



Providing financial training to Wall Street®

**INVESTMENT BANKING TRAINING
SAMPLE CURRICULUM
DETAILED COURSE DESCRIPTIONS**

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ABOUT WALL ST. TRAINING

WALL ST. TRAINING OVERVIEW

Wall St. Training provides professional financial training solutions to Wall Street through hands-on classroom training and customized corporate training programs for financial analysts. All of our courses take a hands-on, interactive, practical, non-theoretical approach and is exactly how it is done on Wall Street.

Wall St. Training Overview

- ◆ Corporate training
- ◆ Public, open-enrollment seminars
- ◆ Self-study, video-based learning

Wall St. Training Services

- ◆ Train finance professionals
- ◆ Conduct new hire and lateral hire training
- ◆ Teach fundamental financial analytics
- ◆ Instruct and promote mastery of advanced topics
- ◆ Provide practical, real-world, hands-on instruction

Wall St. Training Specialties

- ◆ Investment Banking and M&A (analysts & associates)
- ◆ Securities Research (equity & fixed income)
- ◆ Asset and Investment Management
- ◆ Credit Analysis (corporate & commercial banking)
- ◆ LBO Modeling (private equity & high yield)
- ◆ CFA (Chartered Financial Analyst)

WALL ST. TRAINING COURSE TOPICS

Wall St. Training offers a wide variety of topics ranging from Basic to Advanced levels. Our courses are designed for participants with various backgrounds, from students and entry-level professionals to professionals with some work experience to professionals in the midst of a career transition.

Basic and Fundamental Concepts

- ◆ Accounting and Financial Statements Integration
- ◆ How to Analyze a 10K
- ◆ Introduction to Finance ("Finance 101")
- ◆ Corporate Valuation (including Corporate Finance)

Core Financial Modeling Topics

- ◆ Basic Financial Modeling
- ◆ Advanced Financial Modeling (Core Model) & Valuation Analysis
- ◆ Revenue and Segment Build-up Model
- ◆ Trading & Deal Comps Analysis

Merger Modeling Topics

- ◆ M&A Deal Structuring and Merger Modeling
- ◆ Basic and Complex LBO Modeling & LBO Enhancements
- ◆ Advanced Merger Modeling
- ◆ Roll-Up Acquisition Modeling

Technical Applications & Topical Subjects

- ◆ Insurance Company and REIT Financial Modeling
- ◆ Overview of the Financial Markets
- ◆ Advanced Excel for Data Analysis + Intro to Macros

WHY CHOOSE WALL ST. TRAINING

We analyzed the current learning process in finance and Wall Street, figured out how teaching and training should be done and then implemented our learning processes. In short, our strengths that separate us from our competitors include:

- Hands-on, interactive, practical, non-theoretical, no "b.s." approach
- Training modules replicate exactly how it is done on Wall Street
- Blend of real-world and effective teaching style that is more down to earth and at the audience's level
- Fast-paced learning where the goal is for participants to become experts and extremely quick and efficient so they could spend more time on analysis of the numbers rather than pure number crunching
- Learn how to completely avoid using the mouse when building financial models
- Ability to translate difficult and advanced concepts into plain English while providing highly detailed explanations and intricacies; ability to integrate a variety of disparate topics into one focused theme
- Teach nuances and real-life intricacies, not just the basic how-to; we teach the rules and the exceptions!
- Models that are built more cleanly, more efficiently and are meant to be self-contained reference models
- Highly interactive, dynamic teaching approach – we guarantee you will learn AND have fun!

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INVESTMENT BANKING NEW HIRE TRAINING – SAMPLE CURRICULUM

Topic	Format	Duration	Analysts	Associates
BASIC & FUNDAMENTAL CONCEPTS				
Accounting & Financial Statements Integration	Lecture / Project	½ day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
How to Analyze a 10K & Footnotes	Lecture / Project	½ day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Introduction to Finance (“Finance 101”)	Lecture	¼ day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Corporate Valuation & Corporate Finance	Discussion	½ day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Company Profiles	Excel / PPT	1 day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CORE FINANCIAL MODELING TOPICS				
Advanced Financial Modeling – Core Model (IS, BS, CF, Debt, Interest)	100% Excel	1 day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Advanced Financial Modeling – Enhancements	100% Excel	1 day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Advanced Segment Build-up Sensitivity Modeling	100% Excel	1 day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CORE VALUATION MODELING TOPICS				
Fundamental Valuation Modeling – DCF & Standalone Valuation	100% Excel	1 day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Relative Valuation – Complex Trading & Deal Comps	100% Excel	1 – 2 days	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
MERGER MODELING TOPICS				
M&A Deal Structuring	Discussion	½ day	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Merger Modeling Basics (Accretion / Dilution, Pro Forma Merger Model)	100% Excel	½ day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Intermediate Merger Modeling	100% Excel	1 day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Basic LBO Modeling (Quick & Dirty)	100% Excel	½ day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Intermediate LBO Modeling	100% Excel	1 day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Complex LBO Modeling & LBO Enhancements	100% Excel	2 days	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Super Advanced M&A Modeling	100% Excel	2 days	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TECHNICAL APPLICATIONS				
Advanced Excel for Data Analysis	100% Excel	1 day	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Excel Charting & Graphing Techniques & PowerPoint	Excel / PPT	1 day	<input checked="" type="checkbox"/>	<input type="checkbox"/>
TOTAL NUMBER OF DAYS		≈ 20 days	15 days	5 – 10 days^(a)

Note: Sample training curriculum only; actual curriculum can be customized; topics can be mixed and matched to fit specific requirements.
(a) 5-day Associates training assumes certain condensed topics and excludes certain advanced merger related topics.

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BASIC & FUNDAMENTAL CONCEPTS

Accounting and Financial Statements Integration

Format: Part lecture, part hands-on

Duration: ½ Day

This program covers the basics of financial accounting including the major financial statements (Income Statement, Balance Sheet and Cash Flow) and the most important components of each as it relates to financial analysis. This is not an Accounting class, but rather, is a perfect course for those needing a refresher or those desiring a financial statements crash course as it relates to financial analysis.

