

Paragraphs	Punctual Proposals
IVS 200 Business and Business Interest	
20.1 row 6	Will be written the sum of the values of individual.....
20.3 (a)	The definition of enterprise value would be necessary to clarify meaning of cash, for example, all cash, only cash in excess of operating needs or that necessary included in normalized NWC
50.4	Will be replaced 5.8 with 6.8
	<u>New paragraph 120.5</u> Will be introduced a new paragraph 120.5 with the statement of how to estimate the value of non-operating assets and that value will be added to the value of operational assets determined in all three approaches to value
IVS 300 Plant and Equipment	
20.3 (a) 2	Instead ofphysical life..... will be writtenuseful life ...
20 (b) 1, row 3	What limited life: useful, economic, effective life??? When we use the term „life” must always specify what form of life it is
	<u>50.2 New paragraph:</u> For many machinery, equipment and complex installations, valuation must be performed on the hypothesis of most advantageous level of trade, i.e. wholesaler, distributor, retailer or user. Values resulting from the four levels of trade are clearly decreasing for the same subject of valuation <u>60.2 New paragraph:</u> When valuating machinery, equipment and complex installations with the highest weight in the enterprise value can be applied the residual method, respectively calculate enterprise value by using DCF Method through the Cash Flow to the Firm. After then have to deduct values of other asset classes from enterprise value, i.e. land, construction, working capital and intangible assets (if any). As a result, the current paragraph 60.2 becomes 60.3

IVS 400 Real property Interest

New section 80 Land Valuation Methods/Techniques

Justification for the proposal:

Land valuation is performed by 6 classical valuation methods, from which 5 are specific methods. In IVS 210, Intangible Assets are allocated more than half of standard size to the detailed presentation of the 5 valuation methods included in the income approach because they are specific to this asset class. Similarly I think that should be given equal importance, and detail and presentation of all methods/ techniques specific to land valuation.

As a result, the current section 80 becomes 90