESOURCES

8:25  WORKSHOP/PLENARY SESSION I
Real Options Applications in Natural Resources/Energy
Marco A.G. Dias, Petrobras, Brazil

9:00 Valuing, Optimizing and Understanding Managerial Flexibility:
An Application in Oil Expansion
Charles Dumont and Gregory Vainberg, McKinsey & Co, Canada

9:30 The Ethanol-Gas Flex Fuel Car: The Option Value of Choosing your Own
Fuel
Carlos B. Pinto, Luiz Brandao and Mariana Alves, PUC-Rio, Brazil

10:00 Valuing the Option to Delay a Petrochemical Project in Brazil
Alberto M. Marques, Marco A. G. Dias, Petrobras, and Roberto M. da Silva Montezano,
IBMEC, Brazil

10:30 Morning Coffee Break

11:00 Option Value in Nuclear Energy Projects
Ulrike Lauferts and L. Van Den Durpel, NRG, Netherlands

11:30 Valuation of Flexible Power Plants: An Application in the Brazilian Power
Market
Alexandre Aronne, Haroldo G. Brasil, Fundacao Pedro Leopoldo, and Ivan Aronne,
CDTN, Brazil

12:00  ROUNDTABLE DISCUSSIONS BY INDUSTRY
A. Natural Resources/Energy/Real Estate Roundtable (G. Sick & L. Brandao)
B. Innovation/Manufacturing/Technology Roundtable (D. Paxson & S. Matthews)
C. Corporate Strategy & Portfolio Management (J. Kensinger & M. Pergler)

12:45 Luncheon
REAL ESTATE & INFRASTRUCTURE APPLICATIONS

2:20 WORKSHOP/PLENARY SESSION II
Real Options Applications in Real Estate/Infrastructure
Gordon Sick, University of Calgary, Canada

3:00 Optionality in Presale of Real Estate Development
Luiz Brandao, PUC-Rio, Brazil

3:30 Viability Study of a New Real Estate Venture in Brazil
Sergio M. Dos Reis, FNPP, Brazil

4:00 Afternoon Coffee Break

4:30 Optionality and the Role of Municipalities in Regional Development Projects in Finland
Mikael Collan, IAMSR, Ebo Akademi University, Finland

5:00 Internet Service Option on Trains: An Application in Belgium Railway
Jan Van Ooteghem, Ghent University – IBBT, Belgium

5:30 Flexibility in Fiber Deployment Network Planning: An Application to Belgian Network
Sofie Verbrugge, Gent University – IBBT, IBCN, Belgium

6:00 Closing Remarks
DAY 2
Thursday July 10, 2008
PORTFOLIO APPLICATIONS, MANUFACTURING/CONTRACT DESIGN AND STRATEGY

8:30 – 8:45 Welcome

8:45 PRESIDENT’S ADDRESS
On Multinationality Options and Performance
Lenos Trigeorgis, University of Cyprus and President, Real Options Group

PORTFOLIO APPLICATIONS

9:30 WORKSHOP/PLENARY SESSION III
Private Equity Acquisitions as Real Options Portfolios
John Kensinger, University of North Texas, USA

9:55 The Value of Land as Portfolio of Planting Flexible vs. Inflexible Crops
Nelson Ferreira, McKinsey & Co, Brazil

10:20 Morning Coffee Break

11:00 Valuing a Real Options Portfolio in the Petroleum Industry
Oscar M. Bravo, Luis Alfredo Mogollon and Jose Dario Parra, Ecopetrol S.A., Columbia

11:25 Performance Assessment of a Real Options Portfolio
Javier G. Castro, Tara N. Baidya and Fernando A. L. Aiube, DEI PUC-Rio, Brazil

12:00 Luncheon Keynote Address by Tom E. Copeland (MIT)
Financial and Real Options: My Complements and Your Substitutes

MANUFACTURING/CONTRACT DESIGN AND STRATEGY

1:50 WORKSHOP/PLENARY SESSION IV
Innovation, Manufacturing & Technology Investments
Dean Paxson, Manchester Business School, United Kingdom

