Course Agenda

**M&A Modeling Overview**

Build an Accretion/Dilution (M&A) Model to reflect the pro forma impact of various Merger & Acquisition scenarios. Using a real case study, you will model out the acquisition of one company by another company, correctly incorporating pro forma balance sheet and income statement adjustments.

Key topics covered include a quick test of accretion / dilution in all-stock deals, pricing structures (exchange ratios/collars/”walk-away” rights), purchase accounting, and the step-by-step allocation of purchase price.

**Understanding M&A**

* Introduction to the M&A landscape
* Typical buy side and sell side processes and deal timelines
* A review of common deal structures
* Understanding acquisition accounting & purchase price allocation
* Understanding deferred taxes created and lost in M&A
* Dealing with convertible securities and options in M&A
* Performing a back-of-the-envelope accretion-dilution analysis

**Accretion/Dilution and M&A modeling**

* Building a complete accretion dilution model
* Forecasting pro forma financial statements, and learning to make correct adjusting entries for goodwill and fair market value write ups, advisory fees and financing fees and debt refinancing
* Calculating pre-tax synergies to break-even
* Sensitivity analysis using data tables to determine accretion/dilution to target shareholders in various stock/cash scenarios
* Error-check a merger model
* Sales, EBITDA, and ownership contribution analysis

**Advanced topics in M&A**

* Understand the asset vs. stock purchase decision
* Address situations in which amortization may be tax-deductible
* A discussion of 338(h)(10) election and wholly owned subsidiary acquisitions
* Legal considerations in M&A