





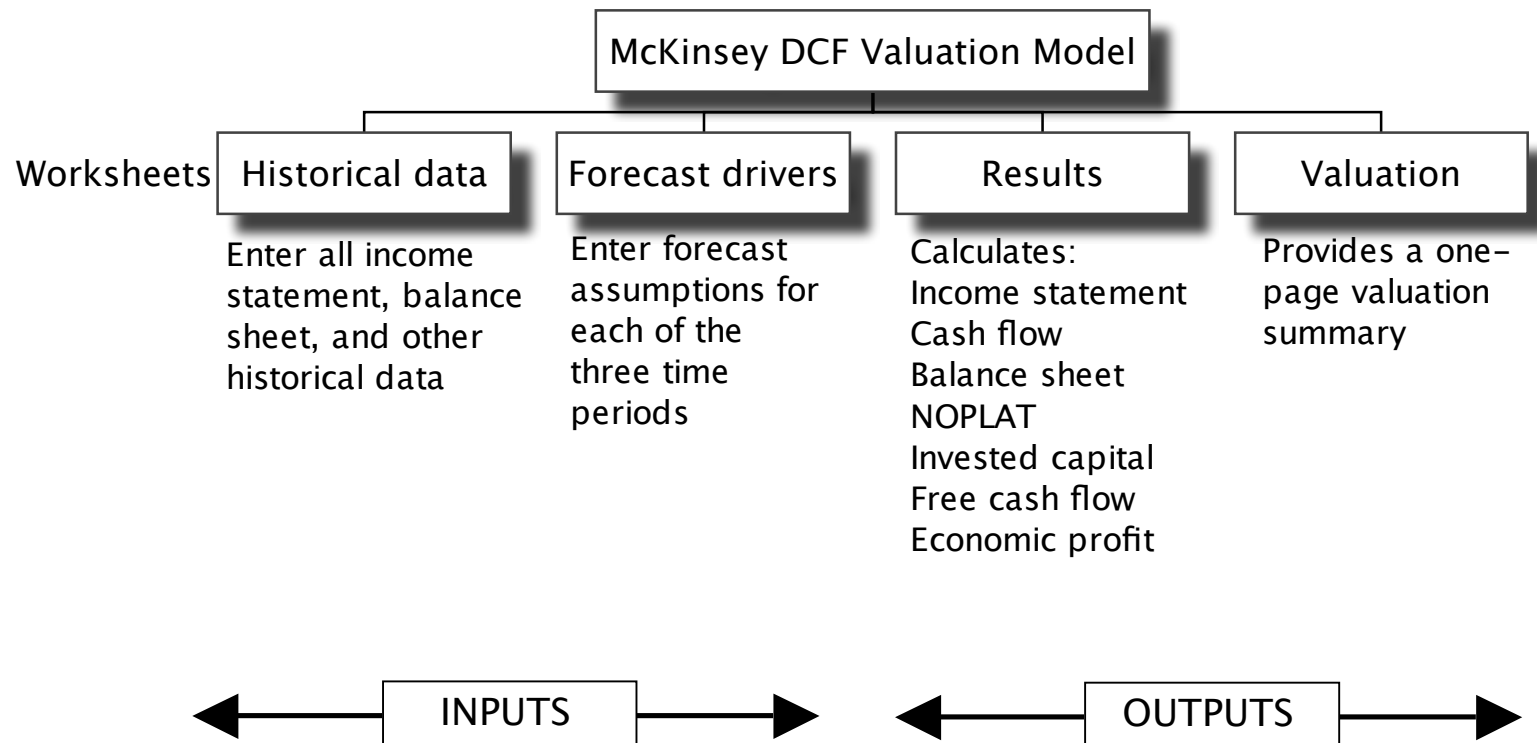
USER GUIDE –
McKINSEY DCF VALUATION MODEL

Introduction to the McKinsey DCF Valuation Model

-  The model contains preformatted financial statements and analytical reports for evaluating performance and valuing projected performance using both the enterprise DCF and economic profit approaches described in the book.
-  The model ensures that all important measures, such as return on invested capital and free cash flow, are calculated correctly so that the user can focus on analyzing a company's performance instead of worrying about computational errors.
-  The model follows the three-forecast time period methodology described in the book, comprising five years of detailed forecasts, ten years of key driver, or Phase 2 forecasts, and a continuing value period.
-  The model has been prepared in Excel 2004 and requires the installation of the Analysis ToolPak for successful operation. The model is in read-only format. Any changes you make must be saved under a different name.

What is the structure of the model ?

The model comprises four worksheets



Getting started...

The McKinsey DCF valuation model opens at the Valuation Summary sheet, one of the two output sheets.

Before using the model, check that the Analysis ToolPak “Add-In” is active (see Tools, Add-Ins menu).

Apart from the Valuation Summary sheet, the model follows a standard convention for the use of columns:

- A Row titles
- B Range names (if used)
- C Check calculations
- D Non time-dependent inputs/outputs
- E:N Historical period (10 years)
- O:S Detailed forecasts (5 years)
- T: AC Phase 2 forecasts (10 years)
- AD Continuing value period

Note: The time periods can be altered (see further instructions).

TIP: Choose Custom views, Show “Normal” before saving – this returns you to the starting view when you next open the model.

