

MBA Financial Modeling: Constructing Merger Consequences and Leveraged Buyout Analyses

Specialized Topics

Overview

This intensive workshop is designed to develop an advanced understanding of merger consequences and leveraged buyout analyses through actual hands-on construction of both an M&A model and an LBO model. Each participant will build their own interactive M&A model and LBO from “scratch” to better understand the dynamics of merger consequences and leveraged buyout analyses.

The completed products allow for a dynamic evaluation of (1) whether or not a company should acquire a competitor or sell itself (merger consequences analysis) and (2) whether or not the company is a strong LBO candidate. Specifically, participants will construct and analyze the following:

Merger Consequences Analysis

- Transaction summary detailing sources and uses of funds
- Earning impact, including accretion/(dilution) analysis and synergies required to breakeven
- Synergies analysis, including phase-in of projected synergies
- Purchase price allocation (including write-ups)
- Analysis at Various Prices

Leveraged Buyout Analysis

- Transaction summary detailing sources and uses of funds
- Credit analysis for leverage support
- Pro forma income statement and cash flow schedule
- Debt schedule with repayments, pro forma debt balances, and interest expense calculations for both senior and subordinated debt instruments
- Returns analysis to the financial sponsor

Learning Methodology

Through practical examples and annotated Excel guides, the lectures will discuss theories, approaches and applications of merger consequences and leveraged buyout analyses. The participants will have the opportunity to construct models of their own to apply the lessons learned in the lectures.

Personal one-on-one assistance will be available to answer questions and give guidance while the participants are working on the computers. During computer time, Training The Street will supplement the lectures with tips and hints on Excel best practices for financial modeling.

Target Audience

This intensive workshop will benefit any professional who will be required to perform merger consequences or leveraged buyout analyses, especially for MBA candidates interested in:

- Working at a private equity firm or dedicated leveraged buyout firm
- Working at an investment bank in their M&A, leveraged finance or financial sponsors group
- Working at a venture capital firm or hedge fund potentially making LBO investments
- Enhancing the learning experience and background knowledge in finance and transaction analysis

NOTE: Participants should have completed introductory accounting & finance classes, taken TTS' Financial Modeling course, or have previous extensive financial modeling experience before enrolling in this course.

** Modeling classes are optimized for PCs with Office 2003 or Office 2007. In addition, many of the shortcut keys will not work for MAC operating systems. It is highly recommended that all participants bring a PC to the session. Internet access is not needed for any of our classes.*