

## Table of Exhibits

Exhibit 2-1: “Levels of Value” in Terms of Characteristics of Ownership .....	20
Exhibit 3-1: Schematic Diagram of Business Valuation Approaches and Methods ..	27
Exhibit 3-2: Value of Invested Capital and Direct Valuation of Equity Procedures ..	29
Exhibit 4-1: Widget Corporation Financial Data .....	32
Exhibit 4-2: Levels of Financial Statement Preparation .....	34
Exhibit 5-1: Terms and Notations Commonly Used in the Income Approach .....	46
Exhibit 5-2: Discounted Present Value of an Annuity .....	48
Exhibit 5-3: Schematic Diagram Illustrating Beta .....	65
Exhibit 5-4: The Midyear Discounting Convention .....	74
Exhibit 5-5: The Midyear Convention in the Capitalization Method .....	75
Exhibit 5-6: The Midyear Convention in the Discounting Method .....	77
Exhibit 6-1: Major Market Approach Business Valuation Scenarios .....	82
Exhibit 6-2: Marvel Corporation Financial Data .....	91
Exhibit 6-3: Marvel Corporation Invested Capital Valuation Multiples .....	92
Exhibit 6-4: Marvel Corporation Invested Capital Valuation Multiples .....	93
Exhibit 6-5: Widget Corporation and Guideline Companies Comparative Financial Analysis .....	97
Exhibit 6-6: Widget Corporation Guideline Company Invested Capital Multiples .....	100
Exhibit 6-7: Widget Corporation Valuation Using Invested Capital Multiples ....	101
Exhibit 6-8: Widget Corporation Guideline Company Equity Multiples .....	102
Exhibit 6-9: Widget Corporation Valuation Using Equity Multiples .....	103
Exhibit 7-1: Alpha Company Adjusted Net Asset Value .....	112
Exhibit 8-1: Illustration of Excess Earnings Method .....	117
Exhibit 8-2: Definitions of Goodwill .....	120
Exhibit 8-3: A “Sanity Check” for a Value Indicated by the Excess Earnings Method .....	121
Exhibit 8-4: Revenue Ruling 68-609 .....	122
Exhibit 9-1: Rules of Thumb for Valuation .....	132
Exhibit 11-1: 12-Point Checklist for Valuation Appraisers .....	143
Exhibit 11-2: Tax Court’s Examples of the Factor Test .....	144
Exhibit 12-1: Meteor Manufacturing, Inc. Adjustments to Income Statements ....	156
Exhibit 12-2: Meteor Manufacturing, Inc. Adjustments to Balance Sheet .....	157

Exhibit 13-1: Nucor Corporation Two-Year Balance Sheet and Income Statement .....	165
Exhibit 13-2: Nucor Corporation Horizontal Analysis of Balance Sheet and Income Statement .....	166
Exhibit 13-3: Nucor Corporation and Oregon Steel Mills Inc. Sales Figures in Dollars .....	167
Exhibit 13-4: Nucor Corporation and Oregon Steel Mills Inc. Sales Figures in Percentages .....	167
Exhibit 13-5: Oregon Steel Mills Sales Figures .....	168
Exhibit 13-6: Trend of Oregon Steel Mills Sales .....	168
Exhibit 13-7: Growth of Oregon Steel Mills Sales .....	169
Exhibit 13-8: Trend and Growth of Oregon Steel Mills Sales .....	170
Exhibit 13-9: L.B. Foster, Oregon Steel Mills, and Nucor Corporation 2007 Balance Sheet and Income Statement .....	171
Exhibit 13-10: L.B. Foster, Oregon Steel Mills, and Nucor Corporation Common-Size Balance Sheet and Income Statement .....	172
Exhibit 13-11: L.B. Foster, Oregon Steel Mills, and Nucor Corporation Common-Size Balance Sheet and Income Statement with 2007 Industry Statistics .....	173
Exhibit 13-12: Selected Nucor Corporation Financial Information .....	175
Exhibit 13-13: Nucor Corporation Return on Assets .....	175
Exhibit 13-14: Hypothetical Return on Assets .....	176
Exhibit 13-15: Effect of Asset Levels .....	177
Exhibit 13-16: Nucor Corporation Profit Margin, Turnover, and Return on Assets 2003–2007 .....	178
Exhibit 13-17: Nucor Corporation Common-Size Income Statement 2003–2007 .....	178
Exhibit 13-18: Nucor Corporation Common-Size Balance Sheet 2003–2007 .....	180
Exhibit 13-19: Nucor Corporation Turnover Ratios 2003–2007 .....	180
Exhibit 13-20: Return on Equity and Debt to Equity .....	181
Exhibit 13-21: Effect of Debt to Equity Ratio .....	182
Exhibit 13-22: Nucor Corporation Liquidity Ratios 2003–2007 .....	183
Exhibit 13-23: Nucor Corporation Solvency Ratios 2003–2007 .....	185
Exhibit 14-1: 2007 GDP in Billions of Current Dollars .....	192
Exhibit 14-2: All-Urban Consumer Price Index 1982–84 = 100 .....	193
Exhibit 14-3: Impact from Variable versus Fixed Costs .....	194
Exhibit 14-4: Per Capita Real GDP by State, 2006 .....	196
Exhibit 14-5: 2006 Personal Income .....	196
Exhibit 14-6: Selected Historical and Forecasted Revenue Growth Rates .....	199
Exhibit 14-7: Selected Industry Common-size Financial Statements and Ratios ...	201

Exhibit 15-1: “Levels of Value” in Terms of Characteristics of Ownership .....	205
Exhibit 15-2: Summary of Restricted Stock Studies .....	217
Exhibit 15-3: LiquiStat <sup>TM</sup> Discounts for Restricted Stocks .....	220
Exhibit 15-4: The Value of Marketability as Illustrated in Initial Public Offerings of Common Stock .....	221
Exhibit 15-5: Valuation Advisors’ Lack of Marketability Discount Study <sup>TM</sup> Transaction Summary Results by Year from 1999–2007 .....	223
Exhibit 20-1: APB and FASB Pronouncements Amended By SFAS 157 .....	344
Exhibit 22-1: Present Value of \$1,000 at Various Market Rates of Interest .....	377
Exhibit 27-1: Summary of Discovery Rules .....	466
Exhibit 27-2: Preliminary Documents and Information Checklist for Business Valuation of Typical Corporation .....	472
Exhibit 28-1: “Levels of Value” in Terms of Characteristics of Ownership .....	502
Exhibit 28-2: Treatment of Life Insurance Proceeds in Valuation .....	506
Exhibit 30-1: Professional Accreditation Criteria .....	526
Exhibit 30-2: Professional Accreditation Quick Reference List .....	533