Microsoft Excel - McKinsey DCF Valuation 2004.xls

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Sort Descending

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	A	B	C	D	E	F	G	H	I	J	K	L	M
1	21/01/2005 00:29		EPR										
2	Example - Base Case												
3	US\$ 1000												
4													
5	Value of Operations: DCF approach				Value of Operations: Economic Profit				Value of Equity				
6		Free Cash	Discount	PV		Economic	Discount	PV	Operating Value 45,048				
7	Year	Flow	Factor	of FCF	Year	Profit	Factor	of EP	Excess Mkt Securities 50				
8	2005	728	0.943	686	2005	746	0.943	704	Financial Investments 100				
9	2006	818	0.890	728	2006	837	0.890	745	Excess Pension Assets 30				
10	2007	892	0.840	749	2007	913	0.840	766	Enterprise Value 45,228				
11	2008	982	0.792	778	2008	1,004	0.792	795	Debt (110)				
12	2009	1,081	0.747	808	2009	1,105	0.747	826	Capitalized Operating Leases (10)				
13	2010	1,068	0.705	753	2010	1,206	0.705	850	Retirement Related Liability (10)				
14	2011	1,283	0.665	853	2011	1,320	0.665	878	Preferred Stock (10)				
15	2012	1,411	0.627	885	2012	1,453	0.627	911	Minority Interest (17)				
16	2013	1,552	0.592	919	2013	1,599	0.592	946	Long-term Operating Provision (65)				
17	2014	1,707	0.558	953	2014	1,759	0.558	982	Restructuring Provision (100)				
18	2015	1,878	0.527	989	2015	1,935	0.527	1,019	Future Stock Options (30)				
19	2016	2,066	0.497	1,027	2016	2,129	0.497	1,058	Stock options (30)				
20	2017	2,272	0.469	1,065	2017	2,343	0.469	1,098	Equity Value 44,856				
21	2018	2,500	0.442	1,106	2018	2,578	0.442	1,140	No. shares (thousands) 0				
22	2019	2,750	0.417	1,147	2019	2,836	0.417	1,183	Value per Share 448.56				
23	Cont. Value	81,882	0.417	34,167	Cont. Value	79,292	0.417	33,086	-High 100.00				
24	Operating Value			47,614	Present Value of Economic Profit			46,990	-Low 90.00				
25					Invested Capital (incl. goodwill)			624	Value Difference - High 348.6%				
26	Continuing value % Operating value			71.8%	Operating Value			47,614	Value Difference - Low 398.4%				
27					Mid-Year Adjustment Factor			0.946					
28	Mid-Year Adjustment Factor			0.946	Operating Value (Adjusted)			45,048					
29	Operating Value (Adjusted)			45,048									
30													
31													
32	Comparison of key ratios				Evaluation of entry and exit multiples								
33					Averages								
34	From:				1995	2005	2010	2015					
35	To:				2004	2009	2014	2019					
36	Revenue growth (CAG)				29.2%	10.0%	10.0%	10.0%	Operating Value	45,048	81,882		

Ready NUM

Getting started...

Inputs are contained in two sheets:
Historical Data and Forecast Drivers.

The model uses the “Group” facility in Excel to divide each sheet into sections. Use 1/2 to expand or collapse the entire sheet. Use +/- to expand or collapse individual sections.

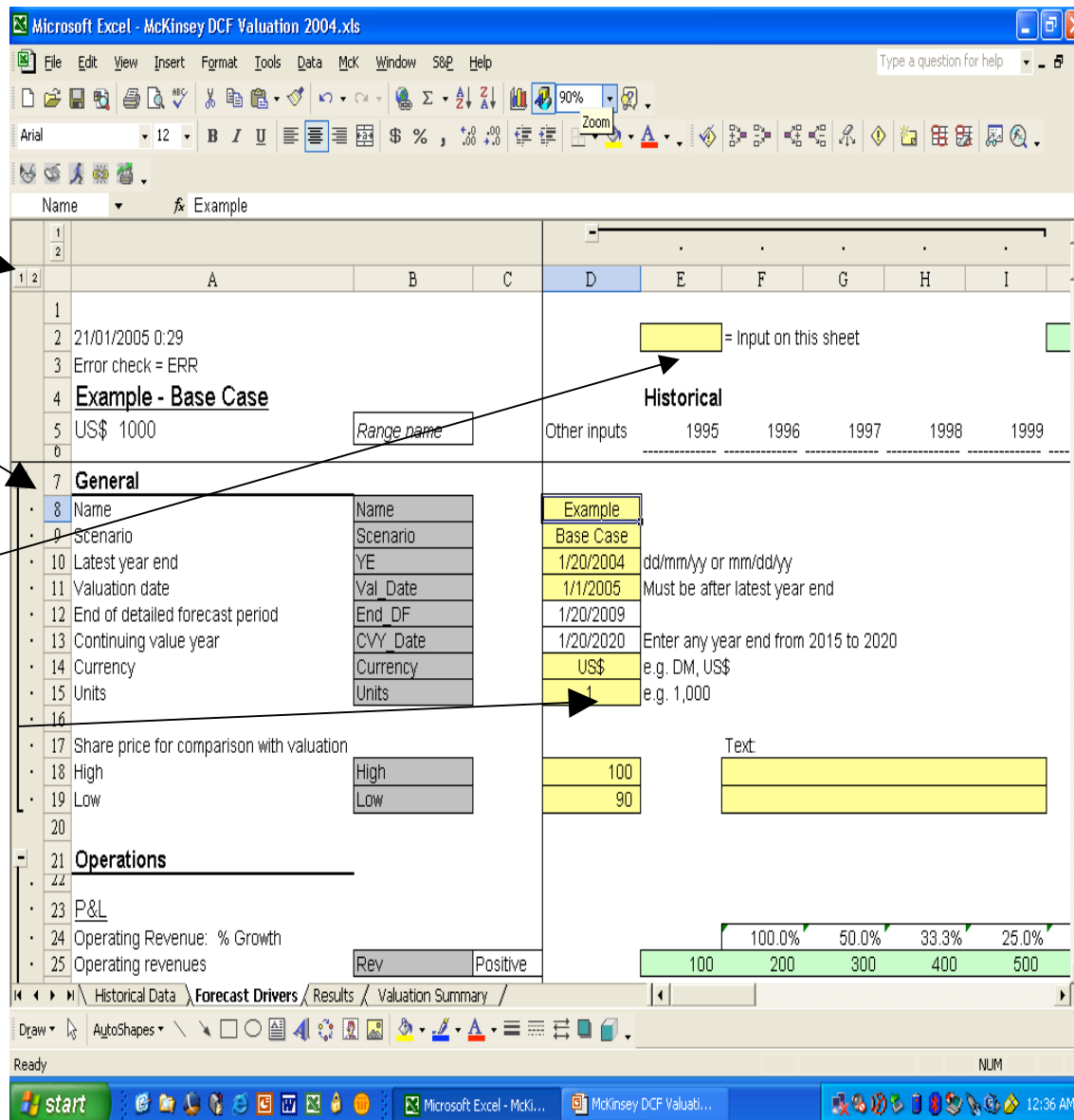
The model uses range names to make the relationships between items more transparent. All names are shown in grey boxes in Column B.

