

Financial Management and Analysis for Petroleum Professional

Provide an overview of financial management concept in accounting, corporate finance, capital budgeting decisions, financing decisions, portfolio management, debt policy and other fundamental tenants of modern finance theory.

13th – 14th August 2015 – Kuala Lumpur, Malaysia



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Program Overview

This course is designed to provide participants an understanding of basic financial accounting concepts and the theory and practice of corporate finance as it relates to the petroleum sector. The overall objective is to present and discuss the various responsibilities of the petroleum firm's financial managers and show how to approach many of the problems that such managers are expected to solve. To survive and prosper, an oil company must produce its products (oil, gas, etc.) at a profit. In order to produce it needs many assets – plant, equipment, offices, technology, human capital, and so on. The company has to decide (1) which assets to buy; and (2) how to pay for them. The financial manager plays a key role in both of these decisions. The investment decision, that is, the decision to invest in plant, equipment, and know-how, is in large part a responsibility of the financial manager. So is the financing decision, the choice of how to pay for such investments. A keen understanding of both of these elements of corporate finance are essential for business managers in the firm.

Accounting is in many ways the language of business and an essential part of the business management process. The accounting concepts in this course are designed to provide participants with a broad understanding of the role of accounting principles in business, the analysis and reporting of business transactions, and the use of accounting information for business decisions-making, planning, performance measurement and control. The accounting topics provide participants a basic understanding of financial accounting statements, including the balance sheet, income statement, and statement of cash flows. This part of the seminar provides participants a sound understanding of how business activities are measured and communicated to stakeholders through the accounting information system. Upon completion of the accounting module, participants will have the requisite accounting knowledge to apply to an introductory course in corporate finance.

The basic issues studied in corporate finance pertain to the valuation of investments, firms and the securities they issue. The corporate finance topics that we discuss in this seminar include the study of capital budgeting, financing decisions and dividend policy - all of which are fundamental components needed to gain a keen understanding of corporate finance. This seminar is designed to provide an in-depth study of the theory and practice of corporate financial management including a study of the firm's financial objectives, investment decisions, long-term financing decisions, as well as cash and working capital management.

Initially, we present an overview of finance theory in a world where all future outcomes are known with certainty. This treatment allows us to consider how the theory of choice used to develop financial theory under certainty can be extended to more real-world conditions – where risk and uncertainty prevail. We then focus our attention on the application of modern financial theory to financial management problems, including capital budgeting decisions, financing decisions, portfolio management, debt policy, and other fundamental tenets of modern finance theory. Each of these elements is presented in the context of the workings of modern capital markets and how those markets can influence corporate financing and investment decisions.

Attend this course to Master:

- GAIN a keen understanding of accounting principles and how they are used to support business decisions.
- GAIN a sound understanding of how business activities are measured and communicated to stakeholders.
- LEARN the fundamentals of corporate finance, including a study of the firm's financial objectives, investment decision and long-term financing.
- LEARN the important concepts around the capital budgeting process.
- FAMILIARIZED with workings of capital markets and how they influence the firm's business activities.
- MASTER the relevant abbreviations and terminologies.
- INTRODUCED to the concepts of portfolio management and learn how those tools are used in the petroleum firm.
- LEARN financial concepts that they can put to work in their own firms . . . IMMEDIATELY.

Program Contents

Accounting	Broad understanding of the role of accounting principles, analysis and reporting of business transactions, use of accounting information for business decision-making, planning, performance and measurement control. (financial accounting statements – balance sheet, income statement and statement of cash flow)
Corporate finance	Capital budgeting, financing decision, dividend policy, financial objectives, investment decision, long-term financing decision, cash and working capital management.
Modern financial theory	Capital budget decisions, financing decisions, portfolio management debt policy and others

This program is intended

Professionals coming from other disciplines (Technical/Non-Technical) who wish to enhance their existing skills set and increase their understanding on financial management concepts to support their employment and career progression in the Oil & Gas industry.

Legal – Business Development Strategies –Service Providers to Oil & Gas industries - General Management – Administration (Chemical/Technology/Materials/Providers/Developers) – Commercial - Government Agencies - Marketing & Publicity – Investment – Supply Chain – Logistic – Journalist – Tender / contract – Planning & Budgeting- Marine & Offshore – Engineering Services – Technical disciplines (Production, Drilling, Project, HSE, Exploration, E&I, Facilities, Researcher, Rotating)- instructor of other relevant topics who wish to know more about petroleum finance.

