

AGENDA

AN ADVANCED SEMINAR ON VALUE INVESTING

How to Decipher Financial Statements, Avoid Value Traps and Pick Investment Winners

Instructors: Whitney Tilson and Glenn Tongue

MONDAY | MAY 2, 2011

7:30 - 8:00 AM

Registration

8:00 - 8:45 AM

Different Types of Value — Part One: Cheap Blue Chips

- A distressed blue-chip
Case study: McDonald's in 2002-2003
- Growth at a reasonable price (GARP)
Case study: McDonald's 2004-present

8:45 - 9:10 AM

A Discussion of Valuation

9:10 - 10:00 AM

**Different Types of Value – Part Two:
More Cheap Blue Chips**

- Overdone pessimism
Case study: Microsoft
- No catalyst, but safe and cheap
Case study: Berkshire Hathaway

10:00 - 10:15 AM | BREAK

10:15 - 11:00 AM

**Warning Flags – Part One: Obvious Overvaluation
But No Catalyst**

- A massive promotion
Case study: Iridium
- A tug of war between top value investors
Case study: St. Joe

11:00 - 11:55 AM

**Different Types of Value – Part Three:
Special Situations**

- A bull-bear debate
Case study: Iridium
- A SPAC conversion/merger
Case study: Grupo Prisa

11:55 AM - 12:00 PM

**Behavioral Finance (Investor Irrationality)
Exercise Handed Out**

12:00 - 1:00 PM | LUNCH (ON YOUR OWN)

1:00 - 1:15 PM

**Review Behavioral Finance Exercise
(with handout)**

1:15 - 1:45 PM

Overview of Behavioral Finance

1:45 - 2:30 PM

**Warning Flags – Part Two:
Shorting High-Growth Stocks**

- Flying the white flag
Case study: NetFlix
- Not declaring defeat
Case study: Salesforce.com

2:30 - 2:45 PM | BREAK

2:45 - 3:30 PM

**Different Types of Value – Part Three:
Piggybacking on Activism**

- Large cap activism
Case study: JC Penney
- Microcap activism
Case study: MRV Communications

3:30 - 4:30 PM

Warning Flags – Part Three: Shorting Retailers

- A company in bankruptcy
Case study: Borders Group
- Following the same path
Case study: Barnes & Noble
- An overvalued, levered, commodity retailer
Case study: Ethan Allen

4:30 - 5:00 PM

**Different Types of Value – Part Four:
Investing in Bad Industries**

- Investing in a declining industry
Case study: Seagate Technology
- Investing in a bad industry
Case study: Republic Airways

5:00 - 6:00 PM

Reception

