

## TARGET AUDIENCE

- IB Analysts & Associates
- Equity research associates
- Private equity associates
- Business development analysts
- Corporate finance analysts
- Accounting/Treasury/CFO professionals
- MBAs

## PREREQUISITES

Financial Accounting  
Excel – Beginner level

## FORMAT

Full course – 3 days  
LBO modeling pre-recorded video lectures and online comps training included

## CONTINUING ED CREDITS

27 CPE credits  
35 PD credits

## RATES & MORE INFO

Frank Donovan  
617-314-7685 x704  
fdonovan@wallstreetprep.com

# Financial & Valuation Modeling Boot Camp

## Day 2 – Valuation Overview & DCF Modeling

### Summary

Participants will learn the conceptual underpinnings of the valuation framework followed by step-by-step training for building a professional, robust discounted cash flow (DCF) model in Excel from scratch, using real case studies, industry best practices, and sensitivity analyses.

### Key Learning Outcomes

- Understand the important differences between enterprise and equity valuation, unlevered and levered free cash flow estimation, and intrinsic vs. market-based valuation
- Learn proper treatment and adjustments for options, preferred stock, minority interests, debt, cash and marketable securities
- Derive valuation ranges
- Build a professional, robust discounted cash flow (DCF) model in Excel
- Project levered & unlevered cash flows in Excel by normalizing operating profits for calculating free cash flows and avoid common mistakes.
- Project working capital items, deferred taxes, capital expenditures, and long-term accruals.
- Calculate the terminal value using both the exit multiple and the growth in perpetuity approach.
- Discount cash flows using a mid-year convention toggle.
- Correctly calculate the discount rate by deriving the cost of debt, of equity, and of capital using CAPM.
- Understand the role of capital structure in determining beta, the cost of equity, and ultimately WACC.
- Learn how to delever and relevel beta.
- Model for and deal with the circularity inherent in the discount rate calculation.
- Calculate shares outstanding using the treasury stock method.
- Utilize the enterprise value to determine implied share prices.

### MORNING SESSION (9-11AM)

Overview of valuation modeling

- Enterprise value vs. Equity value
- Relative vs. Intrinsic value
- Calculating and interpreting multiples (PE ratios, EBITDA multiples, etc.)
- The “football field”

### AFTERNOON SESSION (11AM-5PM)

Participants build a complete working DCF model. Training encompasses the following:

- From accounting profit to levered and unlevered free cash flows—proper methodology and best practices for projections in Excel.
- Estimating the weighted average cost of capital (WACC) and common pitfalls to avoid.
- Applying the two major approaches to calculating terminal value
- Using data tables to analyze a broad range of scenarios given different assumptions