Financial Management and Analysis for petroleum Professional (2 DAYS)

Introduction – Overview of Finance and Financial Markets

Investment Analysis – Time Value of Money

Fundamentals overview of present and future value analysis, as well as the important metrics associated with investment analysis. These would include discussion of net present value, rate of return, return on investment and other metrics utilized by firms to evaluate new investments.

- Future Value and Present Value Analysis
- Opportunity Cost of capital, NPV, IRR
- Risk and Present value Analysis

Introduction to the Accounting system and its Role in the Petroleum Business

Participants are introduced to the basic accounting statements utilized by all firms to evaluate financial performance. These include balance sheet, income statement and statement of cash flows. Ratio analysis is discussed as a way to compare firm performance with that of its peers.

Financial Statement - Introduction

Financial Statement – An overview of Reporting

- Balance Sheet Analysis
- Income statement and Earnings Analysis
- Statement of cash flows

Ratio Analysis – Interpreting the Results

- Liquidity Ratios
- Asset Management Ratios
- Debt Ratios
- Profitability Ratios

Overview of Corporate Financial Management

Valuing Long-Lived Assets

Participant are introduced to the basic concepts of valuation for long-term assets. Financial securities such as perpetuities, bonds and stocks are discussed and evaluated. In addition, we discuss interest rates and their impact on firm investment behavior. The importance of understanding how capital markets work is emphasized – As well as its impact on firm decisions about investment and financing.

- Perpetuities and Annuities
- Valuing stocks and Bonds
- Bond Characteristics
- Stock Price and Market Valuations
- Valuing a Business

Interest rates and valuation Issues

- Term structure of interest Rates
- Spot Rates and Forward Rates
- Exchange Rates

Risk and Return

Participants are introduced to the basic concepts of risk and return in the capital markets and how that influences firm decision making. Diversification as well as portfolio analysis are discussed in detail. Applications of portfolio analysis to the petroleum firm in terms of managing their portfolio of assets are shown. Participants will learn how to optimally allocate capital across a wide variety of risky petroleum assets in order to optimize return.

- Measure of Risk and Return
- Diversification Issues
- Portfolio Analysis
- Applications of Portfolio Analysis in the Petroleum Firm
- Optimization Techniques and Portfolio Analysis

Capital Asset Pricing Model

Capital Budgeting Under Uncertainty

Financing Decision

Participant discuss the interaction between petroleum firms and the capital markets. Participant learn how financing decision influence firm valuation, as well as how firms make decision about issuing debt and equity to fund their ongoing investment opportunities. Capital structure decisions are imminently important in the context or managing the firm – Understanding how those decision are made providers significant insight about the financial management of the firm.

- Overview of Capital Markets
- Firms and interactions with the capital Markets
- Financing and Firm Valuation
- Debt and Debt policy – Theory and Practice
- Corporate Financing – Understanding the Terms and Activities

Capital Structure within the Firm

- Capital structure and impact on firm value
- Determining the optimal Debt load
- Corporate Taxes and capital structure
- Capital structure: Managerial Recommendations

Financial Options and Real Options Analysis

Petroleum firms often hold numerous assets that have considerable flexibility and optionality. We utilize the methodologies associated with financial option pricing to assists decision makers on development timing decision and more accurate valuations of their existing set of assets.

What we Do and Don't Know About Finance



PETRO1 provides Oil & Gas Trainings & Consultancy services ranging from Petroleum Engineering, Exploration & Production, Subsurface and business related activities in the oil & gas industry. We had successfully made impact to petroleum professional mainly the Top 50 Oil & gas players in the south East Asia Region.

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| ▪ Total E&P | ▪ Petrofac | ▪ SGS |
| ▪ Petronas | ▪ Keppel Corporation | ▪ Halliburton |
| ▪ Murphy Oil | ▪ Singapore refining Company | ▪ Brunei LNG |
| ▪ JX Nippon | ▪ Salamander Energy | ▪ Shell Chemical |
| ▪ Scomi Oil | ▪ Binh Son Refining Vietnam | ▪ Worley Parson |
| ▪ Hess | ▪ PTT Global | ▪ China university of petroleum Beijing |
| ▪ Saipem | ▪ Newfield | ▪ Thailoil |
| ▪ Mubadala Petroleum | ▪ Brunei Methanol | ▪ Star Petroleum |
| ▪ Bureau Veritas | ▪ Technip | ▪ Jurong Shipyard |
| ▪ Pertamina | ▪ Premier Oil | |

