CFA LOS ANGELES

Nov 7th and 8th – 2012

Financial Statement & LBO Modeling

TARGET AUDIENCE

- ☐ IB Analysts & Associates
- ☐ Equity research associat
- ☐ Private equity associates
- ☐ Business development a
- ☐ Corporate finance analys
- ☐ Accounting/Treasury/CF professionals

PREREQUISITES

Financial Accounting
Excel – Beginner level

DURATION

2 days

CONTINUING ED CREDITS

18 CE Credits (9 per day)

Pricing

$ 999

Overview

2-day intensive training camp where trainees learn financial & valuation modeling in Excel using in a hands-on, case-study approach. The modeling methodologies covered include:

Step-by-step, intuitive approach

Each modeling methodology is preceded by conceptual introductions that relate academic coursework to the hands-on step-by-step exercises trainees undertake on their computers in class. The program is a synthesis of Excel modeling, navigating through various financial reports, and the application of accounting, corporate finance, and valuation courses.

What sets this program apart?

- The training materials that trainees receive are comprehensive and intuitive, and are designed to serve as stand-alone materials for easy use long after the training session has ended.
- Our instructors are all practitioners (investment bankers, equity research analysts, etc.) with a passion for teaching with years of directly relevant real-world experience. They understand the importance of teaching in a way that empowers finance professionals to apply the lessons from the classroom directly on the job.
- Unlimited support for 2 years post-seminar
- 12-month access to Excel crash course – valued at $69
- 12-month on-line access to Trading & Transaction Comparables modules - valued at $169
- Pre-recorded video lectures covering FSM, DCF, M&A, and LBO Modeling content – valued at $69
- Lifetime subscription to Boost Pro Excel add-in – valued at $199 (http://wspanalytics.com/)
- 18 CPE credits

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- ☐ Business development analysts
- ☐ Corporate finance analysts
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PREREQUISITES

Financial Accounting

Excel – Beginner level

DURATION

1 day

CONTINUING ED CREDITS

9 CE Credits

Summary

Participants develop a model completely from scratch, inputting historical data and assumptions to project out financial statements using step-by step instruction on selecting, locating, and developing appropriate projection drivers. At completion, participants will have developed a complete and comprehensive three-statement model using various supporting schedules.

Interactive, Step-by-Step Learning Approach

Participants follow intuitive, step-by-step instruction manuals while building models using Excel model templates and are directed to the appropriate external documents (SEC filings, research reports, etc.) in order to build comprehensive models the way they would on the job.

Key Learning Outcomes

- Building financial models from scratch the way it is done at financial institutions.
- Excel and formatting best practices, efficient formula construction, and appropriate driver selections.
- Learn to use advanced Excel functions to present various sensitivities to projected financial metrics.
- Balancing the balance sheet accounts, including excess cash and revolver.
- Fixing circularity problems, iteration, and other common modeling troubleshooting.
- Balance sheet / cash flow statement crosschecks.

MORNING SESSION (8-11AM)

Overview of valuation modeling

- Enterprise value vs. Equity value
- Relative vs. Intrinsic value
- Calculating and interpreting multiples (PE ratios, EBITDA multiples, etc.)
- The “football field”

AFTERNOON SESSION (11AM-5PM)

Participants build a complete working DCF model. Training encompasses the following:

- From accounting profit to levered and unlevered free cash flows—proper methodology and best practices for projections in Excel.
- Estimating the weighted average cost of capital (WACC) and common pitfalls to avoid.
- Applying the two major approaches to calculating terminal value
- Using data tables to analyze a broad range of scenarios given different assumptions

WALL STREET PREP
FINANCIAL TRAINING SOLUTIONS

CFA LOS ANGELES

Nov 8th – 2012

Leverage Buyout (LBO) & Recapitalization Modeling

TARGET AUDIENCE

- ☐ IB Analysts & Associates
- ☐ Equity research associates
- ☐ Private equity associates
- ☐ Business development analysts
- ☐ Corporate finance analysts
- ☐ Accounting/Treasury/CFO professionals

PREREQUISITES

Financial Accounting

Excel – Beginner level

DURATION

1 day

CONTINUING ED CREDITS

9 CE Credits

The seminar begins with an introduction to the dynamics of an LBO and a discussion of the qualitative motivations behind such transactions, major players, current financing environment, and industry benchmarks.

Participants will develop an understanding of leveraged financing, purchase and recapitalization accounting and the step by-step allocation of purchase price. Typical exit strategies and return requirements are discussed and analyzed.

Key Learning Outcomes

Constructing a fully integrated LBO model:

- Participants will learn typical deal structures of leveraged buyouts, along with current market metrics. They will then structure an Excel model for the valuation and analysis of an LBO transaction in line with those typical deal benchmarks using a real life case study.
- The LBO analysis will be driven off an integrated, dynamic three statement pro forma LBO projection model
- Participants will learn how to model the typical instruments of LBO financing, including cost assumptions and sources and uses of funds:
- Learn to insert a revolving credit facility and cash sweep, integrate industry standard treatment of senior notes, PIK instruments, and preferred equity and equity.
- Identify and error-proof the circularities and iteration problems inherent in an LBO model

Exit and sensitivity analysis:

- Participants will build the sensitivity tables required for correct analysis of an LBO, including the construction of multiples, and IRR tables using both data tables and various sorting functions in Excel, including VLOOKUPS, OFFSET, CHOOSE, and INDEX.
- Participants will design different scenarios for their LBO model, including: Base/Best/Worst Case

MORNING SESSION (8-11AM)

- LBO modeling overview
- Market dynamics & current environment
- Purchase & recapitalization accounting
- Simple LBO exercise

AFTERNOON SESSION (11AM-5PM)

- Constructing the LBO model
- Constructing a revolver & cash sweep
- Circularity and error checking

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