Learning Objectives:

- Income Statement items and Balance Sheet accounts
- Cash Flow Statement derivation and interaction of financial statements
- Ratio analysis – what are they, what are the important ones and why do we care?
- Overview of depreciation and working capital concepts
- Hands-on project to immediately apply knowledge in a real-world scenario

Learning Goals:

Accounting Overview:

- Definition of Accounting and its importance
- GAAP vs. FASB vs. FIN vs. IASB
- Explanation and illustration of accrual concept of accounting and matching principle

Financial Statement Review:

- Income Statement, Balance Sheet, Cash Flow Statement defined and importance of
- Comprehensive Financial Statement review
- Components of each major financial statement
- IS: Revenue and expense items, EBITDA defined and discussed
- BS: Assets, Liabilities, and Shareholders' Equity
- CF: Cash Flow from Operations, Investing Activities and Financing

Financial Statement Interaction:

- Understand how financial statements are inter-related to each other
- Relationship between the Income Statement and Cash Flow Statement
- Explanation of Accrued Expenses, Receivables and Payables and how they tie together

Depreciation, Working Capital, Ratio Analysis:

- Depreciation – what it is, why it's absolutely critical to understand and examples of
- Working Capital – what it is, why it's absolutely critical to understand and examples of
- Overview and explanation of major financial ratios, including: liquidity, asset management, debt management, profitability, and market value ratios
- Interactive group project break-out to analyze, compare and contrast financial statements of various companies; discussion and recommendation of which companies are more attractive



BASIC & FUNDAMENTAL CONCEPTS

How to Analyze a 10K & Footnotes

Format: Part lecture, part hands-on Duration: ½ Day

"How to Analyze a 10K" builds upon basic accounting and financial statements concepts to focus on the major components of a 10K SEC filing, including the Management Discussion & Analysis, Financial Condition and Results and how to analyze the myriad of footnotes.

Learning Objectives:

- Main components of a 10K filing and how it is different from an Annual Report
- What type of information can be extracted from the MD&A section
- Detailed discussion of all major footnotes, how to analyze and interpret footnotes
- Hands-on project analyzing, comparing and contrasting 10K's of various companies

Learning Goals:

- What is a 10K and how is it different from an Annual Report?
- Major components of a 10K filing
- Detailed discussion on the MD&A section (Management Discussion & Analysis)
- Detailed discussion of all major footnotes and how to analyze and interpret major categories of footnotes:
 - General footnotes
 - Balance Sheet footnotes
 - Contingencies footnotes
 - Income Statement footnotes
 - Capital Structure footnotes
 - Other footnotes
- Interactive group project break-out to analyze, compare and contrast 10K's of various companies
 - Revenue terminology differences
 - Interest and expense classification
 - Balance sheet analysis
 - Cash flow analysis
 - Analysis and comparison of footnotes
 - MD&A / Segment breakdown and discussion
- Brief discussion of Proxy statement and its utility

BASIC & FUNDAMENTAL CONCEPTS**Introduction to Finance ("Finance 101")**

Format: Lecture

Duration: ¼ Day

Learn the basic finance concepts that are the backbone of any financial analysis. An understanding of these basic core tools is absolutely critical to mastering any Wall Street analysis. Topics covered include risk / return trade-offs, time value of money, cost of capital, Gordon growth model and basic valuation theories.

Learning Objectives:

- Risk / Return: benefits of diversification, security market line, capital asset pricing model, beta
- Time Value of Money: present and future values, net present value, internal rate of return
- Basic Valuation Theories: value of any asset, Gordon growth model, growing perpetuity
- Cost of Capital: sources of capital, component costs, weighted average cost of capital

Learning Goals:

- Basic valuation model
- Time Value of Money
 - Compounding
 - Discounting
 - Uneven cash flow stream
 - IRR
 - Simple vs. effective rates
 - Periodic rates
 - CAGRs (Compound Annual Growth Rates)
- Risk and Return
 - Calculating returns and measuring risk
 - Benefits of diversification
 - Systematic and unsystematic risk
 - Total risk, market risk and firm-specific risk
 - Beta
 - Capital Asset Pricing Model (CAPM)
 - Security Market Line and identifying over-valued and under-valued stocks
- Equity Valuation
 - Dividend Discount Model
 - No growth model
 - Constant growth model
- Weighted Average Cost of Capital

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BASIC & FUNDAMENTAL CONCEPTS

Corporate Valuation (including Corporate Finance)

Format: Discussion

Duration: ½ Day

How can you tell if a company is undervalued or overvalued? Is the current stock price the only measure of value? Why would one company command a higher or lower premium than its direct competitor? This course takes a practical, tangible, and non-theoretical approach to examining how corporations are valued and the major analytical tools that are used. Go beyond the academic theory of financial ratios and apply fundamental analysis and real-world methods of evaluating a company's intrinsic value. Gain insight into relative valuation methodologies (trading comps, deal comps) to fundamental valuation (discounted cash flow analysis, break-up / sum of the parts valuation). Coverage goes beyond the academic theory of financial ratios to the practical application of fundamental analysis, offering alternative, real-world methods of evaluating a company's intrinsic value. The Course includes a crucial primer to Corporate Finance and its non-theoretical application.

Learning Objectives:

- How to value a company (trading comps, deal comps, DCF, LBO, break-up and asset valuation)
- Importance of Enterprise Value, EBITDA, capital structure, leverage and WACC
- Analyze valuation multiples and ratios; why are PE ratios sub-optimal as a valuation metric?
- Practical, non-theoretical application of introduction to corporate finance

Learning Goals:

Introduction to Valuation and Corporate Finance:

- How much is a company worth? Why is the current stock price not an accurate indication of value?
- How do you tell if a company is under-valued or over-valued?
- Why would one company command a higher or lower premium than its direct competitor?
- What is the importance between enterprise value and equity value?
- TEV: what is the correct treatment of minority interest and capital leases from a standalone valuation aspect vs. credit perspective vs change of control
- What is the relevance of capital structure and leverage on a company's value?
- Why and how is corporate finance so critical to managing a firm's profitability?