All input cells are highlighted in yellow.

All inputs are in the same units (as defined by the Currency and Units entered) unless otherwise stated.

Enter data in the General section of the Forecast Drivers sheet first. This enters dates and names throughout the model.

Note: Exact formats for dates and numbers may vary depending on default settings in Excel.



Historical inputs

The Historical Data sheet is grouped into four sections.

Up to 10 years of data can be included. If fewer years of data are available, simply leave the earlier columns blank.

The model calculates cash flows in the Results worksheet, from the income statement and balance sheet input data.

The statement of changes in equity includes a balancing item on row 41 for other non-P&L items.

Other items required to calculate historical economic profit and some valuation adjustments are included in "Off Balance Sheet Items."

Enter the goodwill write-off at the start of the first historical period here.

Enter number of shares in thousands.

Other inputs	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Beginning Equity	285	285	305	300	295	290	235	230	325	
Retained profit	135	216	297	378	459	540	621	702	783	
Foreign Exchange Rate Changes	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Issue of New Shares	1	1	1	1	1	1	1	1	1	1
Goodwill Written Off	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Other Adjustments to Equity	(114)	(195)	(301)	(382)	(463)	(534)	(625)	(606)	(787)	
Ending Equity	265	285	305	300	295	290	235	230	325	320
Marginal Tax Rate	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Capital Expenditure	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Initial Cumulative Goodwill Written Off	10									
Initial Cumulative Intangibles Written Off	10									
Market Value of Common Equity	1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000
Non-operating component of pension expense	300	300	300	300	300	300	300	300	300	800
Weighted Average Cost of Capital	6.0%	5.0%	5.0%	5.0%	5.0%	5.0%	6.0%	5.0%	6.0%	6.0%
Risk Free Rate (10 yr T-bond, avg gr.)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Operating Leases	10	10	10	10	10	10	10	10	10	10
Interest rate on Operating Leases %	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Interest rate on Long-term operating Provision	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Number of ordinary shares (average)	100	100	100	100	100	100	100	100	100	100
Number of ordinary shares (year end)	100	100	100	100	100	100	100	100	100	100
Additional number of shares if fully diluted	1	1	1	1	1	1	1	1	1	1
Par value of preference shares (US\$)	50									

Forecast inputs (1 of 8)

The Forecast Drivers sheet contains 10 sections (including the General section referred to earlier).

The following pages run through each section, starting here with "Operations." Operations includes operating items from the income statement and working capital.

Each line used in further calculations has a range name (e.g., Rev.). The forecasts can be driven by:

- Using the simple growth or % formula given.
- Typing in manual entries.
- Linking to other calculations (either on inserted rows or other worksheets).

TIP: If you change any formulas to inputs or links, change formatting to maintain the same color convention: yellow for inputs, blue for links, and white for calculations.

Note: All default percentages link to Operating Revenue, not Total Revenue.

			1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
21	Operations														
22	P&L														
24	Operating Revenue: % Growth		25.0%	20.0%	16.7%	14.3%	12.5%	11%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
25	Operating revenues	Rev Positive	500	600	700	800	900	1,000	1,100	1,210	1,331	1,464	1,611	1,772	1,949
27	Other Revenue: % Growth		25.0%	20.0%	16.7%	14.3%	12.5%	11%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
28	Other revenues	OODR Positive	5	6	7	8	9	10	11	12	13	15	16	18	20
30	COGS: % Revenue		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
31	Cost of Goods Sold	COGS Negative	(50)	(60)	(70)	(80)	(90)	(100)	(110)	(121)	(133)	(146)	(161)	(177)	(195)
33	SGA: % Revenue		10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
34	SGA	SGA Negative	(50)	(60)	(70)	(80)	(90)	(100)	(110)	(121)	(133)	(146)	(161)	(177)	(195)
36	Other Op Exp: % Revenue		0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
37	Other Operating Expense	ODE Negative	(1)	(1)	(1)	(1)	(1)	(1)	(110)	(121)	(133)	(146)	(161)	(177)	(195)
41	Op Cash: % Revenue		2.0%	1.7%	1.4%	1.3%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
42	Operating cash	OpCash Positive	10	10	10	10	10	10	11	12	13	15	16	18	20
44	Inventories: % Revenue		6.0%	5.0%	4.3%	3.8%	3.3%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
45	Inventories	Inv Positive	30	30	30	30	30	30	33	36	40	44	48	52	57
47	Acc Rec: % Revenues		14.0%	13.3%	12.9%	12.5%	12.2%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
48	Accounts receivable	TradDebt Positive	70	80	90	100	110	120	132	145	160	176	193	212	232
50	Acc. Pay: % Revenues		6.0%	5.0%	4.3%	3.8%	3.3%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
51	Accounts payable	TradCred Positive	30	30	30	30	30	30	33	36	40	44	48	52	57
53	OCA: % Revenues		12.0%	11.7%	11.4%	11.3%	11.1%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
54	Other current assets	OCA Positive	60	70	80	90	100	110	121	133	146	161	177	195	214

Forecast inputs (2 of 8)

The third section “Balance Sheet Items” contains all assets and operating liabilities (except for working capital items included above in Trading).

The model includes three standard options for capital expenditure:

1. Net PPE as percent of revenue,
2. Capex as percent of revenue,
- or
3. Manual input.

Property, plant, and equipment is a single line item shown on a net basis.

