

SFA's Advanced Financial Modeling Training Workshop



Leveraged Buyout Modeling
in Collaboration with
Islamabad School of Finance



Synergistic Financial Advisors ("SFA") training courses are based on real time management analytical complications and their associated solutions. Understanding the unique requirements of different organizations, SFA provides a variety of training programs ranging from Basic Excel to customized Financial Modeling. Courses have been designed by corporate finance professionals and the equity research team of SFA, while keeping in view the analytical and quality control requirements imposed by international consulting firms. The instructor provides hands-on practical instructions and participants have an opportunity to witness the instructor follow Globally Accepted Best Practices.

Training Details

* Requirement: Bring your laptop

Venue: Office # 14, 3rd Floor Ahmed Center I – 8 Markaz, Islamabad

Course Details:

4 Days LBO Financial Modeling

Training Program

4th to 7th February 2013

Session Timings:

6pm to 10pm

Excel for Analysts:

"Analysts love their spread sheets"

As the industry standard and demand for spreadsheet software grows, Microsoft Excel comes with many advantages to the new user. Professional Investment Banking and Research Analysts use MS Excel for more than 10-12 hours a day. Likewise, the majority of corporate finance professionals deal mainly with MS Excel.

Advantages of Excel:

- Financial Modeling is made easy using excel
- Valuation exercises and creating scenarios
- Calculation of mathematical formulas can be done very easily using Excel
- Graphs and charts can be easily depicted using Excel
- Sorting of data and data debugging is very easy using Excel
- Monotonous functions can be tamed and automated using Macros
- Run simulations to understand the probability of an event arising
- Other powerful customizations can be carried out that can save hundreds of hours

What is Financial Modeling for Industry Professionals?

Financial Modeling is the process of representing the relationship among different variables in mathematical form to make a financial decision in a manner which summarizes the information and resulting effects of different variables in financial terms. Finance industry professionals spend most of their time in constructing, understanding and analyzing financial models.

Accounting qualifications and finance certifications such as CA, ACCA and CFA generally do not provide direct or explicit training in modeling. SFA acknowledges that the **Lack of Financial Modeling Skills** is the main obstacle that freshly qualified MBA's, CFA's and ACCA's face when applying for jobs in the finance industry.

Although purpose built software for financial modeling does exist, the vast proportion of the market is spreadsheet-based. This is largely evident as the models are almost always company specific. Out of all spreadsheets, **Microsoft Excel** is the most widely used Financial Modeling platform. Fully Flexible Financial Models have the following benefits:

Save Time and Money

Imagine working on the projections of a company with a paper and pen and a given set of assumptions. After completing the calculation, you realize that you need to change some assumptions. If doing it manually, you will have to repeat the complete set of calculations. However, a flexible financial model will allow you to change the assumptions within seconds, just by changing numbers in a few cells.

Business Model

A well constructed, fully flexible financial model of a firm enables you to develop in depth understanding of the firm's business model. That is how the firm creates value for its shareholders. It highlights the key variables significantly influencing the firm's ability to create value. A financial model enables you to identify the key operating drivers of the firm.

Improved Decision Making

A well constructed, fully flexible financial model captures all the aspects of a business in a single snapshot. This method enables decision makers to identify and evaluate key factors affecting the business and thus make informed decisions. Identification of key risk factors enables decision makers to determine which risk factors are to be exploited and which risk factors should be hedged.

Who Can Teach Financial modeling?

- Investment bankers
- Corporate advisors
- Sector specialists
- Research Analysts

"Excel" Tools of Professionals by Professionals:

Learn to apprehend the market and business model of companies by trained professionals who have vast experience of analyzing and evaluating companies and are known for their skill set in projecting, evaluating and financial modeling of companies from various sectors ranging from health to the auto industry.

Benefits of Training by SFA:

- Training by the associated field experts
- Networking with professionals in the industry
- Exposure to issues related to different financial institutions
- Acceptance by employers requiring advanced financial modeling skills
- Greater chances of getting a job/promotion
- Broadened marketability as an employee
- Display of commitment to career progression

Why SFA's Financial Modeling Course?

Financial modeling combines financial know-how with analytical abilities, economic and regulatory aspects, understanding of firm specific constraints and opportunities to construct the most professional, accurate and reliable projections of a firm's profitability.

At SFA, Financial Modeling is taught by industry professionals who are currently working with multi nationals and other firms, assisting firms in mergers and acquisitions, as well as those engaged in debt and equity raise. SFA training provides you with an opportunity to learn from the prolific experience of these professionals. At SFA training, we specifically emphasize on understanding the business model of a firm as it is the key to success for developing a well drafted financial model capturing all variables affecting the business.