Ratios and Multiples Discussion:

- What exactly does a multiple tell us? Learn the **correct** way to use P/E ratios and other multiples
- Why are P/E ratios misunderstood and what other profitability-related ratios are more important?
- What is EBITDA and why is it so important?
- Utilizing the correct numerator for multiples analysis and calculating implied value based on multiples

Detailed Valuation Analysis:

- Analysis of "football field" and reference ranges
- Detailed discussion of the major valuation methodologies, their nuances and application in the real-world
- Analyzing, comparing and contrasting trading comps, deal comps and premiums paid
- Detailed explanation of Discounted Cash Flow (DCF) valuation, its theory and application
- Discussion of why the DCF is arguable one of the most important analyses while simultaneously one of the most academic and least practical of them all
- Review of WACC (weighted average cost of capital), CAPM (Capital Asset Pricing Model)
- Beta: what you don't know about beta but really should know
- How do you approach valuing a company with completely disparate businesses?

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BASIC & FUNDAMENTAL CONCEPTS

Company Profiles

Format: Part lecture, part hands-on

Duration: ½ – 1 Day

This course provides a hands-on approach to building a company profile that summarizes most important aspects of a company. Learn how to create and update the standard components of a company profile including various stock price and valuation graphs & charts, as well as financial profile models. Profiles are constructed in PowerPoint (with Excel and Word) and integrated with FactSet.

Learning Objectives:

- Create a comprehensive company overview and profile
- Stock price charts – create and analyze different types of stock and valuation data
- Financial summary, trading analysis, management and board bios, ownership analysis
- Hands-on integration with FactSet and best practices on data downloads

Learning Goals:

- **Profiles:**
 - Summary business description
 - Financial summary and trading analysis
 - Stock price charts
 - Price / volume graphs
 - Indexed stock price history
 - Moving averages
 - Shares traded at various prices
 - Forward PE history
 - Historical EBITDA multiple valuation trends
 - Beta and volatility
 - Management and Board of Directors biographies
 - Ownership analysis



CORE FINANCIAL MODELING TOPICS

Advanced Financial Modeling – Core Model

Format: 100% Excel

Duration: 1 Day

Build a fully integrated financial statement projection model with income statement projections, a self-balancing balance sheet, an automated cash flow statement and the balancing cash flow sweep / debt schedule. Emphasis is placed on the integration of the major financial statements and becoming experts in Excel.

Learning Objectives:

- Build an integrated set of financials, including income statement, balance sheet & cash flow
- Learn how to balance a model utilizing debt sweep, no “plugs” and the danger of circular references
- Become super-efficient in Excel through intensive use of keyboard shortcuts and best practices

Learning Goals:

5-Year Financial Statement Projection Model:

- How do you project a company’s Income Statement from revenues and expenses down to Net Income?
- What are the different methodologies to forecasting the different types of assets on the balance sheet and how do they compare and contrast with projecting liabilities?
- How do you project the shareholders’ equity account?
- What is the importance of financial ratios in building the balance sheet projections?
- How do you approach building an integrated cash flow statement?
- How do you build each component of the cash flow statement and why is cash the last item to project?

Supporting Schedules:

- Incorporate calculation and payment of dividends into your integrated financial model
- Emulate announced share repurchase program by estimating implied price and shares repurchased

Integration and Balancing of Financial Model:

- Balance the model using the debt schedule and debt sweep logic – the most important analysis in terms of balancing the model!!
- How does the cash actually flow through the model?
- Incorporate automatic debt payments and use cash generated to either pay down debt or build cash
- How does the revolver facility actually balance the model? Avoid messy nested “if” statements!!
- How does the balance sheet and financial statements balance by itself without the use of “plugs”?
- How are the financial statements integrated using the Interest schedule?
- What are circular references, why should they be avoided and how to get around circular references

CORE FINANCIAL MODELING TOPICS**Advanced Financial Modeling – Enhancements**

Format: 100% Excel

Duration: 1 Day

Enhance core integrated financial model by building a detailed revenue and segment build-up into your larger financial model, properly deriving a depreciation schedule, honing in on complex method of calculating dilutive treasury options, creating a flexible WACC template, performing residual value & EVA analyses, analyzing financial ratios, and automating credit and leverage statistics. For capital intensive businesses, it is critical to derive a more precise depreciation schedule that flows off Capital Expenditures assumptions instead of merely projecting percentage of revenue. Simplify your credit analysis as we automate the estimated credit ratios analysis for you with our unique proprietary construction that is supplied for you and flows from the Core Model and the projection model. Build a detailed tax schedule incorporating NOLs (Net Operating Losses), Section 382 limitations on NOL usage and differences between book and tax depreciation. This standalone, add-on course will allow you to have much more detailed inputs to your stand-alone financial model and valuation model!

Learning Objectives:

- Enhance financial model with additional detail and supporting analysis
- Build better precision and capture quality inputs into your model
- Perform credit ratio analysis and build a robust tax schedule
- Construct basic revenue precision into financial projection model

Learning Goals:**Enhancements to Core Integrated Financial Model:**

- Build a stand-alone depreciation schedule to better estimate working capital changes and free cash flow by depreciating existing PPE as well as new capital expenditures
 - Capture and incorporate detail such as remaining useful life estimates
 - Allocate accumulated depreciation correctly
 - Depreciate existing Net PPE and new CapEx based on weighted average life
- Create quick financial summary exhibit that summarizes key figures from financial model
- Build an analysis of trading statistics that can be used to compare companies across an industry
 - Provides current snapshot of the current public market valuation
- Sensitize trading analysis through an "Analysis at Various Prices" analysis
 - Hypothetical "what if" scenario based on acquisition offer prices and implied multiples
- Perform and analyze Residual value and EVA analysis
- Construct detailed financial accounting ratios to quantify profitability & operating efficiency metrics
 - Analyze liquidity ratios, profitability ratios and asset management efficiency ratios
- Credit and leverage statistics ratio analysis with automated comparisons vs. S&P rating statistics
 - Distinguish between various types and tranches of debt

Detailed Business Segment Build-Up:

- Model out historical change in key drivers of growth and project future detailed growth
- Analyze and break down growth based on publicly available data and inputs from 10K filing
- Incorporate and remove effect of growth from non-core items such as foreign exchange rate fluctuations
- Project future detailed growth assumptions that roll up into larger projection model



CORE FINANCIAL MODELING TOPICS

Advanced Segment Build-up Sensitivity Modeling

Format: 100% Excel Duration: 1 Day

Learn how to build detailed revenue and segment build-ups into your larger financial model. Many financial projection models are based off simple revenue growth rate and expense margin assumptions, resulting in reduced precision in the projection model. This course teaches various approaches to true, bottoms-up, fundamental analysis, from both an "account-by-account" and "business segment" basis (very detailed build-up vs. division by division). The results of build-up analysis roll-up into a consolidating income statement that feeds into the Income Statement revenue items.