If further detail is required, such as separate categories of assets or gross values and cumulative depreciation, then add a separate schedule and link to Option 3: Manual input.

In the forecast period, it is assumed that there are no asset revaluations. Any historical events are calculated as a balancing item in FA Hist.

Intangibles are treated in the same way as goodwill.

Microsoft Excel - McKinsey DCF Valuation 2004.xls

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1 A B C D E F G H I J K L M N O P

2 2/10/2005 0:29

3 Error check - ERR

4 Example - Base Case

5 US\$ 1000 Range name

6

67

68 **Balance Sheet Items**

69

70 Property Plant & Equip

71 PPE Net Positive 300 325 350 350 350 350 300 300 400 400 440

72 Enter 1,2 or 3 1

73 Capital expenditure option

74 1: Net PPE as % revenues 162.5% 116.7% 87.5% 70.0% 58.3% 42.9% 37.5% 44.4% 40.0% 40.0%

75 2: % Operating revenues -2.5% -1.7% -1.3% -1.0% -0.8% -0.7% -0.8% -0.6% -0.5%

76 3: Cash amount US\$ (5) (5) (5) (5) (5) (5) (5) (5) (5)

77 Capital expenditure Capex Positive (5) (5) (5) (5) (5) (5) (5) (5) 46

78

79 Depreciation: % Net PPE b/f

80 Depreciation Depn Negative 1.7% 1.5% 1.4% 1.4% 1.4% 1.4% 1.7% 1.7% 1.3% 1.5%

81

82 Balancing item

83 Other historical fixed asset movts FA Hist -11.7% -10.8% -2.9% -2.9% -2.9% 11.4% -3.3% -36.7% -2.5%

84

85 Goodwill

86 Opening 10 10 10 10 10 10 10 10 10 10

87 Additions/(disposals) GW Cash 1 1 1 1 1 1 1 1 1 1

88 Amortisation GW Amort Negative (1) (1) (1) (1) (1) (1) (1) (1) (1)

89 Closing GW Bal Positive 10 10 10 10 10 10 10 10 10

90 Initial goodwill written off GW Init Positive 10

91

92 Intangibles

93 Opening 10 10 10 10 10 10 10 10 10 10

94 Additions/(disposals) Intang Cash 1 1 1 1 1 1 1 1 1

95 Amortisation Intang Amort Negative (1) (1) (1) (1) (1) (1) (1) (1) (1)

96 Closing Intang Bal Positive 10 10 10 10 10 10 10 10 10

97 Initial intangibles written off Intang Init Positive 10

98

99 Other operating assets

Forecast Drivers / Results / Valuation Summary

Draw AutoShapes

Ready NUM

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Forecast inputs (3 of 8)

The fourth section “Off-Balance Sheet Items” comprises two separate areas: operating leases and adjustments to operating value.

Adjustments for operating leases are needed if the amounts involved are material to the overall business. They may also be required if you are benchmarking companies with different financing policies.

Adjustments to operating value are the market values of all items that must be taken into account to allow the Equity Value to be calculated.

Some of the categories already contain a formula linked to book value or the NPV of forecast cash flows (e.g., Minority interest).

While book value may be a reasonable estimate of market value (e.g., for debt), always consider whether an alternative valuation method is more appropriate.

The screenshot displays the 'Off-Balance Sheet Items' section of the McKinsey DCF Valuation 2004.xls spreadsheet. The spreadsheet is organized into columns for 'Historical' data (1995-2005) and 'Detailed For' (2006-2007). The 'Off-Balance Sheet Items' section is divided into two main areas: 'Operating leases' and 'Adjustments to operating value'. The 'Operating leases' section includes items like 'Implied principal', 'Investment in operating leases', 'Interest rate', and 'Implied interest'. The 'Adjustments to operating value' section includes items like 'Excess Marketable Securities', 'Financial Investments', 'Excess pension assets', 'Debt', 'Capitalized Operating Leases', 'Retirement Related Liability', 'Preferred Stock', 'Minority Interest', 'Restructuring Provision', 'Long-term operating Provision', 'Value of Options Outstanding', 'Value of Future Stock Options', 'Non-operating P&L items', and 'Non-operating income % growth'. The 'Valuation basis' table shows the following data:

Valuation basis	Book value	PV (discounted at WACC)
50 Book	50	
100 Max(BV,PV)	100	17
30 Manual calc	30	
110 Book	110	
10 Book	10	
10 Book	10	
10 Book	10	
17 Max(BV,PV)	10	17
100 Max(BV,PV)	100	121
55 Book	55	
30 Manual calc	30	
30 Manual calc	30	

Forecast inputs (4 of 8)