"SFA training places special emphasis on developing the analytical skills in participants"

SFA is the only corporate advisory firm in Lahore that engages in debt and equity raise, acquisitions, spin offs and financial modeling training for professionals. SFA is the only reliable financial modeling training provider due to:

Trains Professionals

SFA has a reputation for training professionals such as Investment Banking Analysts, Associates and Research Analysts. Hence, it delivers the highest quality to all its trainees and in accordance with industry norms.

Recognized by Professionals

SFA training is recognized by field professionals as an authentic advanced Financial Modeling trainer. Training by SFA entitles the trainee to possess the necessary business modeling and key variable projection skills.

Internship for Top Performers

SFA provides an opportunity for young students who are seeking to gain professional experience but are unable to find a breakthrough. SFA will provide the top performers with an opportunity to intern at SFA.

Platform for Professionals

SFA provides its trainees with a platform of not only students, but experienced finance professionals. They will be able to interact with field experts and engage in networking, essential elements for a well paced career.

Reference for Job

SFA provides a reference platform for its trainees as it has contacts with most of the firms operating in the finance industry.

Who Can Attend:

- Students
- CEO/CFO
- Investment Bankers
- Fund Managers
- Equity Analysts
- Equity Traders
- Equity Sales Personnel
- Credit Analysts
- Strategists
- Treasurers
- Executive Level Personnel
- Managers

Fee and Contact Details:

Course Fee:
PKR 20,000/-
(Including Refreshments)

Contact Details:

Office No: 424, 4th Floor Siddiq
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Our Advisory Team:

Dr. Nawazish Mirza
Ph.D in Quantitative Finance

Dr. Kumail Abbas Rizvi
CFA, FRM
Ph.D in Quantitative Finance

Team at SFA Training:

Awais Iqbal
CFA Charter Pending

Hussain Asghar
CFA Level III Candidate

Usman Iftikhar
CFA Level III Candidate

Jabran Ata
CFA Charterholder

Day 1

Session 1: Overview of Financial Modeling

- ◆ Excel Best Practices
- ◆ Understanding the financial modeling framework
- ◆ Excel modeling style
- ◆ A systematic design for model building
- ◆ Financial Modeling Planning

Session 2: Theory and Modeling of LBO

- ◆ Leveraged Buyout Theory
- ◆ Setting up a basic template
- ◆ Layout Methods
- ◆ Flexible timing and date functions
- ◆ Incorporating historical financials in Excel

Day 3

Session 5: Financial Statement Modeling

- ◆ Modeling Income Statement
- ◆ Modeling Balance Sheet
- ◆ Modeling Cash Flows and Relevant Schedules
- ◆ Model Integrity and self checks
- ◆ ISERROR Functions

Session 6: Cost of Capital Estimation

- ◆ Theory of Cost of Capital
- ◆ Cost of Debt and Equity Estimation
- ◆ Weights Estimation of Debt and Equity

Day 2

Session 3: Revenue and Cost

- ◆ Identifying Key Revenue Drivers
- ◆ Identifying Key Cost Drivers
- ◆ Identifying Volume Drivers
- ◆ Fixed and Variable Cost
- ◆ Forecasting Above Variables
- ◆ Real and Nominal Considerations

Session 4: Supporting Schedules

- ◆ Building Debt Schedule
- ◆ Building Fixed Asset Schedule
- ◆ Building Tax Schedule
- ◆ Building Working Capital Schedule
- ◆ Avoiding Links and Circular References
- ◆ Efficient Coding Techniques
- ◆ Cross checking Schedules

Day 4

Session 7: Discounting Cash Flows

- ◆ Free Cash Flows Estimation
- ◆ Terminal Value Calculation
- ◆ Cumulative and Simple Discounting
- ◆ Single Answer NPV, IRR and MIRR
- ◆ Sensitize LBO Model including valuation of a transaction

Session 8: Concluding Session

- ◆ Utilizing Debt Sweep Without Circular References
- ◆ Perform Sensitivity Analysis
- ◆ Total Course Recap
- ◆ Excel Audit and Integrity Checks

Day 5

Session 9: Complex Modeling Techniques

- ◆ Interactive and Dynamic Dash Board Analysis
- ◆ Comprehensive Scenario Manager
- ◆ Recording Macros and VBA
- ◆ Look-up formulas
- ◆ Back testing Financial Models
- ◆ Solve Complex Problems Using Solver
- ◆ Efficient use of optimizer