



Providing financial training to Wall Street®

CREDIT & LEVERAGE ANALYSIS 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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CREDIT & LEVERAGE ANALYSIS TRAINING – SAMPLE CURRICULUM

Topic	Format	Duration
CORE TOPICS		
Corporate Valuation & Corporate Finance	Lecture	½ day
Advanced Financial Modeling (IS, BS, CF, Debt, Interest, Credit Ratios, Depreciation)	100% Excel	1 ½ days
LBO MODELING TOPICS		
LBO Modeling	100% Excel	1 day
TECHNICAL APPLICATIONS		
Advanced Excel for Data Analysis + Intro to Macros	100% Excel	½ – 1 day

Note: Sample training curriculum only; actual curriculum can be customized; topics can be mixed and matched to fit specific requirements.



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CORE TOPICS

Corporate Valuation (including Corporate Finance)

Format: Lecture

Duration: ½ Day

Learn how corporations are valued and the major analytical tools that are used. Go beyond academic theory to real-world methods as used by professionals; includes a crucial primer to Corporate Finance and its non-theoretical application. Apply learning objectives and goals immediately by analyzing a \$6 billion+ transaction.

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?
- 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
- Calculating implied value based on multiples analysis

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?
- What is a leveraged buyout and what are the main motives for LBOs?
- Why are LBOs so inherently risky?



CORE TOPICS

Advanced Financial Modeling

Format: 100% Excel

Duration: 1 ½ Days

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

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
- Credit and leverage statistics ratio analysis with automated comparisons vs. S&P rating statistics



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LBO MODELING TOPICS

LBO Modeling

Format: 100% Excel

Duration: 1 Day

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.

Learning Objectives:

- Construct and sensitize a 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:

- 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

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TECHNICAL APPLICATIONS**Advanced Excel for Data Analysis + Intro to Macros**

Format: 100% Excel

Duration: ½ – 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