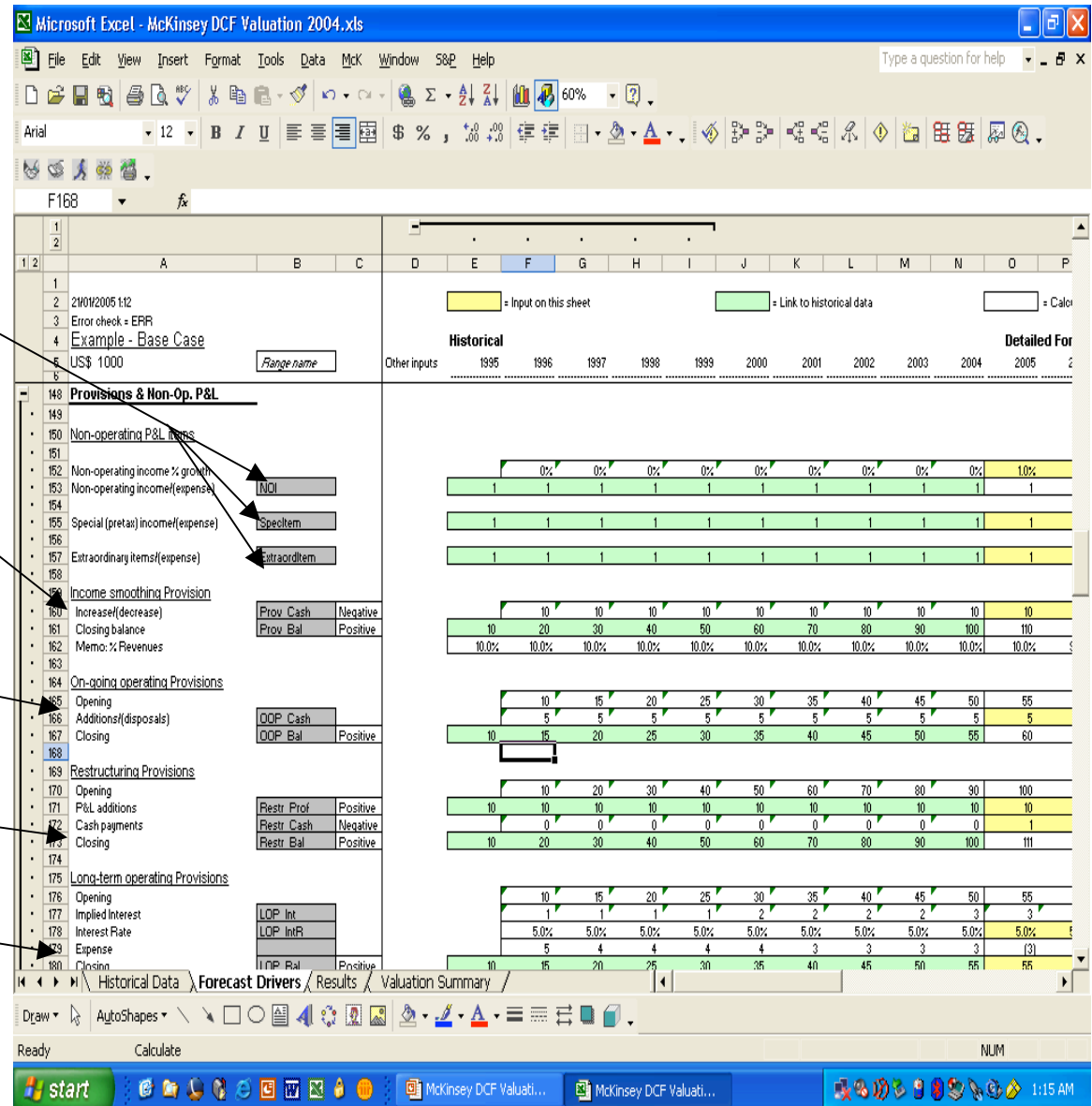
The next section contains non-operating P&L items, provisions, and minority interests.

There are three non-operating P&L items: Non-operating income (recurring), Special (pretax) items (non-recurring), and Extraordinary (posttax) items.

There are also four categories of provisions:

1. Income smoothing (NOPLAT adjusted for changes in these provisions).
2. On-going operating (treated like working capital).
3. Restructuring provisions (no adjustments to NOPLAT, balance treated as debt).
4. Long-term operating provisions (deduct operating portion from NOPLAT, balance treated as debt equivalent).

For further details of the treatment of provisions, refer to "Valuation."



Forecast inputs (5 of 8)

The next section contains assumptions for debt and WACC.

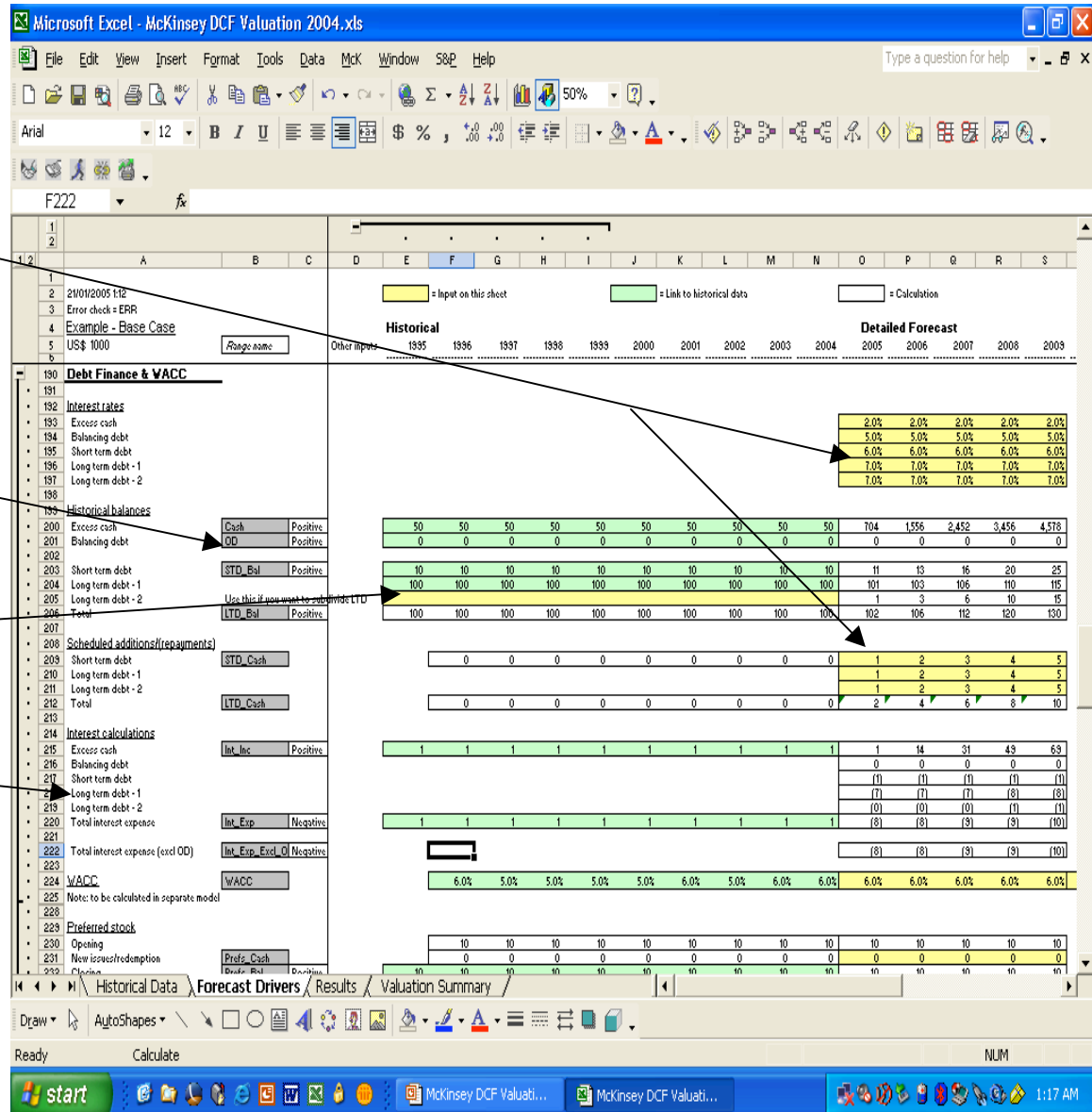
Main inputs for debt are interest rates and drawdowns/repayments.