Learning Objectives:

- Learn detailed revenue build-up algorithms for various types of businesses and scenarios
- Provide additional credibility, support and precision to your financial models
- Understand and analyze the true drivers of growth in a business and translate into Excel
- Build sensitivity analysis into model by incorporating different scenarios and cases

Learning Goals:

Detailed Business Segment Build-Up:

- Model out historical change in key drivers of growth and project future detailed growth
- Analyze and break down growth based on publicly available data and inputs from 10K filing
- Incorporate and remove effect of growth from non-core items such as foreign exchange rate fluctuations
- Project future detailed growth assumptions that roll up into larger projection model
- Instead of just calculating 10% growth rate in revenue, dig into deeper layers of growth drivers
- For instance, for a retailer, calculate Sales / Sq Foot / Type of Store, which captures: (i) number of stores (store count growth); (ii) size of each store (expansion and size creep); (iii) profitability of each sq foot and same store comps sales (YoY sales growth)

Operating & Division Segment Build-Up:

- Calculate and analyze different operating segments as reported in public filings to roll-up into IS
- Adjust for extraordinary items by segment based on MD&A and disclosed footnotes
- Extract, utilize and incorporate volume and pricing increases into operating segment performance
- Estimate and project future revenue and segment income and allocate for corporate overhead
- Estimate projected COGS and SG&A on the entire base after operating build-up

Detailed New Business Build-Up:

- Bridge the gap and quantify future, as-yet-unachieved growth initiatives based on concrete assumptions
- Analysis would roll into core "organic growth" model and sensitized
- Model out effects of hiring new sales representatives and the associated increased revenue
- Triangulate new revenue and tiered commission expenses due to renewal business
- Calculate incremental salary and bonus cost of new sales representatives
- Calculate additional cost of sales and other expenses related to new business



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CORE FINANCIAL MODELING TOPICS

Advanced Segment Build-up Sensitivity Modeling (continued)

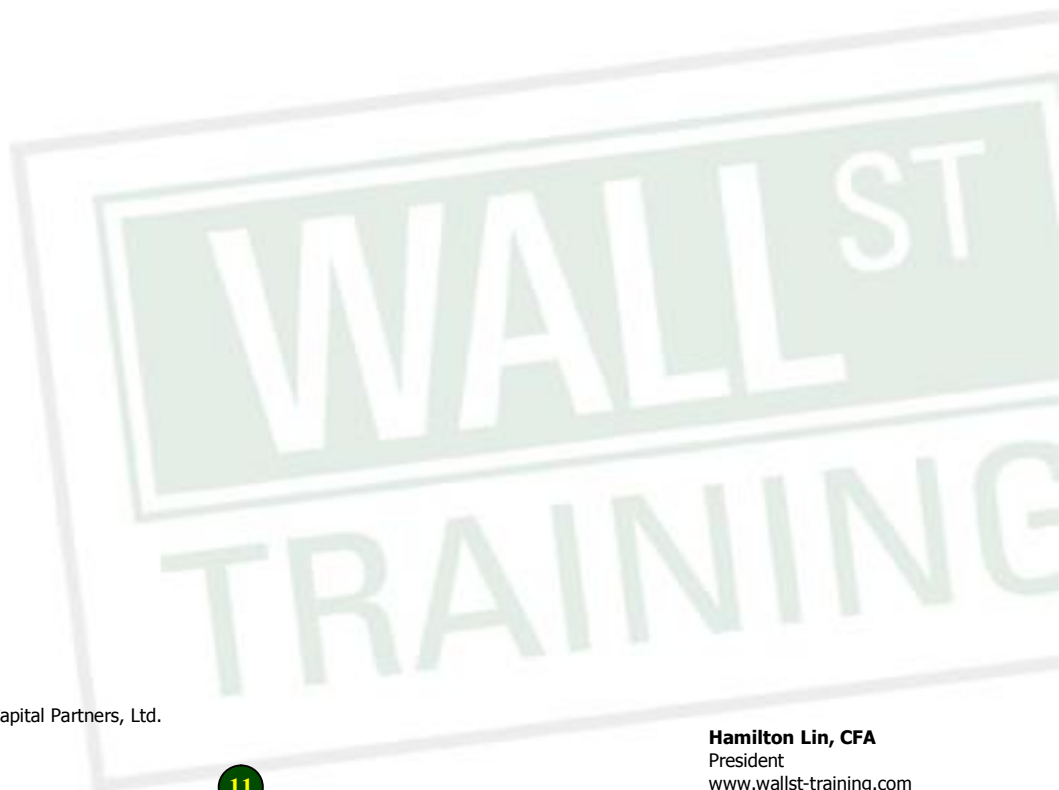
Format: 100% Excel Duration: 1 Day

Detailed Account by Account Build-Up:

- Project sources of revenue based on growth in number of accounts and customers
- Model out revenue per account and associated commissions and expenses
- Incorporate rate increases into model
- Further enhance model via sensitivity & scenario modeling and analysis
- Detailed build-up consolidates into Consolidating Income Statement which feeds into model
- Account for inter-company eliminations in historical pro forma model and projections

Sensitivity Analysis and Multiple Cases:

- Layer sensitivity analysis on top of segment build-up to incorporate various assumptions and cases
- Build multiple scenarios and cases, including Base Case, Optimistic & Pessimistic Cases
- Toggle and sensitize profitability and cash flow of model based on various case assumptions



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CORE VALUATION MODELING TOPICS

Fundamental Valuation Modeling – DCF & Standalone Value

Format: 100% Excel

Duration: 1 Day

Layer on complete valuation analysis including discounted cash flow analysis, quick & dirty trading comps, reference range and football field. Learn the proper way to account for options in valuation context using complex treasury method.

