

Cost of Capital Navigator – Pre-Release Pricing and New Features for 2019

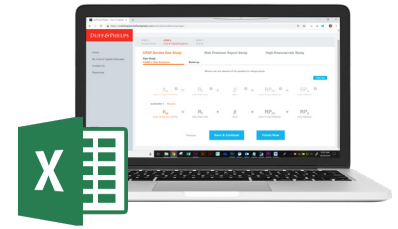
The Duff & Phelps Cost of Capital Navigator is an online application that guides the analyst through the process of estimating cost of capital, a key component of any valuation analysis. We are excited to share pre-release special pricing and new features for 2019.

	Basic		Pro		Enterprise
	First User	Additional Users	First User	Additional Users	16+ Pro Users
Pre-release Special for Existing* and New Subscribers**	\$250	\$99	\$499	\$199	Contact Us
2019 Pricing	\$295	\$129	\$595	\$299	Contact Us
Data Years Included*** (CRSP Deciles Size Study & Risk Premium Report Study)	2018–2019		1999–2019		1999–2019
Intra-year Updates***	2018–2019		2014–2019		2014–2019
Theory, Methodology & Examples	✓		✓		✓
Full Size Premia Tables (new)	✓		✓		✓
Excel Add-in (new)	✓		✓		✓
Estimate WACC (new)	✓		✓		✓
U.S. Industry Snapshot (new)	✓		✓		✓
Enhanced Outputs (PDF and Excel) (new)	✓		✓		✓
Personal Training and Onboarding Assistance					✓

*Renewing an existing subscription during pre-release period will extend the subscription end-date by 1 year, OR will extend to February 14, 2020, whichever is greater.

**New subscriptions during pre-release period will end February 14, 2020.

***2019 Data Year includes year-end 2018 data (delivery in February, 2019), plus intra-year updates.



New Features for 2019:

“Size” Tables Now Included:

In 2019 the CRSP Deciles Size Study size premium table (and decile breakpoints) and the Risk Premium Report Study size premium and “risk premium over the risk-free rate” tables (and portfolio breakpoints):

- Are viewable within the Cost of Capital Navigator, and
- Are included in the Navigator’s PDF outputs

Industry Snapshot:

The Cost of Capital Navigator Resources section will include a new “Industry Snapshot” which provides key industry-level data (e.g., industry-level cost of equity capital estimates, industry-level betas, industry-level valuation multiples, etc.) from the *Valuation Handbook – U.S. Industry Cost of Capital*, as of your valuation date for the industry in which your subject company operates.

Excel Add-in:

Already have your own Excel models and templates set up the way you like them to perform your valuation analysis? Then the new Cost of Capital Navigator Excel “Add-in” is designed just for you. This powerful new tool enables Cost of Capital Navigator users to directly import Duff & Phelps cost of capital data (size premia, equity risk premia, risk free rates, betas, industry risk premia and more) into their own Excel spreadsheets.

Enhanced Outputs:

In 2019, “Enhanced Reports” provide robust and comprehensive documentation of the user’s cost of capital assumptions, sources, analysis, and results. The enhanced reports will be available as an export to PDF and Excel.

Estimate WACC:

In 2019 users can incorporate their cost of equity capital estimates into a weighted average cost of capital (WACC) computation.

Data Included in the Cost of Capital Navigator:

Size Premia and Risk Premia:

- CRSP Deciles 1–10 size premia, plus the 10th Decile split
- Risk Premium Report Size Study size premia and “risk premia over the risk-free-rate”
- Risk Premium Report Risk Study “risk premia over the risk-free rate”
- High-Financial-Risk Study size premia and “risk premia over the risk-free rate”
- Comparative Risk Study (fundamental risks of companies comprising Risk Premium Report Size Study portfolios)

Risk-free Rates:

- Spot long-term risk-free rates (from the Federal Reserve, updated daily)
- Duff & Phelps long-term normalized risk-free rate (adjusted for impact of flights-to-quality, actions of the Federal Reserve, and inflation expectations)

U.S. Equity Risk Premia (ERPs):

- 1926–present Historical (i.e., realized) ERP
- 1926–present Supply-side ERP
- Duff & Phelps Recommended ERP (reflecting current point in business cycle)

Betas:

- Industry-level betas (Full-Information, Vasicek-Adjusted, Sum, and High-Financial-Risk Betas)
- Industry Risk Premia for use in the Build-up method
- Debt betas (for unlevering and relevering betas)

Company Lists:

- List of companies used to calculate Full-Information Betas and Industry Risk Premia (updated quarterly)
- List of companies used to calculate “Pure-Play” U.S. industry statistics (updated quarterly)