



3-Day Advanced Corporate Valuation and Modeling

Course Description: Turbulent markets have made it clear that standard analyses are sometimes inadequate to truly understand risk. Unlock the power of advanced financial theory by learning practical implementation in Excel. This course goes through advanced concepts in finance, while teaching the necessary technical skill to implement them immediately.

Learning valuation and advanced modeling is best done with a combination of theory, demonstration, and hands-on practice. Each section below is designed in such a way. Almost all exercises are Excel and/or VBA based and contribute to understanding a fully functioning, dynamic model. The following models will be reviewed and included with the course:

- Basic Corporate Finance Model
- Advanced Corporate Finance Model
- Project Finance Model
- Data Stratification Tool

A CD-ROM is typically provided to each participant that includes all slides, incomplete exercises, complete exercises, and models. The minimum system requirement for the models is Microsoft Excel 2000 or later. Note that versions of Excel prior to 2000 will encounter problems as some of the models use code that requires code libraries from Excel 2000 or later.

Note that this course should be taken after a basic financial modeling course has been completed.

EXPERIENCE: *Founded by former investment banker and financial author Keith Allman, and now composed of three other trainers and support staff, Enstruct is run by people who know how to build financial models. Given this depth of knowledge, courses and materials are designed from a practitioner's point of view. You will not find yourself sitting in an Enstruct course and thinking, "How do I use what the instructor is saying?"*

ACCREDITATION:

Enstruct is committed to being the premier quantitative training institution and is going through multiple accreditation processes. Already we Enstruct is registered with the CFA Institute as an Approved Provider of continuing education programs. Our Structured Finance Analytics with VBA is eligible for 26 CE credit hours as granted by CFA Institute. If you are a CFA Institute member, CE credit for your participation in this program will be automatically recorded in your CE Diary.



AGENDA

Day One: Mergers and Acquisitions

- Overview of Types of Mergers and Acquisitions
- Review of the Basic Corporate Model
Exercise: Determine Firm Value Using the Basic Corporate Model
- Overview of Determining Merger Value
Exercise: Basic Value Determination Using Two Separate Models
- Implementing Merger Modeling on a Professional Level
Exercise: Setup and Use a Control Workbook for Merger Modeling
- Understanding Synergy
Exercise: Determine Synergy Valuation for a Merger Valuing Control
Exercise: Case Study Merger Modeling
- Debt Capacity Increase from Mergers
- Diversification Benefits
Exercise: A Look at Diversification Effects on Valuation
- Tax Benefits
Exercise: A Look at Tax Benefits from a Merger

Day Two: Mergers Continued, Leveraged Buyouts, and Special Topics in Corporate Finance Modeling

- Stock Price Effects Due to a Merger
Exercise: A Historical Look at Stock Price Change Due to Merger
- Differences in Accounting for Mergers and Acquisitions
- Pooling versus Purchase
- Leveraged Buyout Modeling
Exercise: A Leveraged Buyout Example
- Special Topics in Corporate Financial Modeling
- Parent Companies and Subsidiary Modeling
Exercise: Fungible Cash Flow: Upstream and Downstream Dividends
- Financial Services Firms
- Issues with DCF Valuation
- Asset Based Valuation
- Special Ratios for Insurance Companies
- Uses of Regression in Finance for Growth Analysis
- Using Data Analysis Tools, Standard Functions, Array Functions, and Forecasting and Trending Techniques

Day Three: Credit Risk, Simulation, and Options

- Credit Risk Modeling
- Advanced Methods for Analyzing Loss
- Determining Creditor Payment Status
Exercise: Payment Status Determination
- Using Payment Status to Determine Loss Rates
Exercise: Creating Loss Estimates
- Methods for Projecting Loss Rates
Exercise: Trending and Projection for Loss
- Simulation Simplified
- Monte Carlo Simulation in Excel
- Seed Variables, Random Numbers, Normalization, Simulation Framework
- Option Models in Excel
- Black Scholes
- Binomial Trees
- Automating with Excel
- Common Signs of Fraud in Models:
 - Income Statement
 - Revenue Manipulation
 - Expense Manipulation
 - Balance Sheet
 - Asset Manipulation
 - Equity Manipulation
- Advanced Charts
- Creating Dynamic Charts, Pivot Charts, SERIES Function, Form Controls
Exercise: Advanced Charting Techniques

COURSE INFORMATION

Requirements

A basic to intermediate knowledge of Excel, and a basic understanding of finance. Participants will need a laptop computer with Microsoft Excel, and a CD-ROM drive.

Pricing

The fee for the 3-day training is \$3,300 per person. Payments can be made directly to Enstruct, or with credit card on our website, www.enstructcorp.com. Group rates are available for two or more employees from the same company.

Logistics

Enstruct is dedicated to being the premier organization for professional finance training, and therefore restricts class size to 20 professionals. Participants will be registered in the order that they submit course fees. Such fees will cease to be refundable four weeks prior to the training. Registered participants who cancel after the four-week deadline may apply their payment to a future Enstruct course. If registration becomes full, additional interested parties will be placed on a wait list. Participants on the wait list will receive a full refund if space does not become available.

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