Core Comprehensive - Financial Modeling & Corporate Valuation

WHO IS THIS COURSE FOR?

- Firms that need small groups or individuals up to speed quickly (new, lateral, or off-cycle hires)
- Financial services professionals (investment banking analysts or associates, consulting, research, asset management, private equity, brokerage, sales & trading, insurance, etc.)
- Corporate/strategic development or finance team members
- Individuals responsible for product or divisional budgets, projections, and profit/loss statements
- Those looking to enhance past learning in finance and financial statement analysis

PREREQUISITES

The content presumes a working knowledge of accounting and financial statements (what they are, and how they work together). For students with less prior accounting experience, TTS recommends our self-study handbook, Fundamentals of Financial Accounting & Analysis, which is available on TTS Academy.

SCHEDULE

9:00 am - 5:00 pm
1-hour lunch plus shorter breaks during the day

LEARNING OPTIONS

Our courses are available in both in-person and virtual classroom formats.

COURSE PRICING

Early Registration: **$1,150* per day**
Standard Registration: **$1,250 per day**

* register at least 30 days in advance
Additional discounts offered to existing clients
Group rates available

COURSE CALENDAR

Course syllabus on next page

Core Comprehensive - Financial Modeling & Corporate Valuation

Days 1 & 2 -
Financial Modeling & Advanced Sensitivity Analysis

Overview and Introduction to Financial Modeling

Excel Best Practices and Efficiencies

Construction and Application of:
- Core statements
- Working capital schedule
- Depreciation schedule
- Amortization schedule
- Other long-term items schedule
- Equity schedule
- Debt and interest schedule

Troubleshooting the Model:
- Understanding and controlling for circular references
- Balancing the model
- Making the model "deal ready"

Utilizing the Finished Product:
- Data tables

Advanced Sensitivity Analysis:
- Adding scenarios to the model
- Creating a toggle for cases and naming cells

Day 4
Merger Consequences Analysis

- Concept of affordability analysis
- Purchase accounting overview
- Creation of goodwill and write-ups, including possible incremental D&A
- Opening balance sheet and purchase accounting adjustments
- Pro forma income statement
- Accretion/dilution analysis
- Credit rating considerations
- M&A transaction considerations (stock vs. cash, social issues, etc)
- Asset vs. stock purchase
- Tax deductibility of goodwill
- Section 338 election
- Exercise: Building an M&A model for a potential acquisition of the case company

Day 3 -
Public & Acquisition Comparables and Discounted Cash Flow Analysis

Overview of valuation methodologies and fundamental concepts

Public Comparables Analysis:
- Choosing the appropriate peer group
- Gathering public information
- Calculating market and enterprise value
- Normalizing for non-recurring items
- Calculating latest twelve months (LTM)
- Calculating relevant multiples
- Deriving an implied valuation range
- Analyzing multiples and a comparables universe
- Exercise: "Spreading public comparables" for the case company

Overview of Acquisition Comparables Analysis:
- Choosing the appropriate deal list
- How control premiums and synergies impact multiples
- Sources of public information

Discounted Cash Flow Analysis:
- Strengths and considerations of a DCF analysis
- Deriving a weighted average cost of capital (WACC)
- Discounting unlevered free cash flows
- Estimating the terminal value (exit multiple vs. perpetuity growth rate approach)
- Determining the valuation range based on DCF analysis
- Exercise: Adding DCF output to a 3-statement model for the case company

Analyzing Results:
- Imputing valuation ranges
- Analyzing a "Football field" for the case company based on different valuation methodologies

Day 5
Leveraged Buyout Analysis

- What makes a good LBO candidate?
- Concept of value creation via de-leveraging, operational improvements and "multiple expansion"
- Sources of funding for an LBO
- Differing viewpoints for LBO constituents
- Purchase price determination
- Debt capacity and financing options (Pro rata facilities, institutional facilities, mezzanine capital)
- Sponsors equity and internal rate of return (IRR)
- Mechanics of constructing an LBO model
- Exercise: Constructing an LBO model for the case company

TRAINING THE STREET

We unlock career potential