Learning Objectives:

- Construct a “fully-loaded”, complex discounted cash flow analysis the correct way with options
- Integrate with trading & deal comps to complete valuation analysis
- Build and analyze reference range and football field to summarize overall valuation metrics

Learning Goals:

Discounted Cash Flow (DCF) Valuation Modeling:

- How is a discounted cash flow analysis actually constructed?
- Estimate unlevered free cash flow (free cash flow to firm)
- Why is amortization non-tax-deductible from a tax perspective and what are the implications on value?
- What are different proxy methods for calculating working capital?
- Terminal Value estimation: what are the differences between the EBITDA multiple and perpetuity growth approaches and what are the implications on value?
- Learn subtle nuances including the proper figure for “cash flow” in perpetuity growth models
- Weighted average cost of capital (WACC) analysis that supports the DCF (estimate discount rate)
- Calculate from enterprise value down to equity value and ultimately down to stock price per share
- Learn the **correct** way to calculate shares outstanding using the treasury diluted method

Quick & Dirty Trading Comps:

- Build a basic, quick and dirty, back-of-the-envelope trading comps analysis
- Construct a relative valuation analysis
- Input historical results and analyst projections for comparable companies (public traded competitors)
- Calculate current standalone market valuation multiples

Reference Range & “Football Field” Valuation

- Build reference range that quantifies fundamental and valuation methodologies
- Perform valuation modeling techniques including: quick & dirty trading comps, reference range analysis
- Crystallize and appreciate the capital structure and the relationship between total enterprise value, equity value and price per share
- Utilize best practices to reduce average construction time from 2 hours to 30 seconds
- Build and update dynamic football field to graphically summarize valuation metrics
- Analyze, discuss, compare and contrast valuation results



CORE VALUATION MODELING TOPICS

Relative Valuation Modeling – Complex Trading & Deal Comps Analysis

Format: 100% Excel

Duration: 1 – 2 Days

Trading and deal comparables analysis is one of the most critical functions of any financial analyst. Mastering this job is crucial to success on Wall Street, whether you are in investment banking, equity research, or asset management. This hands-on, Excel-based course teaches you to analyze and compare publicly traded companies from a relative valuation perspective, focusing on current market valuation and trading multiples.

Learning Objectives:

- Analyze current market data (trading comps) and historical acquisitions (deal comps)
- Learn the nuances of “spreading” comps and how to avoid common mistakes
- Normalizing financials for extraordinary items, non-recurring and restructuring charges
- Calculating transaction value (purchase price), premiums and multiples in past deals
- Best practices on inputting and checking data, “Do’s and Don’ts” tips

Learning Goals:

- Learn the steps required to construct a trading and deal comps analyses
- Learn how to filter straight through to the relevant information
- Best practices on inputting and checking data, “Do’s and Don’ts” tips
- Calculate LTM (last twelve months)
- Treasury Method of calculating diluted shares outstanding
- Normalizing financials for extraordinary items, non-recurring and restructuring charges
- Specific Income Statement and Balance Sheet reminders
- Hands-on creation of trading and deal comps analyses
- Handling projections for comparability
- Weighted average cost of capital analysis
- Calculating transaction value (purchase price), premiums and multiples in past deals
- Incorporate trading and deal comps with core financial model and DCF valuation to build reference range and football field to summarize overall valuation ranges

Complex Comps Adjustments:

- Our comps module covers just about 98% of ALL adjustments one would possibly encounter!! Learn:
 - When and when not to adjust for asset impairments and write-downs
 - How to adjust for zero-coupon convertible securities that are simultaneously in-the-money and out-of-the-money
 - The effects of a LIFO / FIFO change in accounting recognition
 - How to adjust for changes in accounting principle and discontinued operations
 - The difference between below-the-line and above-the-line adjustments and evaluate when an item affects both, one or the other or neither
 - How to properly account for difference fiscal year ends
 - Proper treatment of capital leases
 - When to use reported GAAP Income Statement figures and when to use Pro Forma figures



MERGER MODELING TOPICS

M&A Deal Structuring and Merger Modeling

Format: Discussion & Excel

Duration: 1 Day

This course focuses on the mergers and acquisitions process, the basics of deal structures, and covers the main tools and analyses that M&A investment bankers and acquirers utilize. Learn about common structural issues, crucial merger consequence analysis and structures and methodologies. Translate fundamentals into different modeling techniques, including the most basic and widely used back-of-the-envelope method, Accretion / Dilution, as well as a more robust combination analysis combining a Target and Acquiror's Income Statement. Learn how to sensitize basic deal structures and combination options.

Learning Objectives:

- Common structural issues in a transaction (stock vs. asset, 338(h)(10) elections)
- Merger consequence analysis including accretion / dilution and financial implications of a deal
- Build a fully functional accretion / dilution model that accounts for different transaction structures
- Learn how to sensitize financial projections and the financial impact on a transaction

Learning Goals:

M&A Deal Structuring:

- Review of various deal considerations and deal structuring options (cash vs. stock)
- Common structural issues in a transaction (stock vs. asset, 338(h)(10) elections)
- Buyer and seller preferences for various deal structures and rationale
- Tax implications of transactions based on deal structure and FASB 142 goodwill amortization
- Merger consequence analysis including accretion / dilution and financial implications of a deal
- Analysis of breakeven PE for both 100% stock and 100% cash considerations
- Dive deep into merger accounting for your merger model including NOL treatment and FMV step-up

Accretion / Dilution Modeling:

- Build dynamic merger consequence analysis (accretion / dilution) incorporating the following:
 - Synergies switch, cash vs. stock sensitivity
 - Amortization of goodwill switch (depending on purchase price allocation)
 - Common structural issues: Stock vs asset deals and 338 (h)(10) elections
 - Tax implications of transactions based on deal structure and FASB 142 goodwill amortization
 - Analysis of breakeven PE for both 100% stock and 100% cash considerations
 - Calculate pre-tax and after-tax synergies / cushion required to breakeven

Simple Merger Modeling:

- Construct a merger model, simple combination of Income Statement for target and acquiror
 - Project simple stand-alone Income Statement for both target and acquiror
 - Analyze selected balance sheet figures and ratios and multiples
 - Estimate target valuation and deal structure
 - Calculate selected Pro Forma balance sheet items
 - Combine target and acquiror's Income Statement and estimated synergies
 - Calculate cash flow for debt repayments to estimate debt repayments and cash balances
 - Compute interest expense and interest income based on paydowns
 - Calculate accretion / dilution and credit ratios

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MERGER MODELING TOPICS**Intermediate Merger Modeling**

Format: 100% Excel

Duration: 1 Day

Our Intermediate Merger Modeling course significantly builds upon our Basic Merger Modeling course. We go beyond the simple concepts of accretion /dilution and build additional precision into estimating the correct, pro forma combined earnings. First, enhance the Sources & Uses of Funds to allow for additional clarity in deal structure. Then, dive right into the fine details of the complex FASB 141/142 and IFRS 3 purchase price allocation rules and fair market value tangible assets step-up intertwined with intangibles asset allocation. We tackle and quantify the resulting nuances in deferred tax liabilities and better quantify our synergies estimates. Participants should have mastered the merger concepts and financial modeling techniques covered in our M&A Deal Structuring and Merger Modeling Basics course.

