



DAY ONE – (9am – 5pm)

TOPIC I.

INTRODUCTION, FINANCIAL STATEMENTS OVERVIEW AND ANALYSIS

- a. Introduction of Instructor
- b. SEC Filings Overview
- c. Brief Review of Financial Statements – Balance Sheet, Income Statement, Statement of Cash Flows
- d. Non-Recurring Addbacks
- e. Deriving Historic Ratios and Trends

TOPIC II.

COMPREHENSIVE VALUATION ANALYSIS

- a. Why do We Value Companies?
- b. Difference Between Book Value and Market Value
- c. Understanding Equity Value vs. Total Enterprise Value (TEV)
- d. The Three (3) Generally Accepted Valuation Methodologies
 - i. Discounted Cash Flow Analysis (DCF)
 - ii. Trading Multiples
 - iii. Precedent Transactions
- e. Spreading Comps – Example
- f. Precedent Transactions - Example
- g. Discounted Cash Flow Analysis - Example
- h. Combining all Three (3) Valuation Methodologies



DAY TWO – (9am – 5pm)

TOPIC III.

INTEGRATED CASHFLOW MODELING

- a. Uses for a Financial Model
- b. Tips for Setting up a Financial Model
- c. Creating Five Year Projections for Income Statement, Balance Sheet and Cash Flow
- d. Debt and Interest Schedule
- e. Integration of Projected Income Statement, Balance Sheet and Cash Flow
- f. Revolver Modeling

TOPIC IV.

LBO MODELING

- a. Uses for An LBO Model on Sell-side and Buy-side
- b. Review of Deal Structure and LBO Model Example
 - i. Introduction to LBOs
 - ii. Creation of a Sources and Uses Worksheet
 - iii. Discussion of Typical Financing Sources for LBO
 - iv. Purchase Price Calculations and Considerations
 - v. Capital Structure Options / Reviews
 - vi. Proforma Income Statement, Balance Sheet, Cash Flow
 - vii. Goodwill Calculation
 - viii. Integration of Income Statement, Balance Sheet, Cash Flow
 - ix. Debt and Interest Schedule
 - x. Revolver and Mandatory / Option Debt Prepayment and Impact on Returns
 - xi. Returns Analysis – IRR on Debt, Hybrid Instruments and Equity Investments
- c. Returns Analyses

TOPIC V.

MERGERS & ACQUISITIONS (M&A) MODELING

- a. Uses for a Merger Model
- b. How to construct a Merger Model
 - a. Calculation of Equity Value and Purchase Price
 - b. Explanation of Consideration Used in Purchase (Stock, Cash, Assumed Debt)
 - c. Discussion of Multiples Paid
 - d. Post-Merger Control Issues
 - e. Synergies and Pretax Synergies Required to Breakeven
 - f. Revenue and EBITDA Contribution
 - g. Proforma Income Statement
 - h. EPS Dilution for Acquirer
 - i. Sensitivities