



Dear Professional Colleague:

PRESIDENT

L Trigeorgis, PhD

MANAGEMENT

V Antikarov
H Antoniadis, PhD
A Amir-Aslani, PhD
F Harmantzis, PhD
M McNasby
T Murphy, PhD
M Stellakis
N Toguc, PhD
R Vardan, PhD
J Vytheeswaran

ASSOCIATES

F Baldi (Luiss U)
MJ Brennan (UCLA)
S Grenadier (Stanford U)
A Huchzermeier (WHU-Koblenz)
T Laamanen (Helsinki U)
B Lambrecht (Lancaster U)
O Lint (European Business School)
S Martzoukos (U Cyprus)
D Mauer (S. Methodist U)
R McDonald (Northwestern U)
J Sagi (UC Berkeley)
H Smit (Erasmus U)

ACADEMIC

ADVISORY BOARD

C Baldwin (Harvard U)
G Constantinides (U Chicago)
A Dixit (Princeton U)
RC Merton (Harvard U)
SA Ross (MIT)
M Scholes (Stanford U)
E Schwartz (UCLA)

CORPORATE

ADVISORY BOARD

R Bulchandani (Morgan Stanley)
M Dias (Petrobras)
S Faiz (Texaco Inc)
M Grandin (Canadian Pacific)
E Grassi (European Bank)
M Guidi (Eli Lilly)
D Kellogg (Sprint)
M Lombardi (FIAT)
MW Lund (Statoil)
M Mangiagalli (Commerzbank)
AS Muralidhar (JP Morgan)
J McCormack (Morgan Stanley)
F McNamara (ESB International)
M Palermo (ERG Oil)
L Pupillo (Telecom Italia)
G Robel (The Boeing Company)
L Scavo (Hoffman La Roche)
J Smits (Philips Electronics)
J Stonier (Airbus Industrie)
A Van de Putte (Shell)
F Zagarese (Glaxo Wellcome)

The recent media coverage of the new, break-through approach of real options analysis (*Business Week*, *USA Today*, *Economist*, *CFO*, *CFO Europe*) has attracted the attention of leading corporations around the globe: “Embraced by the USA’s top business schools and consulting firms, Real Option Valuation could quickly become the new standard for valuing risky ventures...” (*USA Today*).

LUISS Guido Carli University and the Real Options Group are co-organizing a practitioner-focused conference on flexibility and real options at LUISS in Rome on June 16-17. The conference will use the powerful perspective of real options analysis to focus on valuation issues in natural resources, pharmaceuticals and telecom, infrastructure and development projects, entrepreneurship and innovation, technology, and various other sectors of our knowledge-based economy. Real options is a new valuation, project management, and strategic decision-making paradigm that is revolutionizing the corporate world through its ability to deal with the unprecedented rate of economic change that has created a new level of uncertainty about technologies and industries. Real options, which capitalizes on this uncertainty, provides the basis for a decision making culture which is conducive to adaptation, learning, risk taking and innovation. The Real Options Group and LUISS Guido Carli University, which pride themselves in leading through innovation, are pleased to bring the benefits of this new approach to a group of companies in Italy and the broader European Union.

Real options captures both the value of managerial flexibility which allows a firm to adapt to unexpected market developments, as well as the strategic value that results from proving a new technology, capitalizing on dynamic or cross-project synergies, and strategic or competitive positioning. Such managerial operating flexibility and strategic adaptability are crucial for capitalizing on favorable investment opportunities or limiting losses from adverse market developments. Real options provides companies with a more accurate value assessment of flexibility as well as a decision map that is responsive to changing business conditions.

The conference gathers together some of the world's leaders in real options analysis, along with prominent experts from leading corporations and consulting firms to share their ideas and experiences in applying these powerful ideas. The conference includes special sessions and panel discussions on valuation of intangible assets, infrastructure, energy, entrepreneurship and innovation, strategy and competitiveness. Come meet the world’s real options leaders and learn how real options analysis can be applied in R&D, technology and manufacturing, oil and natural resources, equity valuation, corporate strategy, contract design and other business areas, in intuitive ways that enhance shareholder value.

This educational platform is designed to also allow senior corporate executives and financial professionals as well as leading academics to interact and discuss critical issues of business and investment strategy. The insights and contacts that this conference brings will be of lasting value to you and your organization.

For more information about fees, registration, the venue, accommodation or the accompanying back-to-back academic conference, see www.realoptions.org.

We look forward to welcoming you to this exciting, innovative and learning-packed event.

Rafaelle Oriani
LUISS

Lenos Trigeorgis
President, *Real Options Group*