Learning Objectives:

- Detailed discussion of nuances of core FASB 141/142 and IFRS 4 related to purchase price allocation
- Proper accounting treatment of step-up in basis to FMV, intangibles and goodwill treatment
- Construct expanded, more robust, "intermediate-level" merger model beyond simple accretion/dilution
- Build additional precision into pro forma, post-merger EPS estimates

Learning Goals:

- Create an intermediate-level merger model that builds on our simple merger model
- Construct a merger model, simple combination of Income Statement for target and acquiror
 - Project simple stand-alone Income Statement for both target and acquiror
 - Analyze selected balance sheet figures and ratios and multiples
 - Estimate target valuation and deal structure
- Build an expanded Sources and Uses of Funds analysis that controls the merger model
 - Utilize cash from the acquiror to fund the merger, balanced with minimum cash balances
 - Dynamically handle different percent cash and stock deal structures
 - Incorporate target net debt refinanced / assumed
 - Calculate and incorporate proper treatment of debt financing fees and transaction costs
- Merge target and acquiror income statements and calculate starting balance sheet items
 - Calculate selected Pro Forma balance sheet items (full B.S. not projected)
 - Combine target and acquiror's Income Statement
 - Estimate various types of synergies – revenue, COGS and SG&A synergies
- Estimate condensed Cash Flow Statement and simplified Debt Sweep
 - Calculate cash flow for debt repayments to estimate debt repayments and cash balances
 - Compute interest expense and interest income based on paydowns
 - Calculate accretion / dilution and credit ratios
- Calculation of Purchase Price Allocation (FASB 141/142 and IFRS 3)
 - Allocate purchase price among tangible book value (existing assets at cost), step-up in basis to FMV, tax deductible and non-tax deductible identifiable intangibles and goodwill
 - Proper accounting treatment of transaction costs, tender costs and accrued interest of any refinanced debt and debt transaction financing fees
 - Account for differences in GAAP book deductibility and tax deductibility of intangible assets
 - Build in the ability to treat acquisitions as an asset sale for tax treatment



MERGER MODELING TOPICS

Quick & Dirty, Basic LBO Modeling (Impact of Changes in Capital Structure)

Format: 100% Excel

Duration: ½ Day

In the normal course of running a company, the CFO must balance capital requirements with capital sources of funds. Changes to the capital structure are not insignificant as each component of capital has an opportunity cost. In this course, we introduce the impact of changes in capital structure and the resulting impact on a company's decision to borrow vs. raise equity. We quantify the thought process and the logic that dictates one or the other by examining both extremes of capital structure changes: from a simple small share repurchase to the opposite spectrum, the leveraged buyout. This class examines and incorporates all the major inputs and value drivers of capital structure changes by building a short, quick and dirty LBO analysis, providing an excellent condensed overview and introduction to LBO modeling. As LBOs are risky and complex financial transactions, sometimes, building a full-out, complex LBO model is not necessary or required if one just wants to quickly gauge the feasibility of an LBO.

Learning Objectives:

- Discussion on leveraged buyouts, including overview, rationale, ideal candidate and drivers of value
- Construct and sensitize a basic, quick and dirty, leveraged buyout model
- Incorporate fundamental drivers including Sources & Uses, Pro Forma, post-LBO projections, available cash flow, debt sweep, credit ratios and IRR

Learning Goals:

- Drivers of value from a financial point of view and changes in capital structure
 - Comparison to share repurchases and the lack of value creation
 - Counter argument of cost of capital, funding costs and opportunity costs arbitrage
 - Counter-counter argument of weighted average cost of capital changes
 - Final assessment of source of returns of LBOs
 - We first introduce the obvious rationales, then prove why that is wrong, then disprove the proof and disprove that and disprove that and finally agree on how corporate finance and the capital markets extract value from capital structure arbitrage
 - In short, participants might be thoroughly confused at first, but will finally understand every aspect of the value proposition by the time we are done!
- Discussion on LBOs, including: overview of LBO's, rationale for going private, ideal LBO candidate
- Create a quick and dirty, condensed LBO model from scratch
- Build a summary Sources and Uses of Funds analysis that dictates LBO value
- Construct a Pro Forma, post-LBO Income Statement projection model incorporating LBO changes
- Calculate cash flow available to firm through simplified debt sweep pay off high debt volumes
- Create condensed IRR (internal rate of return) analysis to evaluate financial sponsor returns
 - Comparison of IRR to multiple of capital as a return metric and benchmark
 - Identify true source of returns, from building of equity to time value of money
 - Compare and contrast returns trends based on exit multiple contraction or expansion
 - Discussion on why highly levered transactions must exit within 3 to 5 years
 - Analyze and partially quantify the trend towards dividends to financial sponsor as opposed to debt paydown
- Analyze basic credit and leverage statistics and equity sources that drive the LBO model

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MERGER MODELING TOPICS**Intermediate LBO Modeling**

Format: 100% Excel

Duration: 1 Day

In the normal course of running a company, the CFO must balance capital requirements with capital sources of funds. Changes to the capital structure are not insignificant as each component of capital has an opportunity cost. In this course, we introduce the impact of changes in capital structure and the resulting impact on a company's decision to borrow vs. raise equity. We quantify the thought process and the logic that dictates one or the other by examining both extremes of capital structure changes: from a simple small share repurchase to the opposite spectrum, the leveraged buyout. This class examines and incorporates all the major inputs and value drivers of capital structure changes by building an intermediate level LBO analysis, providing an excellent overview and introduction to the finer points and nuances of LBO modeling. This course also builds upon our Quick & Dirty LBO modeling course concepts and basic model by: expanding upon the different components of the Sources & Uses analysis; projecting selected critical Balance Sheet items; constructing more detailed Cash Flow Statement estimates and robust Debt Sweep, as well as triangulating IRRs for dividends to equity sponsor.