2:15 License Contracts with Embedded Options to Expand and Withdraw: The Case of Disc Flex Filter in Japan
Haruyoshi Ito, Keio University, Kenji Yamada, Coteau Vert Co. Ltd, and Akane Iwasaki, Waseda University, Japan

2:35 Expansion Flexibility in Flexible Manufacturing Systems
Roberta Pellegrino, Politecnico di Bari, Italy

3:00 Flexible Processing Plant: Producing Vegetable Oil or Biodiesel in Brazil
Murilo Berni, FEAD Minas, Jose A. de Sousa Neto, and Haroldo G. Brasil, Strategor, Brazil

3:25 Afternoon Coffee Break

3:50 Auto ID (RFID) Deployment Configuration Design: An Application in Aerospace Logistics
Victor Prodonoff Jr. and Tarik Driouchi, University of Cambridge, United Kingdom

4:15 Intuitive Real Options Implementation: Manufacturing Design at Boeing
Scott Mathews, The Boeing Company, USA

4:40 Entering a New Market in the Airline Business: Real Options and Games
Sergio Ramos, Kaiser Associates, and Ricardo Rochman, FGV-EAESP, Brazil

5:00 Risk and Flexibility in Global Manufacturing Strategy Design Decisions
Martin Pergler, McKinsey & Co, USA

5:25 – 6:15 Panel Discussion
Innovation/Technology, Corporate Strategy & Contracting: Current Status and Future Prospects
Moderator: Dean Paxson (Manchester Business School, UK)

Panelists Include:
Francesco Baldi (ENEL, Italy)
Luiz Brandao (PUC-Rio, Brazil)
Tom Copeland (MIT)
Marco A.G. Dias (Petrobras, Brazil)
John Kensinger (U. N. Texas, USA)
Scott Mathews (The Boeing Company, USA)
Martin Pergler (McKinsey & Co, USA)
Sergio Ramos (Kaiser Associates, Brazil)

6:20 - 7:30 Networking Reception
Sponsored by ROG, Petrobras and McKinsey & Company
About the Conference

Venue & Accommodation
Pestana Rio Atlântica Hotel, Avenida Atlântica 2964, Copacabana beach, Rio de Janeiro, Brazil
Email rioatlantica@pestanarioatlantica.com.br; tel (21) 22556410
For special group accommodation rates for this and nearby hotels see

Fees & Registration
*Academic attendee:* US$825 by May 16, $990 thereafter (or equivalent in Euros)
*Corporate/consulting presenter* (one per paper): $825 by May 16, $990 thereafter
*Corporate attendee:* US$1,650 by May 16, $1,990 thereafter
Registration should be made online via the conference website [www.realoptions.org](http://www.realoptions.org)

Important Administrative Information
Registration fees include the conference proceedings and other materials, gifts, lunches, coffee breaks, and receptions. Substitutions (from the same organization) can be made at any time. Cancellations made in writing by June 30 can be refunded, except for a 15% service charge. Those not attending or canceling after June 30 are responsible for the whole fee. The organizers reserve the right to make changes to the program without notice. Only registrations paid by June 30 are guaranteed to be confirmed and included on the official list of participants. For information on registration and other general-type conference-related inquiries contact Eugenia (tel +357 22892461; fax +357 22892460; e-mail conference.registration@realoptions.org). For information on local logistics, PUC-Rio or Brazil contact Luiz Brandao (tel +55 21 2138-9304, Fax: +55 21 2138-9272, e-mail realoptions_rio2008@iag.puc-rio.br or brandao@iag.puc-rio.br).

Hotels, Airport/Transport, Registration
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For visa in Brazil, see [http://www.iag.puc-rio.br/realoptions_rio2008/visa.cfm](http://www.iag.puc-rio.br/realoptions_rio2008/visa.cfm)

Who Should Attend?
CEOs, CFOs, Heads of Strategy, Vice Presidents,
Directors, Investment Bankers, and Analysts in:
- Strategic Planning
- Corporate Finance
- Risk or Portfolio Management
- Information Technology
- Marketing
- Manufacturing/Supply Chain/Contracting
- R&D/Innovation

Speakers from Leading Organizations
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