In the forecast period, the net cash balance is included in the balance sheet as excess marketable securities (when positive) and balancing debt (when negative).

Scheduled debt is divided into Short term and Long term. The long-term debt can be further subdivided if necessary.

Interest is calculated on the average balance for scheduled debt, and on the brought-forward balance for cash and balancing debt.

WACC values for each year are required. It is assumed that WACC calculations are performed in a separate model.



Forecast inputs (6 of 8)

The “Equity Finance” section contains details of preferred and common (or ordinary) share capital, in terms of:

- Book value
- Number of shares
- Dividends declared
- Dividend creditors

For common equity, in addition to retained earnings, it is possible to include:

- Share issues/redemptions
- Goodwill write-offs
- FX translation effects
- Other adjustments

FX translation effects are treated as non-operating cash flows.

Numbers of shares are given on both an average basis (for calculating EPS) and on a year-end basis (for calculating value per share).

Microsoft Excel - McKinsey DCF Valuation 2004.xls

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			1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	20
210	210W2005 1:20														
211	Error check - EPRR														
212	Example - Base Case														
213	US\$ 1000	Flange name													
226	Equity Finance														
227	Preferred stock														
228	Opening	Prefs Cash	10	10	10	10	10	10	10	10	10	10	10	10	10
229	New issues/redemption	Prefs Bal	0	0	0	0	0	0	0	0	0	0	0	0	0
230	Closing	Prefs Div	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
231	Dividend: Coupon % average balance	Prefs No	0	0	0	0	0	0	0	0	0	0	0	0	0
232	Dividends	Equity Bal BF	300	295	290	285	280	275	320	1,063	1,894	2,825	3,866	5,026	
233	Par value per share	Net earnings for year	380	461	542	623	704	785	746	835	935	1,044	1,165		
234	No. preferred shares (thousands)	Dividends: % earnings	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	
235	Common equity	Div Com	(2)	(2)	(2)	(2)	(2)	(2)	(3)	(3)	(3)	(3)	(3)		
236	Opening	Translation	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)		
237	Net earnings for year	Equity Cash	1	1	1	1	1	1	1	1	1	1	1		
238	Dividends	GW writeoff	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)		
239	Dividend effects	Equity Adj	(382)	(463)	(544)	(625)	(706)	(787)							
240	New issues/(buy-backs)	Equity Bal	295	290	285	280	275	320	1,063	1,894	2,825	3,866	5,026		
241	Goodwill write off	Shares Av	100	100	100	100	100	100	105	120	145	180	225		
242	Other adjustments	Shares YE	0	0	0	0	0	0	10	20	30	40	50		
243	Closing	Shares FD Av	100	100	100	100	100	100	110	130	160	200	250		
244	Number of common shares	Additional shares	1	1	1	1	1	1	1	2	3	4	5		
245	Current no. shares (thousands)	Shares FD YE	101	101	101	101	101	101	106	122	148	184	230		
246	Average		101	101	101	101	101	101	111	132	163	204	255		
247	Movement in year														
248	Year end														
249	Fully diluted no. shares (thousands)														
250	Additional shares														
251	Average														
252	Year end														
253															
254															
255															
256															
257															
258															

Forecast inputs (7 of 8)

The "Tax" section includes all the key inputs to the valuation.

It may be necessary to add additional coding to reflect national taxation rules or specific circumstances (e.g., calculation of tax-loss carry forwards).

