



BDO VALUATION ADVISORS, LLC

# PURCHASE PRICE ALLOCATION

INCREASING INTERNATIONAL REGULATIONS REQUIRE COMPANIES TO PERFORM THOROUGH AND OBJECTIVE VALUATION ANALYSES FOR VARIOUS TAX AND FINANCIAL REPORTING PURPOSES.

## ► BUSINESS COMBINATION CHALLENGES

Pursuant to ASC 805 (formerly SFAS 141R) and IFRS 3, all business combinations are accounted for using the acquisition method, with limited exceptions. Even though the new standards are moving towards convergence, certain differences still exist and companies are subject to an ever growing number of fair value related regulatory requirements, including new guidance for treating contingent consideration and liabilities under purchase accounting, as well as existing guidance on share-based compensation, debt impairment, derivatives and convertible instruments, guarantees, and complex capital structures.

Typical assets and acquired liabilities that may require such valuations include:

- Proprietary Technologies
- Patents
- Copyrights
- Trademarks and Trade Names
- Trade Secrets
- Databases
- In-Process Research & Development
- Customer Lists
- Non-Compete Agreements
- Property, Plant and Equipment
- Real Property

## ► WHY CHOOSE BDO?

As an affiliated company of BDO USA, LLP and independent member firm of BDO International Limited, we have in-depth experience in working with companies across the globe to meet their valuation needs, regardless of the complexities. Our significant experience in valuations related to ASC 805, along with our knowledge of IFRS 3, makes us well-positioned to address the needs of domestic and international companies. Let us assist you in identifying and valuing those intangible assets. For more information please visit [www.bdovaluation.us.com](http://www.bdovaluation.us.com).



## TYPICAL PURCHASE PRICE ALLOCATION SCOPE

Determination of the consideration paid in the transaction (including contingent consideration)

Identification of assets acquired and liabilities (including contingent liabilities) assumed in the transaction

Valuation estimates for identified intangible assets and liabilities using appropriate income, market and cost based valuation approaches

Assistance in the assessment of asset life

Complete narrative report detailing our findings including supporting exhibits



# GLOBAL FOOTPRINT



## BDO GLOBAL NETWORK Worldwide Statistics

(as of and for the year ended September 30, 2010)

Revenues:	<b>\$5.28 billion</b>
Business Line Breakdown:	
Accounting & Auditing	<b>61%</b>
Tax	<b>19%</b>
Consulting, Corp. Fin., Other	<b>20%</b>
Total Partners:	<b>4,111</b>
Total Professional Personnel:	<b>34,811</b>
Total Personnel:	<b>46,930</b>
Number of Offices:	<b>1,082 in 119 countries</b>

Service provision within the international BDO network of independent member firms ('the BDO network') is coordinated by Brussels Worldwide Services BVBA, a limited liability company incorporated in Belgium with its statutory seat in Brussels.

BDO is the brand name for the BDO network and for each of the BDO member firms.

Source: Brussels Worldwide Services BVBA

## BDO USA, LLP Statistics

(as of and for the year ended June 30, 2010)

Revenues:	<b>\$585 million</b>
Business Line Breakdown:	
Accounting & Auditing	<b>62%</b>
Tax	<b>26%</b>
Consulting, Corp. Fin., Other	<b>12%</b>
Total Partners:	<b>263</b>
Total Professional Personnel:	<b>1,945</b>
Total Personnel:	<b>2,497</b>
Number of Offices:	<b>40 BDO USA offices</b>

More than 400 independent Alliance firm locations nationwide.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Source: BDO USA, LLP

BDO Valuation Advisors, LLC provides quality, professional, and thorough execution so you understand the earnings, tax, and strategic significance of valuation. Our conclusions are independent, and are used for management planning, transaction support, adverse matter resolution, tax planning, and financial reporting, in full compliance with FASB, IAS, SEC, IRS, and other regulatory or administrative requirements.

BDO Valuation Advisors, LLC is a separate legal entity and is affiliated with BDO USA, LLP, a Delaware limited liability partnership and national professional services firm.

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