

POST-ACQUISITION DISPUTE ADVISORY SERVICES

A post-acquisition dispute can be disruptive, time consuming and costly. With proven expertise in complex accounting issues and financial valuation matters, the professionals at FTI Consulting provide effective, expedient conflict resolution consulting services.

SERVICE HIGHLIGHTS

- Professionals with financial and industry expertise in business valuation, accounting, economics, real estate, finance and dispute resolution
- Post-acquisition purchase price analysis and business value assessment
- Global arbitration and mediation services, and expert witness testimony

FTI Consulting has the resources to help companies navigate complicated post-acquisition disputes. We possess a depth of experience in analyzing post-acquisition purchase price issues, from assessing the value of businesses to facilitating dispute resolution. We understand the technical aspects of determining a purchase price adjustment and quantifying damages. We work hand in hand with attorneys and financial executives, tackling a broad range of issues from shareholder disputes to independent purchase or sale transactions. Our professionals offer innovative solutions to resolve disputes from the point of view of the buyer, the seller or as an independent arbitrator/mediator.

We can assist with such critical issues as:

- Due diligence
- Risk exposure for a purchase price adjustment
- Working capital adjustments
- Closing date balance sheet claims
- Resolution of earn-out issues
- Assessment of “benefit of the bargain” damages, lost profits or diminution in value

A BROAD SCOPE OF ADVISORY SERVICES

The FTI Consulting team of post-acquisition advisors has the right qualifications—our professionals are well versed in accounting, business valuation, economics, finance, real estate, and litigation. Many hold doctorates or advanced degrees in their field or have attained professional designations such as Chartered Financial Analyst, Certified Fraud Examiner, Certified Public Accountant, Chartered Accountant and Accredited Senior Appraiser in business valuation.

FINANCIAL EXPERTISE IN ALL FACETS OF DISPUTE PROCESS

The skilled advisors at FTI Consulting deliver expert opinions on damages as well as evaluations of damage estimates given by other experts. We assess the adequacy of the due diligence performed by the purchaser from either the seller's or the purchaser's point of view. When a company files a claim for lost profits or diminution-in-value damages after an acquisition, we help determine an appropriate purchase price adjustment.

EFFECTIVE ARBITRATION AND MEDIATION SUPPORT

If a dispute centers upon accounting practices, we can provide arbitration and mediation assistance to both parties at a cost that is normally substantially lower than the cost of litigation. We offer international arbitration services in global disputes that are usually conducted in New York, Stockholm, London, Paris or The Hague under international arbitration rules. Often these cases involve large capital/construction projects, post-acquisition disputes and joint ventures.

**FTI CONSULTING HAS ADVISED
AND TESTIFIED IN CASES
INVOLVING:**

- Working capital disputes
- Balance sheet disputes
- Income statement disputes
- Earn-out/contingent purchase price disputes
- EBITDA and EBIT calculation disputes
- Financial statement misrepresentation claims
- Generally Accepted Accounting Principles and consistency disputes
- Subsequent events and hindsight disputes
- Changes in accounting policies or practice disputes
- Estimation technique disputes
- Thresholds and baskets disputes
- Breach of representations and warranties
- Material adverse change disputes
- Benefit-of-the bargain valuation, diminution-in-value and lost-profits damages
- Contractual valuation formula disputes
- Fair market value, fair value and investment value
- Valuation fractional-interest discounts for minority position and lack of marketability
- Fraud allegations
- Construction dispute resolution

EXPERT WITNESS TESTIMONY

In the courtroom, persuasive testimony requires a combination of superb credentials and successful delivery. Drawing from our extensive professional network, we assemble a team of innovative thinkers with deep knowledge of the given industry. We also work to make complex issues understandable, supporting our testimony with compelling graphics and exhibits. We have experience testifying on matters ranging from liability to economic damages, including lost profits, diminution in value and other technical accounting issues.

THOROUGH ANALYSIS OF BUSINESS AND REAL ESTATE VALUATION

Our professionals undertake a complete analysis of multiple factors including past financial performance, ability to penetrate future markets and management proficiency to determine the fair market value of closely held businesses. Purchase price disputes often arise from discrepancies in the documents during the course of due diligence and during the true-up or working capital process, as outlined in the purchase agreement. We analyze the difference between sellers and buyers accounting practices and determine which complies with GAAP “consistently applied” in accordance with the usual provisions of the purchase agreement. When a company claims diminution of value as a result of a stock acquisition, we evaluate stock prices, possible misrepresentations of earnings capability by the seller, and possible losses which may be due to the buyer, as a result of not receiving the benefit of its bargain.

When needed, we offer supplemental, industry-specific expertise as well as experience in electronic evidence collection, complex data analysis, financial reporting, and securities investigations.

THE RIGHT RESOURCES AT THE RIGHT TIME

The multidisciplinary nature of FTI Consulting allows us to tap into a broad range of expertise. Our core functional specialties include complex accounting issue analysis, financial valuation, damages quantification, financial investigations, complex data analysis, and fraud risk avoidance as well as litigation support services. Combined with our in-depth industry expertise that spans healthcare, pharmaceuticals, energy and utilities, real estate, telecom, retail, as well as many others, we can supplement our team to meet the changing needs of your case.



Critical thinking at the critical time™

About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. With more than 3,700 employees located in 22 countries, FTI Consulting professionals work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management and restructuring. The company generated \$1.4 billion in revenues during fiscal year 2010. More information can be found at www.fticonsulting.com.