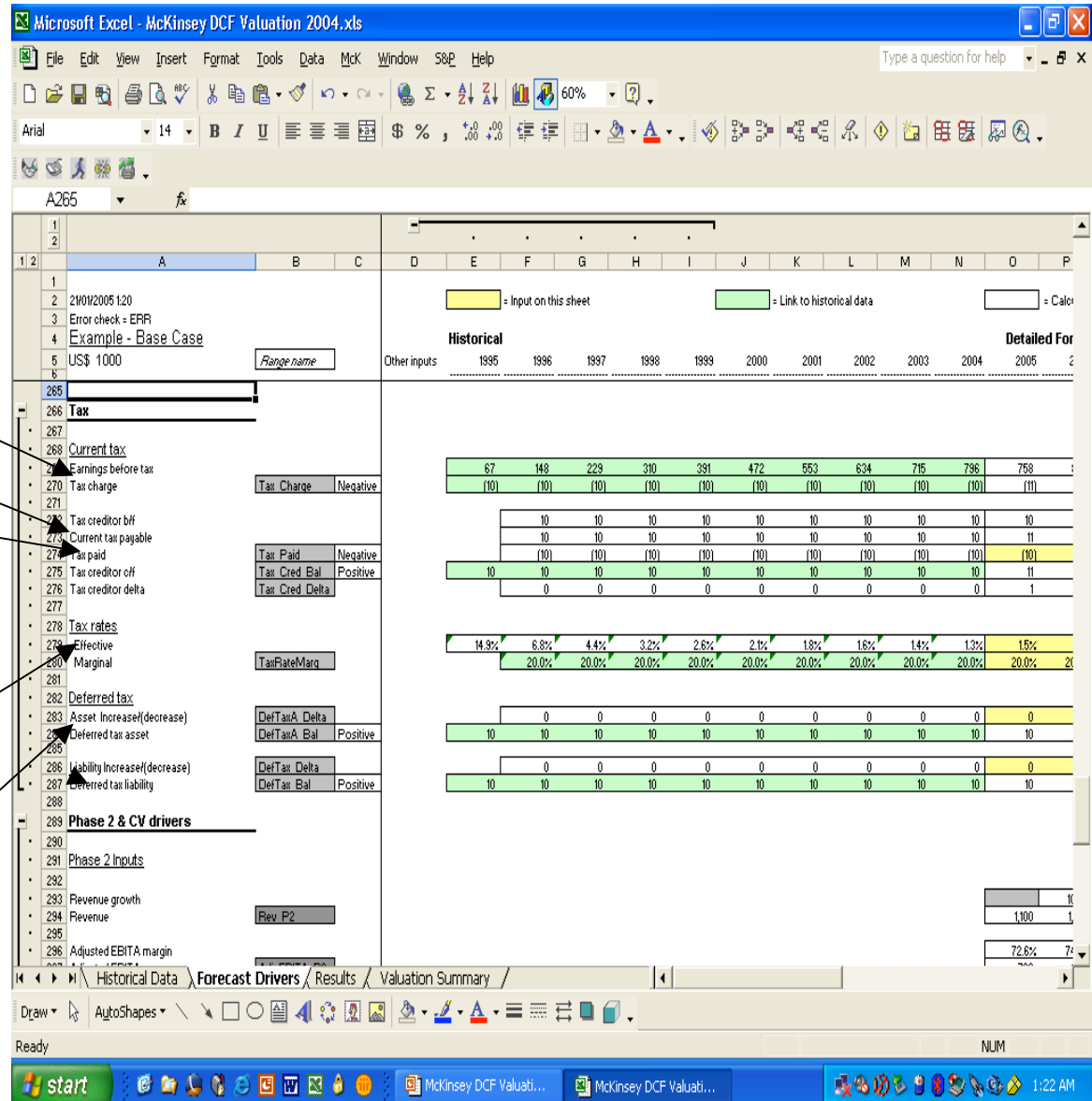
The Tax charge is the total P&L charge (including deferred taxes).

Tax payable is the tax falling due in the period (excluding deferred taxes).

Tax paid is the amount paid during the period. The default assumption is that this equals Tax payable.

The effective tax rate is applied to Earnings before tax to calculate the Tax charge. It may be necessary to adjust for nondeductible items such as goodwill amortization.

The model includes rows for both deferred tax assets (e.g., tax losses) and liabilities (e.g., differences between tax and accounting depreciation).



Forecast inputs (8 of 8)

The final input section contains inputs for the “Phase 2,” or Key value driver, period and the Continuing value period.

In Phase 2, only 6 inputs are required:

- Revenue growth
- EBITA margin
- Cash tax rate
- Net PPE as % of revenue
- Other invested capital as % of revenue
- Cumulative goodwill

Continuing value is calculated as a perpetuity using the value driver formula. There are two inputs required:

- ROIC (on new investments)
- Growth (of NOPLAT)

The model includes three options for ROIC:

- WACC
- ROIC in last forecast period
- Manual input

The screenshot displays the 'Phase 2 & CV drivers' section of the McKinsey DCF Valuation 2004.xls spreadsheet. The spreadsheet is organized into columns for 'Historical' data (1995-2005) and 'Detailed For' (2005). The 'Phase 2 & CV drivers' section is highlighted with a black box, and arrows point from the text on the left to specific input fields and the ROIC selection table.

Other inputs	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Revenue											1,100
Adjusted EBITA margin											72.6%
Cash tax rate											1.9%
NOPLAT											783
Net PPE											440
Other Invested Capital											283
Invested Capital (pre-Goodwill)											723
Cumulative Goodwill											72
Invested Capital											796

The 'Phase 2 & CV drivers' section includes the following inputs:

- Phase 2 inputs: Revenue growth, Revenue, Adjusted EBITA margin, Adjusted EBITA, Cash tax rate, NOPLAT, Closing Net PPE as % Revenues, Net PPE, Other Invested Capital as % Revenues, Other Invested Capital, Invested Capital (pre-Goodwill), Cumulative Goodwill, Invested Capital, Net Investment.
- Continuing value inputs: Choose ROIC option (Enter 1, 2 or 3), 1: Input value (8.0%), 2: Last year of phase 2 (126.0%), 3: WACC (6.0%), ROIC used (8.0%).

Results sheet

The Results sheet does not contain any inputs.

Items that come from the input sheets are named and clearly identified.

