

Mergers & Acquisitions: Deal Structuring & Merger Modeling

Date	:	1 April 2016, Friday
Time	:	9:00am to 5:00pm (Registration from 8:30am)
Venue	:	Concorde Hotel, Kuala Lumpur
Speakers	:	Mr Hamilton Lin, CFA
Level	:	Intermediate to Advanced

**10
SIDC
CPE Points**

Workshop Overview & Objectives

At the end of the workshop, participants should be able to:

- Relate the main tools used in Mergers and Acquisitions (M&A)
- Review the entire process in M&A transactions
- Compare structural issues such as cash vs. stock, upfront payment vs. earn-outs and stock vs asset deals
- Identify and analyse crucial merger consequences
- Create M&A models in EXCEL, using an interactive, dynamic model with sensitivity analysis
- Discuss case studies in M&A

Who should attend?

- Corporate Finance Analysts, Investment Analysts
- Portfolio Managers, Private Equity
- Asset Management
- Institutional Investors, Investment Advisors
- Traders, Dealers & Remisiers
- Industry Related Professionals
- Others Interested in Merger Modeling

Pre Requisites:

This course focuses specifically on structuring M&A transactions. To obtain the desired financial background and valuation concepts, "Advanced Financial Modeling – Core Model" class is recommended as a precursor. Intermediate proficiency using Excel and a solid grasp of basic accounting fundamentals is required. Participants need to bring their own laptops with the EXCEL program.

Training Methodology

Workshop style, with exercises and case studies

Synopsis

Learn about mergers and acquisitions and how deals are structured. The first half of this course focuses on the mergers and acquisitions process and the basics of deal structures, presenting the main tools and analyses that M&A investment bankers and acquirers utilize. It covers the following modules: (i) in-depth analysis of the entire M&A process, including due diligence and legal issues; (ii) common structural issues including cash vs. stock, upfront payments vs. earn-outs, and stock vs. asset deals; (iii) crucial merger consequence analysis including detailed accretion/dilution and contribution analyses; and (iv) detailed analysis of transaction case studies to illustrate various deal structures and demonstrate detailed alternative earn-out structures and methodologies.

The second half of this course builds on the first half and is hands-on, interactive, Excel-based and covers different ways to model out financial combinations. Different techniques are covered including the most basic and widely used back-of-the-envelope method, accretion / dilution and more robust analyses. Build dynamic models that account for different transaction structures, learn how to sensitize financial projections and the financial impact on a transaction and construct a pro forma merger model. Calculate estimated combined income statement for target and acquiror, key pro forma balance sheet items, cash flow for debt repayments and other relevant items in a merger and acquisition context.

Workshop Outline

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)
- Buyer and seller preferences for various deal structures and rationale
- Tax implications of transactions based on deal structure and IFRS #3 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
- Case Study - international example in a M&A deal

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

- Tax implications of transactions based on deal structure and IFRS #3 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

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

Hamilton Lin, CFA,

is President of Wall St. Training (www.wallst-training.com), a corporate training Firm that teaches the fundamentals of financial analysis, modeling and valuation. Clients include prestigious firms including some of the largest investment banks, many boutique investment banks, buy-side asset managers, research firms and commercial banks, such as Bank of America/Merrill Lynch, Capital Group, Citigroup, CLSA, Credit Suisse, Deutsche Bank, Fidelity, GE Business Development & Private Equity, Greenhill, ING, JPMorgan, Lazard, Oppenheimer, TD Securities, TIAA-CREF, TPG, UOB, Wells Fargo, World Bank – IFC and many others. Hamilton has a broad background in investment banking and mergers & acquisitions in diverse industries ranging from oil & gas to insurance to asset management and related sectors. He has worked on over six dozen deals and closed over three dozen deals, ranging from plain vanilla deals, to squeeze-outs, LBOs and distressed situations ranging in deal value from \$10 million to over \$6 billion.



