

Investment Banking and Corporate Financial Modeling II

Fin 6786

Fall 2017

I. Faculty Contact Information

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II. Course Objectives

The course is designed to provide a practical application of corporate finance skills to a variety of analyses commonly performed by investment bank and commercial bank financial analysts. The course builds upon the skills introduced in Corporate Financial Modeling 1 and are expanded to analyze Initial Public Offerings, Private Equity Placements, Capital Structure Decisions and analyzing the debt markets, and Leveraged Buyouts. We will explore the process of each transaction and place heavy emphasis on the role of the financial analyst in analyzing each situation. Students will gather data from primary source documents, and build and apply models typically used in practice by investment banks, commercial banks and corporate finance consultants. The course is designed for those interested in careers in investment banking, commercial banking, corporate finance consulting, strategic planning and new ventures.

Additionally students will work in groups to prepare an analysis of a recent transaction.

Prerequisites: MSF student, Corporate Finance Modeling 1

III. Course Materials

Investment Banking: Valuation, Leveraged Buyouts, and Mergers and Acquisitions (Wiley Finance) by Joshua Rosenbaum and Joshua Pearl

IV. Grading

There will be three grading points: Quizzes (30%), Homework and Class Participation (20%), and a Group Project (50%). Students are expected to come to class prepared and ready to discuss the material assigned and analyses performed.

Class Participation: There are several components to the class participation grade: class attendance, homework presentations, peer group assessments, in class discussions and final project presentation skills. Class participation is a real grade and not one to be taken lightly.

Homework will be due at the beginning of class. Assignments are very time intensive and I encourage you to start your work early. While I will be available for questions via email or office hours, I will not be sympathetic to groups who wait until the last minute for questions.

Please ensure that your homework is posted on your group space on Sakai prior to each class. Please bring your laptops to class.

There may also be opportunities during the semester where groups will be required to present their analyses to the class. Your performance and individual contribution will be incorporated in your class participation grade.

V. Class Attendance and Other

Class attendance is required and included in the class participation grade. Excused absences must be cleared in advance and an absence does not excuse the homework due for the class. Exams and or Quizzes will be announced in advance (see outline below for tentative dates) and make-ups are only allowed for pre-arranged excused absences.

Students requesting classroom accommodation must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requesting accommodation.

Information on current UF grading policies for assigning grade points can be found at: <https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Course Topical Outline

Week	Topic
Mergers and Acquisitions	
8	Merger Accounting The Accretion/Dilution (Merger) Model Homework: <ul style="list-style-type: none"> • The Accretion/Dilution (Merger) Model • Merger Accounting Reading
Equity Offerings	
9	Merger Model - cont Introduction to Initial Public Offerings The IPO Model Homework: <ul style="list-style-type: none"> • The IPO Model (Neoterm (A) Case) • IPO Reading
10	Neoterm A Case Introduction to Private Equity Placements The Private Placement Model Homework: <ul style="list-style-type: none"> * The Private Placement Model (Neoterm (B) Case)
Leveraged Buyouts	
11	Neoterm B case Introduction to Leveraged Buyouts Homework: <ul style="list-style-type: none"> The Leveraged Buyout Model Take-home quiz
12	Leveraged Buyout Case
13	Presentations
14	Presentations