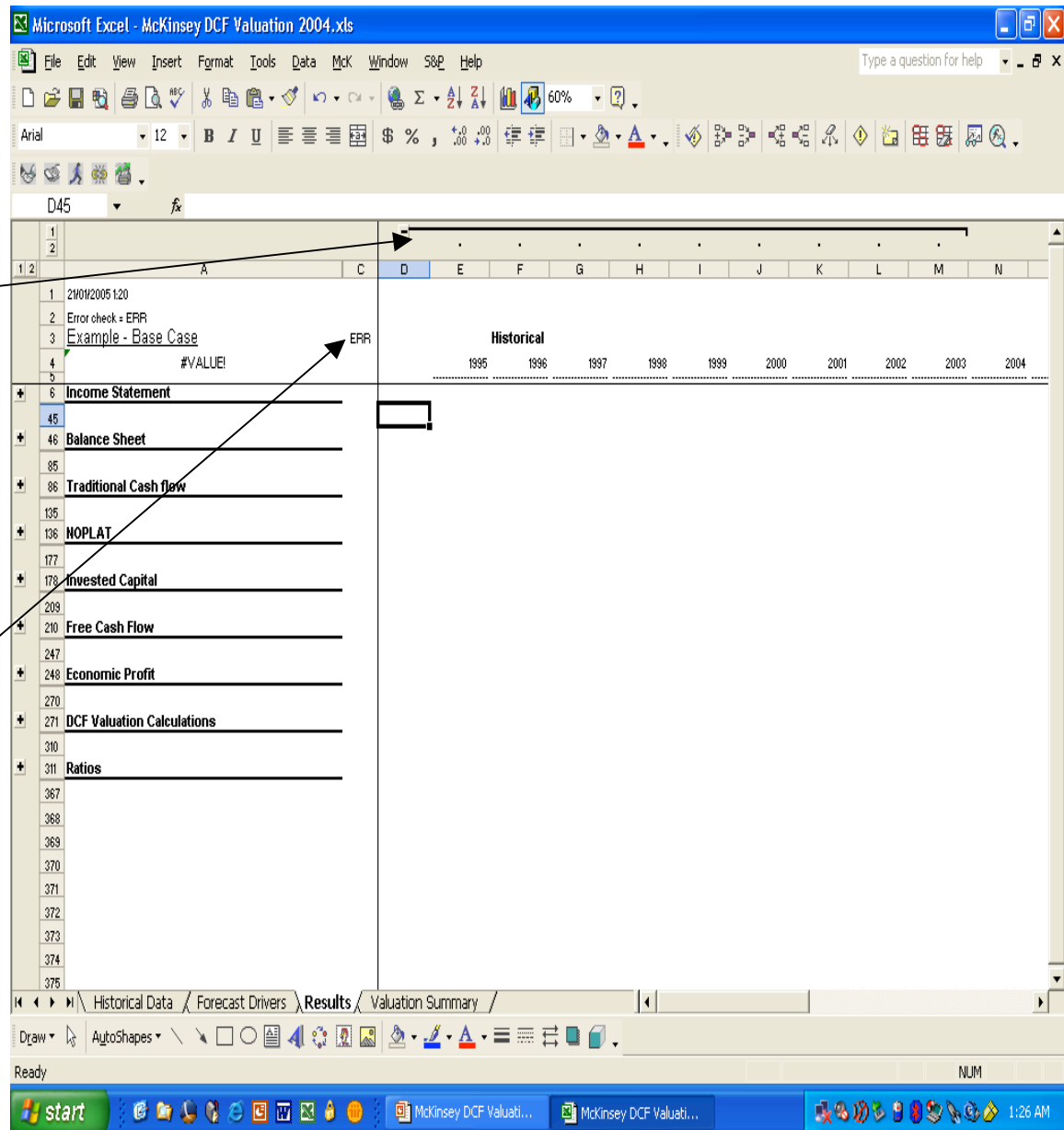
Grouping is used to show/hide the historical and Phase 2 time periods.

The sheet is in eight sections:

- Income Statement
- Balance Sheet
- Traditional Cash Flow
- NOPLAT
- Invested Capital
- Free Cash Flow
- Economic Profit
- Valuation Calculations

The sheet contains several checks that are confirmed in cell C3:

- Balance sheet balances
- Cash flow reconciles to cash balances
- NOPLAT reconciliation
- Invested capital reconciliation
- EP & FCF valuations are equal



Printing

By choosing the Print option from the File menu, the user can print the entire model by selecting the Print Entire Workbook option.

Printing the entire workbook is a 16-page report comprising:

- Historical inputs 1-2
- Forecast inputs 3-6
- Financial statements 7-9
- Results (NOPLAT, etc.) 10-14
- Ratios 15
- Valuation summary 16

Value of Operations: DCF approach					Value of Operations: Economic Profit				Value of Equity		
Year	Free Cash Flow	Discount Factor	PV of FCF		Year	Economic Profit	Discount Factor	PV of EP			
2005	668	0.943	630		2005	746	0.943	704		Operating Value	45,078
2006	868	0.890	772		2006	834	0.890	742		Excess Mkt Securities	50
2007	887	0.840	745		2007	913	0.840	766		Financial Investments	100
2008	977	0.792	774		2008	1,004	0.792	795		Excess Pension Assets	30
2009	1,076	0.747	804		2009	1,105	0.747	826		Enterprise Value	45,258
2010	1,148	0.705	809		2010	1,206	0.705	850		Debt	(110)
2011	1,283	0.665	853		2011	1,320	0.665	878		Capitalized Operating Leases	(10)
2012	1,411	0.627	885		2012	1,453	0.627	911		Retirement Related Liability	(10)
2013	1,562	0.592	919		2013	1,599	0.592	946		Preferred Stock	(10)
2014	1,707	0.558	953		2014	1,759	0.558	982		Minority Interest	(17)
2015	1,878	0.527	989		2015	1,935	0.527	1,019		Long-term Operating Provision	(55)
2016	2,066	0.497	1,027		2016	2,129	0.497	1,058		Restructuring Provision	(100)
2017	2,272	0.469	1,065		2017	2,343	0.469	1,098		Future Stock Options	(30)
2018	2,500	0.442	1,106		2018	2,578	0.442	1,140		Stock options	(30)
2019	2,750	0.417	1,147		2019	2,836	0.417	1,183		Equity Value	44,886
Cont. Value	81,882	0.417	34,167		Cont. Value	79,292	0.417	33,086		No. shares (thousands)	0
Operating Value			47,646		Present Value of Economic Profit			46,386		Value per Share	448.86
Continuing value % Operating value			71.7%		Invested Capital (incl. goodwill)			624		-High	100.00
Mid-Year Adjustment Factor			0.946		Operating Value			47,610		-Low	90.00
Operating Value (Adjusted)			45,078		Mid-Year Adjustment Factor			0.946		Value Difference - High	348.8%
					Operating Value (Adjusted)			45,045		Value Difference - Low	398.7%