Principal Program Facilitator



Dr. Michael R. Walls Ph.D, USA

- 30 years of experience and expert in developing strategies, allocating resources and managing risk.
- Recognized as an industry authority on the application of risk and investment theory to the petroleum industry
- Author of numerous articles on the topics of decision and risk analysis, finance and business strategy.
- Professor and Chair of the Engineering and Technology Management Program in the Division of Economics & Business at the Colorado School of Mines in Golden, Colorado.
- Advised extensively in the areas of risk analysis and strategic planning to oil companies such as Conoco-Phillips, BP, Hess Corporation, Amoco, Petrobras, Petroleos, Brasileiro, Ecopetrol, Cabot, Devon, Schlumberger, Exxon- Mobil, and Anadarko Petroleum

DR.Walls Ph.D. – MANAGING DIRECTOR – Michael R. Walls & Co

In his consulting work, Dr. Walls has: (Actively involved)

- Advised extensively in the areas of risk analysis and strategic planning to oil companies such as Conoco-Phillips, BP, Hess Corporation, Amoco, Petrobras, Petroleos, Brasileiro, Ecopetrol, Cabot, Devon, Schlumberger, Exxon- Mobil, and Anadarko Petroleum.
- Advised a major integrated oil company on risk management policy and systems design for managing exploration risk in the capital allocation process.
- Developed a multi-criteria portfolio planning model for another company that evaluates E&P projects based on the firm's major business objectives.
- Provided assistance to an international group of exploration directors from a major oil company in developing a capital allocation model for risky investments
- Recently undertook a study of corporate risk taking at another company in order to provide the firm guidance on the appropriate risk policy for worldwide exploration decisions.
- Brings a combination of business expertise, industry knowledge and technical superiority which has proven outstandingly effective to clients in developing strategies, allocating resources and managing risk.

TEACHING EXPERIENCE AND PUBLICATIONS:

Professor Walls has a significant level of teaching experience in executive programs as well as in-house briefings for oil and gas professionals at numerous international petroleum firms. Dr. Walls has conducted his petroleum industry course in risk management since 1989 and is well known for introducing sophisticated decision making and risk management techniques in a manner that is understandable and applicable to a broad range of decision contexts. His "hands-on" knowledge and experience regarding the problems and decisions facing petroleum managers provides seminar participants a unique perspective for solving complex E&P problems.

Dr. Walls is recognized as an industry authority on the application of risk and investment theory to the petroleum industry. He has published extensively in the fields of decision and management science. Included among his many publications are:

- "Risk Propensity and Firm Performance: A Study of the Petroleum Exploration Industry" published in the prestigious international journal, Management Science;
- "Decision Analysis of Exploration Opportunities in the Onshore U.S. at Phillips Petroleum Company" published in the management applications journal, Interfaces;
- "Corporate Risk Tolerance and Capital Allocation: A Practical Approach to Implementing an Exploration Risk Policy" published in the Journal of Petroleum Technology;
- "Combining Decision Analysis and Portfolio Management to Improve Project Selection in the Petroleum Exploration and Production Firm", Journal of Petroleum Science and Engineering, Vol. 44, pp. 55-66.
- "Developing an Exploration Decision Support System: A Strategy for Combining Information and Analytics" published in Nonrenewable Resources;
- "Petroleum Firms Must Determine Their Optimal Risk-Tolerance Level" published in the Oil and Gas Investor; and
- "Software Utilizes Firm's Risk Attitude in Prospect Evaluation" published in the Oil and Gas Journal.
- "Managing Technological and Financial Uncertainty: A Decision Science Approach for Strategic Drilling Decisions", Natural Resources Research.

Petrosec Exploration – VP – Exploration & Production

Prior to joining the faculty at the Colorado School of Mines, Dr. Walls worked for 14 years in the petroleum exploration and production industry. As Vice President of Exploration and Production for Petrosec Exploration, Dr. Walls was:

- Responsible for all exploration and production activities in North America from the period 1981 through 1986.
- Overseeing all prospect development, joint venture activities, evaluation of exploration and producing properties, and the development of financing for the company's ongoing activities.
- Among Dr. Walls' responsibilities was monitoring the activities and performance of Petrosec's holdings in the 150 BCF gas Ynojosa Gas Field in southern Texas.

Felmont Oil Corporation – Division Manager

Prior to joining Petrosec Exploration, Dr. Walls was Division Manager for Felmont Oil Corporation where he was:

- Responsible for all exploration and production activities in the eastern United States.
- Responsible for an \$11 million annual E&P budget and directed all activities associated with the petroleum property procurement, drilling activities, production and contract sales, as well as the performance monitoring of the largest natural gas storage field in the eastern U.S.