Learning Objectives:

- Discussion on leveraged buyouts, including overview, rationale, ideal candidate and drivers of value
- Construct and sensitize an intermediate level leveraged buyout model with many nuances and complications of our full-blown complex LBO model
- Incorporate fundamental drivers including Sources & Uses, Pro Forma, post-LBO projections, available cash flow, debt sweep, credit ratios and IRR
- Sources of Funds: inclusion of rollover equity, detailed debt structure and maximizing debt capacity
- Uses of Funds expansion: ability to toggle refinancing of existing debt, excess cash usage, proper treatment of debt financing fees, tender costs and transaction costs
- Selected Pro Forma Balance Sheet items, Debt and Shareholder Equity accounts
- Debt Sweep: incorporate Term Loan mandatory amortization and integrating and sweeping additional new and existing debt tranches
- Sensitize core IRR to equity sponsor as well as triangulate IRR

Learning Goals:

- Drivers of value from a financial point of view and changes in capital structure
 - Comparison to share repurchases and the lack of value creation
 - Counter argument of cost of capital, funding costs and opportunity costs arbitrage
 - Counter-counter argument of weighted average cost of capital changes
 - Final assessment of source of returns of LBOs
 - We first introduce the obvious rationales, then prove why that is wrong, then disprove the proof and disprove that and disprove that and finally agree on how corporate finance and the capital markets extract value from capital structure arbitrage
 - In short, participants might be thoroughly confused at first, but will finally understand every aspect of the value proposition by the time we are done!
- Create an intermediate-level LBO model that builds on our quick and dirty, condensed LBO model
- Build an expanded Sources and Uses of Funds analysis that dictates LBO value
 - Sources of Funds: inclusion of rollover equity, detailed debt structure & maximizing debt capacity
 - Uses of Funds: ability to toggle refinancing of existing debt, excess cash usage, proper treatment of debt financing fees, tender costs and transaction costs

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MERGER MODELING TOPICS

Complex LBO Modeling & LBO Enhancements

Format: 100% Excel

Duration: 2 Days

Leveraged buyouts (LBOs) are among the most risky and complex financial transactions and typically sets the floor or minimum valuation. In this course, learn how to build a leveraged buyout model. This is a highly complex and a very advanced modeling class and requires an absolute grasp of all basic and advanced accounting and financial concepts. Your finished LBO model will be a highly versatile and functional financial model able to capture and sensitize a great deal of inputs to project a realistic and more precise outcome.

Learning Objectives:

- Construct and sensitize a highly complex leveraged buyout model including valuation and debt capacity
- Analyze credit and leverage statistics and equity sources that drive the LBO model
- Sensitize LBO model based on various accounting and financing scenarios
- Build IRR (internal rate of return) sensitivity analysis to evaluate financial sponsor returns

Learning Goals:

- Discussion on leveraged buyouts, including:
 - Overview of LBO's, rationale for going private
 - Ideal LBO candidate and drivers of value from a financial point of view
- Convert a fully integrated financial modeling (Advanced Financial Modeling course) and layer an LBO model on top
- Build the ever-so-critical "LBO Summary" page that controls all the drivers and inputs of the LBO model
 - Valuation metrics
 - Debt Capacity
 - Sources and Uses of Funds
- Sensitize the LBO with the following options:
 - Recapitalization vs. purchase accounting
 - Interest rate scenarios
 - Refinancing scenarios
- Toggle between various LBO scenarios and no transaction for valuation purposes
- Drive the LBO model based on credit statistics and IRR's
- Calculate goodwill incorporating the FAS 141 and 142 goodwill amortization rules
- Create Pro Forma capital structure and opening balance sheet incorporating transaction adjustments
- Expand debt sweep to account for new debt issued and discretionary cash flow recapture
- Create IRR (internal rate of return) analysis to evaluate financial sponsor returns
- Translate and analyze LBO model into current valuation implications

LBO Modeling Enhancements

- Introduce enhancements and complications into your LBO model to account for various transaction structures and more complex securities typically issued in an LBO transaction.
 - Incorporate mezzanine securities with PIKs (paid-in-kind)
 - Account for dilution due to warrants attached to preferred securities
 - Enhance LBO model to dynamically incorporate recapitalizations (vs. full LBOs)
 - Properly modify IRR analysis to include effect of enhancements



MERGER MODELING TOPICS

Super-Advanced Merger Modeling

Format: 100% Excel

Duration: 2 Days

Construct a full-blown merger model that combines two fully integrated projection models. Combine major financial statements (Income Statement, Balance Sheet and Cash Flow Statement) and new complex debt sweep calculation. Fully sensitize different transaction structures such as cash and stock consideration, various financing scenarios, accretion / dilution and credit ratios. Account for purchase price allocation including step-up of assets to Fair Market Value, Intangibles, goodwill and other considerations.

Learning Objectives:

- Calculate Sources & Uses of Funds, post-transaction ownership, accretion / dilution
- Combine Target and Acquiror Income Statements and incorporate synergies into pro forma merger model
- Calculate pro forma, post-transaction opening Balance Sheet and project future combined Balance Sheet
- Derive combined Cash Flow Statement, debt sweep & interest schedule to balance and integrate model

Learning Goals:

Merger Summary & Sensitivity Options:

- Sensitize deal structure options, including stock & cash consideration
- Construct Sources & Uses of Funds including various financing scenarios and ability to refinance any existing debt and utilize existing excess cash to fund acquisition
- Calculate correct transaction value incorporating economic effect of management options
- Calculate post-transaction ownership summary
- Allocate purchase price among tangible book value (existing assets at cost), step-up in basis to FMV, tax deductible identifiable intangibles, non-tax deductible identifiable intangibles and goodwill
- Proper accounting treatment of transaction costs, tender costs and accrued interest of any refinanced debt and debt transaction financing fees
- Account for differences in GAAP book deductibility and tax deductibility of intangible assets
- Build inability to treat acquisitions as an asset sale for tax treatment