Prior to founding his firm, he worked at Goldman Sachs Investment Banking, where he standardized his group's best practices; Banc of America's M&A department, where he customized many of the firm's models; various boutique middle-market investment banks, executing private transactions; and Ryan Labs, an asset-liability asset management firm. Hamilton teaches globally, from all major cities in the USA including New York City, San Francisco, Chicago, Boston, to Toronto and Montreal in Canada, as well as Asia, including Hong Kong, Singapore, Shanghai, to Europe including London and most major financial hubs.

Hamilton has previously taught at NYU Stern, as well as Baruch College and Hunter College in New York City. He graduated from NYU Stern in Finance and International Business, is a Chartered Financial Analyst and has taught all levels and all study sessions of the CFA exam. He also teaches all of the financial modeling and valuation courses (dozens of classes a year) at the following CFA Institute member societies:

- New York Society of Securities Analysts
- San Francisco CFA Society
- Chicago CFA Society
- Boston Security Analysts Society
- Toronto CFA Society
- Stamford CFA Society
- The Hong Kong Society of Financial Analysts
- Singapore CFA Society
- CFA-China: Shanghai & Beijing

Registration Form: Advanced Financial Modeling: Core Model Workshop

Categories	Early Bird Fees (Register by 18 Mar 2016)	Standard Fees	Remarks
Public	<input type="checkbox"/> MYR 1800	<input type="checkbox"/> MYR 1980	Fees inclusive of training materials, lunch and tea breaks.
CFA Malaysia Members	<input type="checkbox"/> MYR 1650	<input type="checkbox"/> MYR 1830	Fees inclusive of training materials, lunch and tea breaks.

Name (Mr/Mrs/Ms/Dr): _____ NRIC: _____

Email.: _____ Contact number.: _____

CMSRL: _____ CFA M'sia Membership No. : _____

Company : _____ Designation.: _____

Mailing Address: _____

Postal : _____ Require CPE Credits (please circle) : YES / NO

Where / How did you first know about our workshops? (You may tick more than one option below)

- ☐ SIDC website
 ☐ CFA Malaysia Website
 ☐ A.B. Maximus Website
 ☐ HR / L&D Departments
- ☐ Past Delegates
 ☐ Others, please specify _____

Payment Mode :

Full Payment of S\$ _____

- ☐ Cheque : (made payable to "AB Maximus") Please scan and email your **bank-in slip** as proof of payment.
- ☐ Bank Transfer : Please provide **payment advice**.
 ☐ Credit card payment via paypal (Visa / Mastercard / AMEX)

Payment and Refund Policy:

Any notice of withdrawal must be given in writing via mail/email:

1. Full refund, less 10% bank admin and admin charges, if notice is given at least 2 weeks before commencement.
2. 50% refund of programme fee if notice is given between 1-2 weeks before commencement.
3. No refund if notice is given less than 1 week before commencement, or after commencement of programme.
4. Please indicate the CFA M'sia membership ID to enjoy the members' rate. Memberships that expire prior to registration will not enjoy the discount.
5. No replacement of delegates once the workshop commences. Delegates who leave early will NOT be given the SIDC CPE points.
6. Delegates without payment or LOU from company will not be allow to enter the workshop.
7. Delegates who cannot attend the workshop due to medical or any urgent matters are still liable to the full payment. Replacement from the same company is allow provided HR/L&D informed in writing prior to the commencement of the workshop.
8. Walk-in delegates will have to pay Standard Public Fees.

I understand and agree to the terms and condition stipulated above

Signature: _____ Date: _____

Please send registration form to andrew.jong@abmaximus.com,

Contact Person(s) : Andrew Jong
 Contact Email : andrew.jong@abmaximus.com
 Address : AB MAXIMUS, 10 Shenton Way, #13-02, MAS Building, Singapore 079117
 Contact Phone : +60 128089273
 Contact Fax : +65 6227 8063
 Website : www.abmaximus.com