Conoco, Inc (Houston , Texas)

Prior to joining Felmont, Dr. Walls worked with Conoco, Inc. in Houston, Texas in their in-house consulting group, Production Engineering Services. At Conoco, he was responsible for both land-based and offshore drilling and production operations located primarily in the Gulf of Mexico and the Rocky Mountain region of the western U.S.

Investment Packages

Financial Management and analysis for petroleum professional	Early Bird Full 2 Days	Standard Price Full 2 Days
Per Delegate	USD 2245 ()	USD 2405 ()
TEAM DISCOUNT of 3 or more off 10% <ul style="list-style-type: none"> - Team discount are not applicable to early bird pricing. - For 5 or more, please do contact us to get attractive price. - Early Bird Promotion Deadline – 8th July 2015 - The above price is inclusive of GST 6%. Please Note that a SGD\$40 will be incur for Administration Fee.		

Delegat Details

1. Name: _____ Mr Mrs Ms Dr

Job Title: _____

Email: _____

Contact No: _____

Department: _____

2. Name: _____ Mr Mrs Ms Dr

Job Title: _____

Email: _____

Contact No: _____

Department: _____

3. Name: _____ Mr Mrs Ms Dr

Job Title: _____

Email: _____

Contact No: _____

Department: _____

Head of Department: _____

Invoice Details

Invoice Attention to: _____

Company: _____

Industry: _____

Address: _____

Postcode: _____ Country: _____

Telephone: _____ Fax: _____

Email: _____

Authorized Signature : _____

REGISTRATION FORM

PROGRAM DETAILS

Venue: Kuala Lumpur, Malaysia

Date: 13th – 14th August 2015

REGISTER NOW

CONTACT: kelvin

MAIN: +603 7727 3952

FAX: +603 7722 5278

Email: reegistration@petro1.com.my

Credit card Payment:

Please Debit my credit card:

VISA MASTERCARD

Card Number: _____ - _____ - _____ - _____

Security Code: Expiry Date:

Named printed on card: _____

Signature: _____

REGISTRATION DEADLINE

As an internationally operating training organization, PETRO1 would appreciate receiving registrations at least one (1) month prior to course commencement. Registrations after this date will be accepted provided that places are available. We strongly recommend early enrolment to avoid disappointment!

GST input Tax claim

Organization who have register under GST is allow to claim on any GST incurred (Known as input tax) on their purchase to the business.

Payment Method

By cheque/ Bank Draft: Made Payable to PETRO1 SDN BHD
By Direct Transfer: Please quote invoice numbers on remittance advice.

ACCOUNT NAME : PETRO1 SDN BHD
BANK : HSBC Amanah Malaysia Berhad
ACCOUNT NO : 054 – 048061 – 701 (SGD)
SWIFT CODE : HMABMYKL

All bank charges to be borne by payers. Please ensure that PETRO1 SDN BHD received the full invoice amount.

*** Credit card payment will include a charges 2.8%**

Payment Policy: Upon receipt of a completed registration form, it confirms that the organization is registering for the seat(s) of the participant(s) to attend the conference or training workshop. Payment is required with registration and must be received prior to the event to guarantee the seat. Payment has to be received 7 working days prior to the event date to confirm registration.

Venue: All of our training courses are held in 4 – 5 star venues.

The course fee does not include accommodation or travel cost. It's recommended to book the hotel room early as there are only limited room available at the discounted corporate rate.

DATA PROTECTION

The information you provide will be safeguarded by Petro1 that may be used to keep you informed of relevant products and services. We take it seriously when it come s to protection of our client data.

Cancellation & Substitutions: Upon receipt of a completed registration form, it confirms that the organization is registering for the seat(s) of the participant(s) to attend the conference or training workshop. Should you be unable to attend, substitutes are always welcome at no additional cost. Please inform us as early as possible. Payment is non-refundable if cancellation occurs 7 working days prior to event commencement. However a substitute is welcome at no additional charges. If cancellation occurs 5 working days prior to the registration date and there is no substitute, the organizer reserves the right to charge 50% of the total investment from your organization.

PETRO1 SDN BHD is not responsible for any loss or damage as a result of a substitution, alteration or cancellation/postponement of an event. PETRO1 SDN BHD shall assume no liability whatsoever in the event this training course is cancelled, rescheduled or postponed due to a fortuitous event, Act of God, war, fire, labor strike, extreme weather or other emergency.

Walk in Registration: Walk-in participants with payment will only be admitted on the basis of seat availability at the event and with immediate full payment.

Program Change policy: The organizer reserves the right to make any amendments and/or changes to the workshop, venue, facilitator replacements and/or modules if warranted by circumstances beyond its control.