

# BUSINESS VALUATION

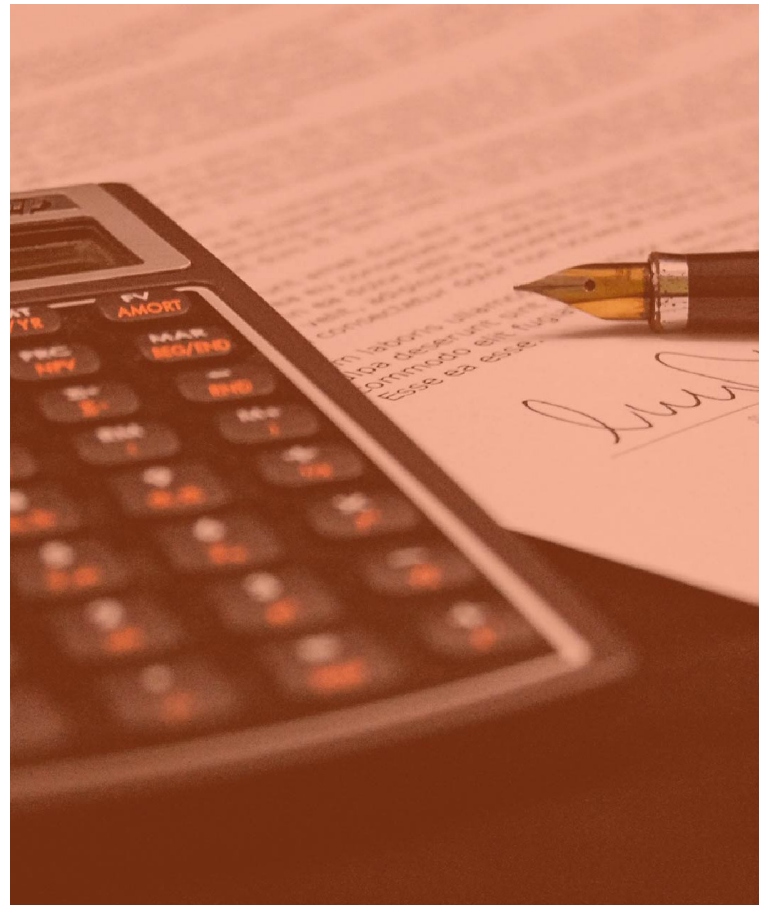


At Whitley Penn, we understand that business valuation is as much an art as it is a science. Because of the complex issues involved and the professional judgment required, choosing the right appraiser is everything. Our credentialed business valuation professionals combine the knowledge and analytical skills necessary for the quantitative side of business valuation with the experience and expertise required for the qualitative side to provide independent valuation opinions our clients can trust.

## Business Valuation

Valuation analysis is required for a variety of purposes. Whitley Penn is experienced and capable of providing valuation analysis in the following contexts:

- Marital dissolutions
- Commercial litigation
- Fair value measurement for financial reporting, including purchase price allocations, impairment testing, derivative valuations, and intangible asset valuations
- Tax reporting, including estate and gift tax valuation, S-corp elections, 409A equity valuation, and stock based compensation
- Bankruptcy, insolvency, and restructuring
- Employee stock ownership plans (ESOPs)
- Mergers, acquisitions, and reorganizations
- Buy/sell agreements
- Ownership transactions



To meet the needs of clients, our trained and experienced valuation professionals hold business valuation certifications issued by national appraisal societies including: the American Society of Appraisers (ASA), the American Institute of Certified Public Accountants (AICPA), and the National Association of Certified Valuation Analysts (NACVA). Our experience and credentials enable us to perform the diverse range of valuations listed above.

## Business Valuation Analysis

We provide in-depth valuation analysis tailored to the specific circumstances of the engagement. Our analysis is based on extensive training and decades of business valuation experience. We have performed hundreds of business appraisals across a broad range of industries, including manufacturing, oil and gas, construction, retail, healthcare, and restaurants, among others.

## Fair Value Measurements

The recent trend toward the increased use of fair value accounting has significantly altered the way financial information is reported in financial statements. Measuring fair value for financial reporting purposes requires experience and judgment. Whitley Penn is equipped with the knowledge and experience required to perform fair value measurements for a variety of purposes, including purchase price allocations in business combinations, impairment testing, intangible asset valuation, stock based compensation, and valuation of derivatives and complex financial instruments.

## Report Preparation

We carefully prepare reports to meet the specific needs of the client in accordance with the purpose of the appraisal. We take pride in presenting our analysis in professional, well-written reports that are customized and appropriate for their intended use. Our reports are designed to comply with various industry standards and stand up to scrutiny by audit teams, the IRS, and in court. We offer a variety of reporting formats to suit the particular needs of the engagement.

## Expert Testimony

When hired within a litigation setting, we provide expert testimony to explain and defend our valuation opinions. When testifying, our primary goal is to explain complex business valuation theories and concepts to the judge or jury in a clear and concise manner that allows them to understand the substantive analysis performed and the valuation conclusions reached. Our business valuation professionals experts have testified in hundreds of depositions and trials, and they are highly regarded by attorneys throughout the state of Texas.

## Review of Other Valuations

Because of the inexact nature of business valuation, it is often necessary to obtain a second opinion. We provide “big picture” reviews of business valuations for reasonableness as well as detailed critiques of the assumptions, inputs, and methods used in a particular valuation.