Merger Model (Financial Statement Integration):

- Line-by-line combination of Target & Acquiror Income Statements including revenue and expense synergies and correctly depreciation and amortization of assets from purchase price allocation analysis
- Calculate pro forma, post-transaction EPS, accretion / dilution analyst and pre-tax synergies / cushion required to breakeven
- Project tax levels, incorporating permanent differences in book vs. tax deductibility of intangible assets
- Combine Target & Acquiror Balance Sheets and perform transaction adjustment entries to calculate pro forma opening Balance Sheet
- Calculate projected Balance Sheet and Cash Flow Statement of combined merged company
- Analyze & construct complex debt schedule to sweep through mandatory & discretionary debt payments
- Ability to dynamically pay down tranches of Target & Acquiror's debt and new debt raised
- Calculate pro forma and projected credit & leverage statistics and automatically evaluate debt ratings of merged company

TECHNICAL APPLICATIONS**Advanced Excel for Data Analysis**

Format: 100% Excel

Duration: 1 day

This course focuses on how to effectively and efficiently utilize Microsoft Excel for data analysis. A financial analyst will not only use Excel to build financial models, but also to crunch a large data dump. Learn how to minimize as much manual labor as possible, thereby saving time and performing more detailed analysis quickly. Apply commonly-used formulas in new and different ways; uncover often over-looked Excel formulas; streamline number crunching and analysis via functions and tools including pivot tables, sumif, sum+if, transpose, working with arrays, vlook-up, subtotals, and regression analysis; enhance your spreadsheets with drop-down boxes, data validation techniques, automation of alternate row shading; take Excel to the next level with an introduction to building and automating simple macros and more!

Learning Objectives:

- Learn how to minimize as much manual labor as possible in data analysis
- Learn to use the most overlooked Excel formulas that will make your life easier
- Learn powerful functions built in Excel that streamline your analysis
- Learn how to build macros to automate common tasks

Learning Goals:

- Learn the most useful and overlooked Excel shortcuts to make life easier!
- What are the different ways to make your Excel worksheet into a model instead of just a flat analysis? Learn different "switches alternatives" (if, choose, offset)
- Learn data validation techniques to dummy proof your model!
- What is the XIRR function and how is it different from the basic IRR function?
- Perform basic regression analysis using least squares approach
- How do you perform one-dimension and two-dimensional sensitivity analyses using data tables?
- Utilize the vlookup function to its fullest to streamline tedious lookup jobs
- Pivot Tables: Everybody's heard of it but who knows how to use it! Learn how to summarize and dissect large amounts of data for analysis!
- Pivot Tables: Even better – add built-in and custom calculated fields to really use pivot tables to the max!
- Utilize the sumif formula and sum+if array functions to simplify complex conditional calculations
- Learn how to use the subtotal formula and function to minimize errors
- Combine subtotal with AutoFilter options to easily crunch all sorts of data!
- Learn how to rank data in order and remove duplicate rankings using countif formula
- Automate alternate row shading in a table of data
- Learn how to have Excel automate certain analysis using complex conditional formatting
- Learn how to use the indirect formula (and its many limitations) as well as the transpose array function
- Add some spice to your Excel analysis and models using drop-boxes
- Learn how to create complex, combination charts such as double stacked charts and "football field" valuation range charts
- Introduction to recording macros, modifying and coding macros and creating macro icons

TECHNICAL APPLICATIONS**Excel Charting & Graphing Techniques & PowerPoint Integration**

Format: 100% Excel

Duration: 1 Day

"A Picture is Worth a Thousand Words" – but what happens when you have the perfect image in your head but you can't get Excel to graph it the way you want? Ever get annoyed at constantly having to go back into "Source Data" whenever you add an item to your data series? Or how about getting the perfect sized bar or line without resorting to using a ruler to literally draw it on! This course builds upon our Advanced Excel for Data Analysis course and focuses advanced charting & graphing techniques and how to properly integrate with PowerPoint. A critical, must-take course especially for professionals that have to create graphs in their presentations, reports and slides. As usual, we emphasize and teach all the best practices and focuses on our core Excel learning goal: automation, automation, automation! Leave nothing to chance, there is always a way to simplify and automate your charting & graphing approach. This jam-packed session includes: waterfall charts, football fields, dynamic ranges, and much much more! Learn the best practices of integrating into PowerPoint, when to embed, link (never) and copy as picture, as well as add to our Excel macros with a couple handy PowerPoint macros.

Learning Objectives:

- Translate Excel analysis into meaningful charts and graphs to visually present your work
- Master the skills necessary to create robust dynamic charts easily and effortlessly
- Learn different techniques and best practices of integrating charts into PowerPoint
- Advance beyond simple charting functions to create multi-layered graphs that combine and display multiple data sets and ideas simultaneously

Learning Goals:

- Creating Price Volume chart with call-out box annotations with perfect alignment
- Calculate and create dynamic moving average charts
- Construct Indexed Stock Price History graph with automated information box
- Build historical industry graph summarizing average, high low bars detailing valuation spreads
- Construct combination charts and graphs including precise annotations and secondary axis formatting
- Properly structure beta and volatility analysis and regression on multiple axis
- Construct historical and projected linear regression graph with automated best fit lines
- Assemble and understand logic behind "step charts" with X and Y Error bars to connect the dots
- Create dynamic charts and graphics that automatically update as additional source data is added
- Build Shares Traded at Various Prices graph with absolute perfectly sized and aligned graphs
- Create simple column and cumulative column (or bar) chart (multiple stacked chart)
- Learn how to create complex, combination charts such as double stacked charts
- Go all out by building a "football field" valuation range chart that combines triple stacked charts with XY scatter plot to automate current stock price line
- Construct waterfall chart that graphically summarizes sum-of-parts valuation
- Learn best practices of bringing Excel charts and exhibits into PowerPoint
- Avoid the forbidden linking between files and learn when to embed vs copy/paste as picture
- Learn the fastest and best ways to work in PowerPoint without the mouse
- Facilitate chart and graph placement in PowerPoint with our custom PPT macros

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